

COUNCIL MEETING

AGENDA

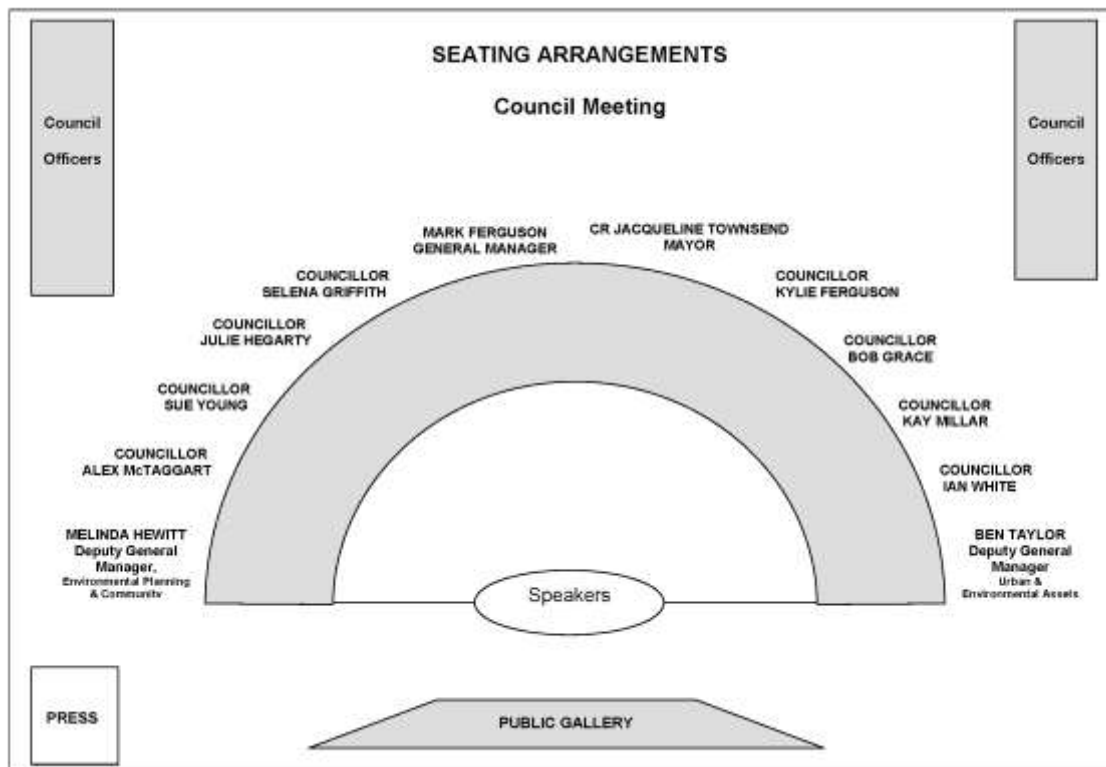
7 March 2016

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

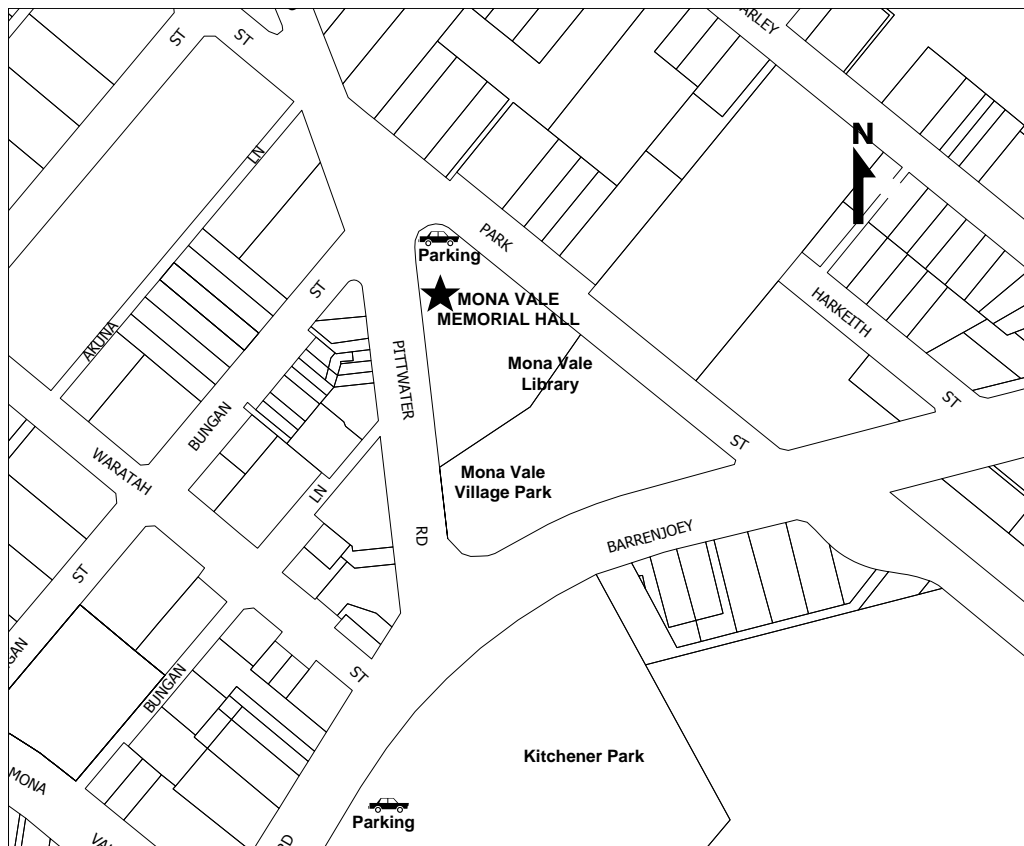
M J Ferguson
General Manager



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.**

IMPORTANT NOTE FOR COUNCILLORS

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

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

The Reports on the items below are listed in Open Session in the Agenda:

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C9.2	Tender T11/15 - MacPherson Street/Garden Street Upgrade Warriewood	114

Mark Ferguson
GENERAL MANAGER

Council Meeting

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CONFIDENTIAL CLAUSE

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

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

Confidential - Tender T08/15 - Design and construction of a seawall, roadway and car park, Church Point

Confidential - Tender T11/15 - MacPherson Street & Garden Street Upgrade Warriewood

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

Council Meeting

1.0 Apologies

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

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

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

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

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

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

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

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

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

3.0 Confirmation of Minutes

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

- Minutes of the Council Meeting held on 15 February 2016
 - Minutes of the Extraordinary Council Meeting held on 27 February 2016
-

4.0 Public Addresses

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

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

Exceptions to these requirements may apply where:

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

5.0 Councillor Questions with Notice

Question – Cr Sue Young:

When will a bus shelter be provided for the community on the eastern side of Barrenjoey Road in the Newport commercial centre?

Response:

At this stage Council does not have a plan to provide a bus shelter in this location. It is understood that Transport NSW is considering the optimal locations for bus stops in Newport as part of its planning for the B-Line and the bus network across the region.

Council is awaiting the draft outcome of the Transport NSW study in order to incorporate local improvements. As such, your suggested location for a bus shelter shed will be noted and considered in the future at such a time as Council includes a funding allocation in a future Delivery Plan for the provision of bus shelter sheds.

6.0 Mayoral Minutes

C6.1 Mayoral Minute - Reducing Plastic Pollution in Pittwater

Meeting: Council

Date: 7 March 2016

MAYORAL MINUTE

BACKGROUND

A request for Council to formulate a policy to ban the use of balloons at outdoor events originated from Ros Marsh, an Avalon resident and business owner. As a member of the Avalon community striving to raise consciousness about the adverse effects of plastic pollution, she expressed her disappointment at seeing the numbers of balloons floating through the air at Avalon Market Day recently, particularly from corporate entities using them for advertising.

The overall issue of, in particular, plastic pollution has also been raised by another local organisation headed by Kim Hubner, Living Ocean. Kim has conveyed that there should be more awareness around the impact of single-use plastic pollution and its cost to the environment and to the Council in cleaning it up. It is likely that most plastic pollution that is not disposed of properly will end up in the ocean, creeks and waterways of Pittwater.

Living Ocean's "No Plastic Please" initiative aligns with the purpose of this Mayoral Minute and they are willing to collaborate with Council and other stakeholders to reduce plastic pollution in Pittwater.

Boomerang Bags are another organisation dedicated to reducing pollution from single-use plastic bags, by forming groups who make fabric bags which are distributed to retailers and the public for free. Volunteers give up their time to make the bags and there is a group in Avalon working toward making Avalon plastic bag free. (See **Attachment 1**).

A Senate Enquiry into the threat of marine plastic pollution in Australia is currently underway and has received submissions from environmental groups such as Clean Up Australia. Their submission recommends that Government formulate policy to ban single use lightweight plastic bags and microbeads (submissions have now closed with the report to be made by 8 April 2016):

"it is critical that Australian Government and its jurisdictions realign our policy responses to address the vast majority of marine plastic pollution – waste plastic packaging and products that enter the litter stream in our cities and towns, captured via the storm water system and swept to sea". (Extract from Submission to Senate Standing Committees on Environment and Communications from Clean up Australia).

On 18 February 2016 Lucy Cormack reported in the Sydney Morning Herald that a call for immediate action on plastic bags, bottles and microplastics has been made by environmental groups and scientists across the country. At present there are 34.9 billion pieces of visible plastic in our waters. With effective intervention, it was submitted to the Senate enquiry, that Australia's marine plastic pollution input could be reduced by half within 3 to 5 years.

Boomerang Alliance has identified at least 56,000 tonnes of plastic entering our environment every year made up of beverage litter, tyre dust, synthetic fibres, production waste, microbeads and plastic bags.

This report followed others by Lucy Cormack published in the Sydney Morning Herald identifying the need for plastic bag bans and the impacts of plastic on our marine environment. (**Attachments 2, 3, 4 & 5**)

Pittwater Council currently supports the Boomerang Bags initiative to reduce the use of single use plastic shopping bags in Avalon.

In relation to the call from Ros Marsh to formulate a policy to ban the use of balloons at outdoor events, Pittwater Council does not currently have a specific policy with regard to the use of balloons and plastic during outdoor events run or sponsored by the Council, in Council owned/operated public areas. However, the objective of Council's Policy Number 192 "Council Event Management – Sustainability" is that Council and community events are as sustainable as possible and that when organising a Pittwater Council event, staff will consider the following:

- Minimising the impact of any promotional materials in organising the event.
- Minimising the impact of any products and supplies used at the event.

Incorporating a new policy to ban the use of balloons and plastic will assist the above Policy and reduce the harmful impacts of plastic pollution in our environment. Floating lanterns/candles which are released into the sky also cause pollution and the new policy should seek to address this issue as well.

A 2011 paper by Stephen Summerhayes headed *Plastic in the Marine Environment* prepared for Sydney Coastal Council Group Inc (**Attachment 6**) looked at the concerns arising from plastics in our environment. Mr Summerhayes examined the nature of plastic in the marine environment and how the Member Councils of Sydney Coast Council Group, to which Pittwater Council is a member, is addressing the situation. He reports in 2010 the world produced 265m tonnes of plastic and I note that in 2012, 280 million tonnes of plastic was produced globally. There is an obvious upward trend on global plastic production.

Mr Summerhayes opines the combined effort of all is required to address the impacts of plastic in our environment. Education has been identified as a powerful tool, especially through children as catalysts for change. This is something that Pittwater Council is doing through the many programs initiated out of the Coastal Environment Centre. He notes the problems of plastic pollution are difficult to address, and now there needs to be strong laws, policies and enforcement to especially address the source and the benefit.

A useful table in his report is Table 2 where he looks at the application of Member Councils' sustainable events management policies to plastic bottles and bags. You will see Pittwater is poorly reflected in that table.

I have attached to this minute the Mosman Council's sustainable event management policy (**Attachment 7**) that seeks to ensure sustainability principles are applied to the planning, management and implementation of all events that fall within that policy. Its scope applies to gatherings of more than 50 participants, coordinated by Mosman Council or held on land owned or managed by Council within its LGA. You will see on page 2 of that policy it addresses balloons.

I should note that during the course of preparing this Minute, I have been contacted by a local balloon supplier who informed me there are environmentally friendly balloons for sale and that not all balloons, in their opinion, are harmful to the environment. This is part of the research that should be undertaken by staff when drafting its policy.

As stewards of one of the world's most beautiful marine environments, Pittwater Council should take a leading role to reduce this type of pollution from within our community. Banning the use of balloons and floating lanterns/candles at outdoor events plus reducing the use of plastic will have a significant impact.

Changes in regulation by Pittwater Council, and hopefully by both the Federal and State Governments, is needed to drive the way in which all plastics are produced, used, reused and recycled. We are fully aware that most plastic waste goes to landfills where chemicals leach from the plastic. Whilst recycling is on the increase, there are environmental issues associated with reusing for other purposes. As for the balance of the plastics that are not reused or recycled, they end up in our waterways. The current policies for managing plastic waste are outdated and there is a real threat to our health and to the health of our marine and land wildlife. It is an appropriate and timely call from our community for Pittwater Council to support their actions and be part of the solution.

Motion

- 1. That Council prepare a Policy to reduce plastic pollution across Pittwater.***
- 2. That Council incorporate into the Policy guidelines covering events, education around their impact and restrictions associated with their release into the environment.***
- 3. That a copy of this minute, attachments and resolution be forwarded to the Hon. Rob Stokes MP Member for Pittwater, the Hon. Bronwyn Bishop MP Member for Mackellar, the Senate Committee and that copies also to be sent to the Hon. Mark Speakman MP Minister for the Environment (NSW) and the Hon. Greg Hunt MP Minister for the Environment (Federal).***

Cr Jacqueline Townsend
MAYOR

This project is a NSW EPA Waste Less, Recycle More initiative funded from the waste levy.



Never doubt that a small group of thoughtful,
committed citizens can change the world. Indeed, it
is the only thing that ever has.

- Margaret Mead -

Boomerang Bag's is a volunteer driven bag
share initiative to reduce the use of
single use plastic shopping bag's in
Avalon by providing free re-usable bags to
locals.

Local volunteers are sewing reusable
shopping bags out of recycled materials
to stock 'Boomerang Bag Stations' around
Avalon with free bags for locals to
'borrow and bring back' when they've
forgotten to bring their own.

JOIN our team and help address the
growing plastic pollution crisis through
this grassroots direct action project.

Get involved!
Workshop sessions
Every Tuesday 11am-5pm Avalon
Recreation Centre

Donate recycled materials, cut and
prepare bags, run local education
sessions, sew, stamp, iron and more!

Proudly supported by



Contact :
Laurel 0410 608 315
or Kirsty 0402 354 762
kirstygyles@bigpond.com

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The Sydney Morning Herald

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Marine plastic pollution senate inquiry targets Australian ocean pollution

Lucy Cormack

Published: February 17, 2016 - 11:22PM

Environmental groups and scientists across the country will call for immediate action on plastic bags, bottles and microplastics that make up the 34.9 billion pieces of visible plastic in Australian waters, when they front a senate inquiry into marine plastic pollution on Thursday.

The inquiry was called for by Tasmanian Greens Senator Peter Whish-Wilson last year, when he declared Australia's oceans had turned into a "plastic soup".

"I'd like to see a fully co-ordinated national plan where the government shows leadership on investing in research and monitoring the collection of information, this was supposed to happen in 2009," he said.

"I'll be looking to how much funding we have committed to research. There's been a big global spike in studies done, but Australia has contributed almost nothing."

CSIRO, Total Environment Centre, Great Barrier Reef Marine Park Authority, Clean Up Australia and local councils are among some of the groups that made submissions ahead of the inquiry.

Environmental groups project that with effective intervention, Australia's marine plastic pollution input could be reduced by more than 50 per cent within a three- to five-year window.

"Underpinning the community's frustration is the continued role of the Commonwealth, whose track record addressing our priority waste problems is littered with failure and a disturbing trend to misrepresent the scope of the problem."

The Boomerang Alliance, along with groups like the Total Environment Centre, will use Thursday's inquiry to call for a container deposit scheme, a ban on single-use plastic shopping bags and microbeads in laundry and cosmetic products, and continued enforcement of existing regulations.

The hope is that some of these initiatives are not far away.

Container deposit schemes are being actively investigated in Queensland and [NSW](#), where Premier Mike Baird made an election promise to have a scheme in place by July 1, 2017.

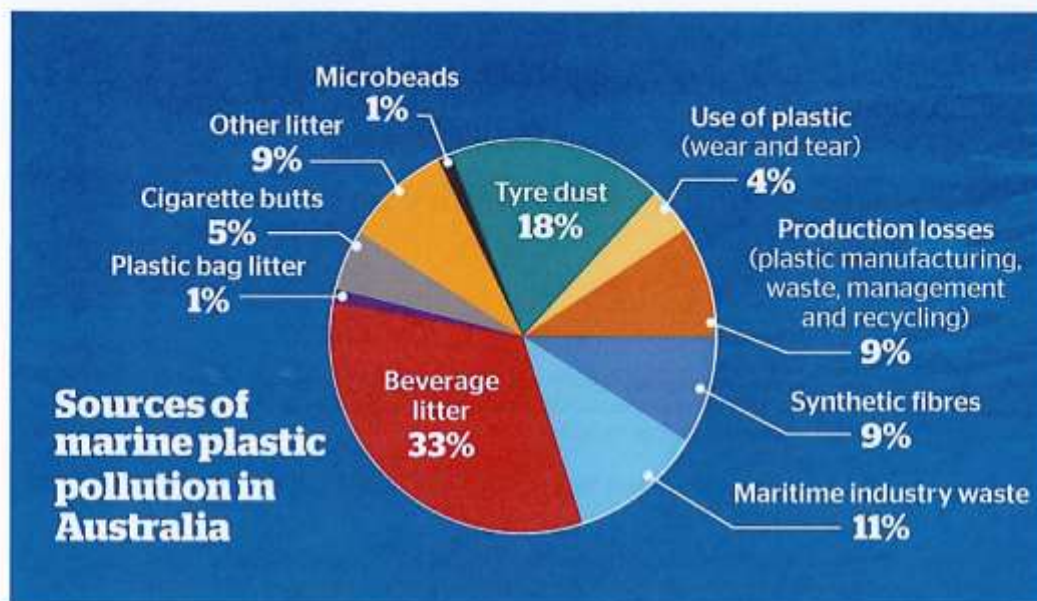
Groups such as Clean Up Australia have long [campaigned for plastic bags to be banned "forever,"](#) and in March last year hopes were buoyed [when federal Environment Minister Greg Hunt said](#) he was prepared to use the "bully pulpit" of government to "get rid of" plastic bags.

Government sponsored studies have reported that between 8712 and 11,937 tonnes of litter enter Australia's marine environment each year, in addition to 6000 tonnes of waste related to fishing and other types of maritime activities.

However, the Boomerang Alliance said figures like this "badly underestimate" the problem.

<http://www.smh.com.au/action/printArticle?id=1005924609>

23/02/2016



"Conservatively, we can identify at least 56,000 tonnes of plastic entering our environment every year, [including] beverage litter, tyre dust, synthetic fibres, production waste, microbeads and plastic bags," Boomerang Alliance national policy director Dave West said.

Dr Jennifer Lavers is a research fellow at the Institute of Marine and Antarctic Studies, University of Tasmania, and one of the expert panel members who made a submission to Thursday's senate inquiry.

She said marine plastic pollution is now ubiquitous from the top to the bottom of the planet.

"We find plastic absolutely everywhere and in enormous quantities. That's largely due to the fact most of the plastic in the ocean is quite small, which means the scale of the problem is drastically underestimated."

With 30 per cent of marine fish in the world's oceans considered to have plastic in their stomachs, she said there is "no doubt we are eating residual plastic contamination," while other estimates suggest anyone consuming an average amount of seafood will ingest "about 11,000 plastic particles each year".

"We are definitely behind the eight-ball," said Dr Lavers, adding that "numerous other developed and developing countries are substantially further ahead".

She said container deposit schemes and bans on plastic bags and microbeads are just the tip of the iceberg when it comes to tackling marine pollution, but they are a starting point.

"My fear is we continue debating this for the next 20 years. We have to start somewhere, set goals and keep moving forward."

This story was found at: <http://www.smh.com.au/environment/marine-plastic-pollution-senate-inquiry-targets-australian-ocean-pollution-20160217-gmvge9.html>

The Sydney Morning Herald

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NSW urgently needs plastic bag ban, environmental groups say

Lucy Cormack

Published: October 11, 2015 - 3:27PM

Every second, 159 single-use plastic bags are used across Australia.

When just one of those bags is swallowed by a sea turtle, it forms a ball of plastic in the stomach or the intestines and causes a blockage.

Gas accumulates, the turtle's appetite reduces and the intestines may rupture, leaking faecal material into the body cavity of the turtle.

It is a slow and painful death, and one that has environmental groups asking why NSW remains one of the only states without a ban on plastic bags.

Single-use plastic bags are still readily available at retailers across the state, despite being banned in Canberra, South Australia, Tasmania and the Northern Territory.

"To date NSW has placed its faith in a federal process, but these are interminable and do not guarantee a useful environmental outcome," said Jeff Angel, national convener of the Boomerang Alliance, which represents 32 of Australia's leading community and environmental groups.

"NSW should act at the state level, given the number of bags littered every year and the growing concern about the marine plastic pollution plague."

In March federal Environment Minister Greg Hunt buoyed hopes of a ban, when he said he was ready to use the "bully pulpit" of national government to enforce an Australia-wide ban.

The Boomerang Alliance estimates 8.5 billion plastic bags (light and heavy weight) are used in Australia each year. NSW accounts for 34 per cent of that figure, using almost 3 billion.

In NSW up to 61 million bags are littered annually, while the national number of littered plastic bags can be 180 million.

An Omnipoll Survey conducted in July found that 64 per cent of NSW residents support a total ban, a sentiment echoed in a petition delivered to parliament by environmental groups and Member for Coogee Bruce Notley-Smith in June this year.

"I'm building support amongst my colleagues," said Mr Notley-Smith.

"We're not asking for a quantum shift in how people lead their lives, it is really easy to live without lightweight plastic bags...like we did 30 years ago."

At Taronga Zoo's wildlife hospital, some of the most common problems Dr Larry Vogelneust sees are plastic bag related.

"Sea turtles are the main species we have affected. They see these bags in the water and they think they are jelly fish, so they eat them," he said.

"70 per cent of turtles we get in have ingested plastic, around 20 per cent of those end up dying."

CEO of Clean-Up Australia Terrie-Ann Johnson said, while the state government is interested, it wanted to go through a process, which could take up to three years.

<http://www.smh.com.au/action/printArticle?id=1001258884>

22/02/2016

"There's bipartisan support, but they are not going to go out on a limb like the other states."

Alternatives offered in states where a ban is in place include thicker, reusable plastic bags, which Ms Johnson said are less likely to end up in the waste stream and blow around in the wind.

Neither Coles or Woolworths were able to say how many plastic bags were provided annually, however a spokesperson for Coles said it does not support a ban "because our customers have told us they would like the opportunity to make an informed choice".

A Woolworths spokesperson said its customers "appreciated the convenience that plastic bags offer".

NSW Environment Minister Mark Speakman is expected to take a suite of options to a December meeting of environment ministers, however a spokesperson said the minister has asked the Environment Protection Authority to advise him on "the best way to reduce the impact of plastic bags" later this year.

From the start of this week, large shops in England were required by law to charge customers 5p for single-use plastic bags in a bid to reduce their use.

This story was found at: <http://www.smh.com.au/environment/nsw-urgently-needs-plastic-bag-ban-environmental-groups-say-20151008-gk4gas.html>

The Sydney Morning Herald

 [Print this article](#) |  [Close this window](#)

Environment Minister Greg Hunt foreshadows ban on plastic bags

Rose Powell

Published: March 2, 2015 - 12:15AM

Plastic bags could soon be history as federal Environment Minister Greg Hunt signals he's ready to use the "bully pulpit" of national government to enforce an Australia-wide ban.

Single-use plastic bags can still be used in Sydney, despite being banned in Canberra, South Australia, Tasmania and the Northern Territory.

"It's a little bit hard under federal law to do that, but you can use the bully pulpit of the national role to make sure we get rid of these non-biodegradable bags," Mr Hunt said.

"Sadly, they're more prevalent than you may think."

Clean Up Australia research identified more than 3 billion plastic bags are used in Australia each year, and about 50 million end up as litter.

The lightweight plastic bags are made from oil, do not degrade for decades and their light weight means they can travel deep into natural ecosystems such as oceans or the bush.

Ian Kiernan, from environmental movement Clean Up Australia, said they had been campaigning for plastic bags to be banned "forever".

"Plastic bags are a dangerous blight on this country," Mr Kiernan said. "Because they're so durable, they accumulate and kill wildlife and plants."

In December, a rare Risso dolphin died on Manly Beach after eating a plastic shopping bag.

Its death spurred the NSW Greens to develop legislation to ban plastic bags, which they intend to introduce into parliament shortly after the state election. It would phase out plastic bags by the end of 2015.

In the 2007 election campaign, Kevin Rudd and Peter Garrett pledged to ban the bags. But the push faltered in the face of an estimated cost of \$578 million and fierce opposition from the state governments.

Community action group Plastic Bag Free NSW's Tim Silverwood said the conditions were right for a national ban because four states and territories had implemented their own bans and the Baird government's action on plastic waste such as microbeads.

"There will be some opposition by grocery stores and the plastics lobby, but it's time for Australia to join the 21st century," Mr Silverwood said.

"Australia has a long-standing culture of loving and respecting their land and the ocean, so this should be a no-brainer for us."

The Australian Food and Grocery Council was contacted for comment.

This story was found at: <http://www.smh.com.au/environment/environment-minister-greg-hunt-foreshadows-ban-on-plastic-bags-20150301-13qfeg.html>

The Sydney Morning Herald

 [Print this article](#) |  [Close this window](#)

Plastic takes toll on turtles

Andrew Darby

Published: September 16, 2015 - 2:04PM

They are the slow ocean roamers, the harmless friends of a nervous snorkeler, and the growing victims of plastic pollution.

An international study estimates more than half of the world's marine turtles carry a burden of plastic debris; a finding underscored by the contents of one Australian turtle's stomach.

Laid out on a laboratory bench are plastic bag and balloon fragments, string, packing strap and sharp chips. All contributed to the death of this green turtle off Queensland's Moreton Bay.

"It's horrific," Qamar Schuyler, of the University of Queensland, said on Wednesday. "You start pulling pieces out and it just goes on and on."

Plastic ingestion can kill turtles by blocking the gut or piercing the gut wall and can cause other problems through the release of toxic chemicals into the animals' tissues.

As little as half a gram of plastic could be fatal, Dr Schuyler said.

"Turtles like this are typically emaciated," she said. "It's terrible not only that it has suffered, but that it has suffered in this way."

Dr Schuyler and her colleagues undertook a global survey of the risks faced by marine turtles from up to 12 million tonnes of plastic entering the oceans each year.

Their study published in the journal *Global Change Biology* found some of the world's most at risk turtles lived off the east of Australia, North America and southern Africa.

"The results indicate that approximately 52 per cent of turtles worldwide have eaten debris," Dr Schuyler said.

At highest risk is the olive ridley turtle, which often feeds on jellyfish in the open ocean where debris accumulates in circular currents called gyres.

The findings underscore the extent of the global marine plastics crisis.

Another study by the CSIRO's Chris Wilcox recently found more than 60 per cent of seabird species had ingested debris.

"It is only a matter of time before we see the same problems in other species, and even in the fish we eat," Dr Wilcox said.

This story was found at: <http://www.smh.com.au/environment/plastic-takes-toll-on-turtles-20150916-gju4d.html>

(2011) 1

PLASTIC IN THE MARINE ENVIRONMENT

STEPHEN SUMMERHAYES

Coastal Projects Officer, Sydney Coastal Councils Group Inc.

Email: Stephen@sydneycoastalcouncils.com.au

ABSTRACT

Plastic is cheap, ubiquitous and persistent. In 2010 the world produced 265M tonnes. Annual output is increasing with new uses and varieties augmenting demand. Plastic persists for centuries, much of it finding its way into coasts and waterways. Approximately 80% of marine debris is plastic (mostly bags and bottles), accumulating through spillage, runoff, dumping and discharge; with varied environmental, economic, cultural and aesthetic implications. This paper examines the nature of plastic in the marine environment, its environmental impacts and the roles assumed by Member Councils of Sydney Coastal Council Group Incorporated in addressing the situation.

INTRODUCTION and DISCUSSION

Plastic

Plastics are synthetic organic polymers (Derraik 2002). Mass production commenced in the 1950s (Barnes *et al.* 2009) and has increased from 1.5 million t/y to 265 million t/y with a projected future growth of 4% p.a. (PE 2011). Plastics are playing an increased role in day-to-day life as traditional materials are replaced and new compounds and uses are devised (Quayle 1992; Thompson *et al.* 2009).

Plastic debris comes in a range of shapes and sizes from microscopic fragments up to boat hulls and fishing nets (Thompson *et al.* 2004) and can be broadly be divided into micro (<5 mm), meso (5-20 mm), macro (>20 mm) and mega (>100mm) size classes (Andrady 2011; Barnes *et al.* 2009). Most plastics are buoyant until they become waterlogged or fouled with marine life and sediment causing them to sink (Barnes *et al.* 2009).

Persistence

Plastic is recalcitrant. Whilst plastic degrades by photolytic, biological and mechanical processes its longevity is still estimated at 100-1000s of years depending on the physical and chemical properties of the polymer and surrounding environment (Barnes *et al.* 2009). Exposure to UV light and physical abrasion causes plastic to embrittle, crack and fragment into powdery fragments invisible to the naked eye. This process is particularly evident in areas with high levels of solar radiation, wave-action and abrasion such as shorelines (Browne *et al.* 2010; Thompson *et al.* 2004). However, in the marine environment plastics take longer to degrade due to lower temperatures, reduced UV exposure (at depth or due to surface fouling organisms) and lower O₂ concentrations (Andrady 2011; Barnes *et al.* 2009). In one study, polyethylene bags showed no signs of degradation after 40 weeks of exposure (O'Brine & Thompson 2010).

Accordingly to Thompson *et al.* (2005) all conventional plastic that has entered the marine environment persists today, either whole or fragmented. Even if production ceased today, existing debris would remain for centuries.

Source

Plastic debris originates from either intentional or accidental mishandling (Sheavly & Register 2007): littering, illegal dumping, runoff, spillage and discharge from rivers, stormwater and sewage outfalls. (Barnes *et al.* 2009; Browne *et al.* 2010; Derraik 2002). Land-based sources represent ~80% of marine plastic pollution (Andrady 2011) with most debris entering

along populated coasts, important fishing grounds and shipping corridors (Laist 1987).

Distribution

Plastic is ubiquitous. Its scale of production, durability and poor rates of recycling has resulted in the accumulation of debris in the most remote of locations - from the poles to the equator and from mountaintops to the ocean depths (Barnes *et al.* 2009; Gregory 2009; Quayle 1992).

Typically 50 - 80% of the waste that accumulates on beaches, the ocean surface and the seabed is plastic (Barnes *et al.* 2009; Derraik 2002; Islam & Tanaka 2004), increasing in proportion with distance from source (Ryan *et al.* 2009). There are reports of >100,000 items m⁻² on shorelines, up to 3,520,000 items km⁻² at the ocean surface (e.g. Thompson *et al.* 2009) and up to 70,000 items km⁻² on continental shelves and slopes (Galgani *et al.* 2000). In recent decades plastic pollution in the marine environment has increased dramatically and substantially (Barnes *et al.* 2009).

There is large spatial and temporal heterogeneity in the distribution of plastic debris due to geomorphology, human activity and physical factors such as wind (and thus currents and wave-action) and the size, shape and density of plastic (Barnes *et al.* 2009; Browne *et al.* 2010; Ryan *et al.* 2009; Thompson *et al.* 2009). Whilst patchy, abundance is correlated with human population density (Andrady 2011; Barnes 2002; Barnes *et al.* 2009). Its buoyant nature due to low density relative to seawater facilitates dispersal over long distances (Derraik 2002) and it can be concentrated by natural processes such as current gyres, along lines of convergence between water masses and in areas of upwelling which are often prominent feeding areas with high densities of marine species (Joyner & Frew 1991; Laist 1987; Ryan *et al.* 2009).

Plastic accumulates along strandlines (the shore area between high and low water, Weihaupt 1979) and in the ocean's pelagic and benthic zones (Browne *et al.* 2010; Galgani *et al.* 2000; Thompson *et al.* 2004). Vertical distribution within the water column is mediated by density and the amount of fouling by organisms and sediment (Browne *et al.* 2010). Under the weight of fouling organisms and adsorbed sand, shells and other debris, plastics sink to the seabed (Andrady 2011; Barnes *et al.* 2009; Islam & Tanaka 2004) and can 'yo-yo' as fouling organisms and their predators alter density (Andrady 2011; Gregory 2009).

Microplastics

Microplastics (particles <5 mm) present particular environmental problems. They are manufactured (e.g. feedstock in plastic manufacture; spherules used in cleaning, cosmetics and airblasting media) or are the breakdown products of meso-

and macroplastics (Andrady 2011; Barnes *et al.* 2009; Browne *et al.* 2007; Derraik 2002). A major contributor is washing machine wastewater which enters the sewerage network and is subsequently discharged into marine environment via treatment plants (Browne *et al.* 2011). A single garment can produce >1900 fibres per wash with polyester (67%) and acrylic (17%) the dominant fibres (Browne *et al.* 2011).

Microplastics absorb and concentrate persistent organic pollutants (POPs) from seawater by partition, providing a pathway for entry into the food web (Andrady 2011; Hirai *et al.* 2011; Rios *et al.* 2010) and onto the dinner table. POPs are hydrophobic, facilitating concentration at levels several orders of magnitude higher than in the surrounding seawater. POPs ingested by animals can be taken up and stored by tissues and cells, and biomagnified across trophic levels (Andrady 2011; Browne *et al.* 2011). Humans consume species from all trophic levels, from filter feeders to fin fish at the apex of the cascade.

In 2010 Hornsby Council commissioned a report to characterise the sources and sinks of microplastics in the Hawkesbury Estuary (Browne 2010). Sampling revealed the presence of microplastics in estuarine, freshwater and terrestrial habitats (0.3 – 1.6 fibres/L) with the likely source being the breakdown products of mesoplastics and drain and laundry effluent.

Risks and implications

Plastics are popular because they are versatile, inexpensive, durable and lightweight (Andrady & Neal 2009) and for these reasons they are one of the world's most pervasive problems (Joyner & Frew 1991; Sheavly & Register 2007). The UN Environment Programme listed plastic debris in oceans as one of three global emerging issues (UNEP 2011). Threats to benthic and pelagic marine life (>250 species, Laist 1997) such as birds, fish, marine mammals and invertebrates are primarily mechanical (suffocation, wounding, entanglement and ingestion causing internal injuries or blockage) and toxicological (absorption of toxic chemicals through the gut, Derraik 2002; Laist 1987). However, plastic debris is responsible for a host of deleterious environmental effects extending beyond those to marine life (Table 1).

Table 1. The risks and implications of plastic in the marine environment.

NATURE OF RISK	IMPLICATIONS
Marine organisms	
Entanglement	Impaired movement, feeding and respiration Strangling / choking Wounding
Ingestion	Impaired feeding and food assimilation and thus reduced reproductive output Clogging of the feeding apparatus and the digestive system Physical internal injuries
Poisoning	Ingested debris can accumulate in the gut and translocate into the circulatory system Transfer of contaminants sorbed by plastic into body tissues Concentration of toxins along the food chain
Visual	
	Aesthetically displeasing Attract some marine species which mistake plastic as prey or represent a play object or an item of curiosity (e.g. seals to packing loops)
Physical damage	
	Debris can physically damage habitats through abrasion, scouring, ensnaring and smothering Debris can damage recreational and commercial vessels
Vector	
Organisms	Drift plastics are colonised by mottle, encrusting and fouling organisms (e.g. bacteria, diatoms, algae, barnacles, hydroids and tunicates) and act as vectors for 'hitchhiking' non-indigenous and/or pest species
Chemicals	Vector for the transport of sorbed chemicals

Benthos	
Biochemistry	Debris on the sea floor can inhibit gas exchange between sediment and overlying waters causing hypoxia or anoxia
Community structure	The accumulation of plastic can alter benthic community structure e.g. via smothering, habitat changes
Geochemistry	Microplastics reduce the temperature and increase the permeability of sediments which can impact upon biota
Economic	
	Impacts upon marine life can have fisheries implications Clean-up costs Negative impacts to tourism Public safety Loss of ecosystem services Cost of repair to damage to vessels

(From Barnes 2002, Barnes *et al.* 2009, Browne *et al.* 2010, Carson *et al.* 2011; Derraik 2002; Gregory 2009; Joyner & Frew 1991; Laist 1987; Quayle 1992; Sheavly & Register 2007; Thompson *et al.* 2009)

SCCG Member Councils

A survey of Member councils revealed that, independent of waste management and recycling strategies, each has developed a Sustainable Events Management Policy (under the Local Council Waste and Sustainability Improvement Payments program) aiming to minimise waste and increase resource recovery. Policies and the events to which they apply vary. For example, some ban plastic bottles and/or bags for all internal and external events including private events on council assets (Fig 1.). Some policies are available online.

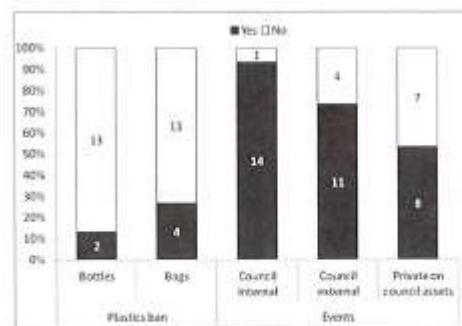


Fig. 1. Plastics bans by Member Councils; internal and external events.

Table 2 lists each Member Council and the application of their respective sustainable events management policy to plastic bottles and bags.

Table 2. The application of Member Councils' sustainable events management policies to plastic bottles and bags.

Council	Plastics ban		Events		
	Bottles	Bags	Council internal	Council external	Private on council assets
Botany Bay	No	No	Yes	No	No
Sydney City	No	No	Yes	Yes	Yes
Hornsby	No	No	Yes	No	No
Leichhardt	No	No	Yes	No	No
Manly	Yes	Yes	Yes	Yes	No
Mosman	Yes	Yes	Yes	Yes	Yes
North Sydney	No	No	Yes	Yes	Yes
Pittwater	No	No	Yes	Yes	No
Randwick	No	No	Yes	Yes	No
Rockdale	No	No	Yes	Yes	Yes
Sutherland	No	No	Yes	Yes	No
Warringah	No	No	No	No	Yes
Waverley	No	Yes	Yes	Yes	Yes
Willoughby	No	No	Yes	Yes	Yes
Woolahra	No	Yes	Yes	Yes	Yes

Solutions

Substituting plastics that are (bio)degradable and/or made from renewable resources for petroleum based (conventional) plastics is only part of the solution. Degradable plastics can reduce the amount of large debris, but hazardous breakdown products may remain (Barnes *et al.* 2009). In addition, the production of 'friendly' plastics may be more environmentally damaging than conventional plastics (e.g. using more pesticides, land and water), and degradation rates may be too slow to prevent risks to biota (Quayle 1992; Gironi & Piemonte 2011). A full 'cradle-to-grave' life cycle assessment is required to weigh up relative environmental impacts (Gironi & Piemonte 2010).

Plastic recycling rates are low (Barnes *et al.* 2009). Legislation can increase recycling and require the use of environmentally friendly biodegradable and photodegradable plastics (Derraik 2002; Quayle 1992). Beach clean ups and *in situ* collection of marine debris whilst of value must be vigilant to ensure they do not destroy ecologically significant habitats (Gregory 2009).

As the environmental consequences of plastic are many and varied, solutions must be equally diverse. The combined efforts of all is required - government, scientists, communities and the private sector. Education has been posited as a powerful tool and building block to reduce plastic pollution, especially utilising children as catalysts for change (Derraik 2002; Ryan *et al.* 2009). Promoting descriptive norms to influence behaviour has also been found to be extremely valuable in mediating community action and change (UK Cabinet 2011). Outreach programs, strong laws, policies and enforcement (Sheavly & Register 2007), especially addressing the source are also of benefit (Gregory 2009).

Scientific knowledge is patchy in relation to the emission, transport, fate and effects of plastics in the marine environment (Zarfl *et al.* 2011), inhibiting understanding and effective management strategies (Islam & Tanaka 2004). Furthermore, the large spatial and temporal variability in the distribution and abundance of plastic pollution can mask its true effects (Laist 1987). Research is required to understand the magnitude of societal and environmental impacts, measure long term trends and assess the relative costs and benefits of reduction measures.

Conclusion

Plastic is an integral part of life. It is likely to play an increasing future role, intensifying the input and impacts of litter in the marine environment. Its utility, durability and low cost have resulted in its accumulation worldwide. The problems of plastic pollution are multifaceted such that there is no simple single solution. Creative, effective and sustainable management is required coupled to research and monitoring programs. Enlisting community-wide support to reduce use at-source together with economic incentives, legislation and education can significantly assist address impacts.

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MOSMAN SUSTAINABLE EVENT MANAGEMENT POLICY

Version: Revised 1
Adopted by Council: 6 May 2014
ECM Fixed Doc No.3304555
Ownership: Environment and Planning

Purpose/Explanation

To ensure that sustainability principles are applied to the planning, management and implementation of all events within the scope of this Policy.

Mosman Council is committed to:

1. Reducing Mosman's ecological footprint, and minimising impacts on the environment by incorporating the principles of ecologically sustainable development into event planning, management and implementation
2. Using current best practice standards
3. Applying sustainability principles to the purchasing and procurement of goods and services for events
4. Implementing waste avoidance strategies and maximising resource recovery for events
5. Ensuring responsible use of natural resources and protecting flora and fauna through appropriate event planning and management
6. Implementing efficiency measures to reduce water and energy consumption before, during and after events
7. Reducing greenhouse gas emissions through sustainable transport options
8. Enhancing environmental awareness and fostering environmentally responsible behaviour in all relevant stakeholders to build their capacity to plan, organise, deliver or participate in a sustainable event
9. Striving for ongoing improvement in environmental performance through monitoring and evaluation of sustainable events.

Scope

This Policy is to be implemented in conjunction with the Mosman Guide to Sustainable Event Management.

It applies to all events, workshops and meetings, of 50 or greater participants, coordinated by Mosman Council and/or held on land owned or managed by Council within the Mosman Local Government Area. This includes, but is not limited to:

Internal Events

- Special events
- Civic events
- Forums/conferences
- Workshops
- Meetings
- Mosman Markets
- Festival of Mosman

External Events

- Minor Events*
- Major Events*

* As defined in the Mosman Special Event Management Policy

Exemptions

This Policy does not apply to:

- Wedding receptions held at the Art Gallery or Rotunda
- Small private gatherings of less than 50 participants
- Internal Council meetings of less than 50 participants

Notwithstanding, the organisers of these events are encouraged to consider the environment during their event/meeting, including the purchasing and use of sustainable products, catering, sustainable transport options, waste minimisation and the appropriate disposal of waste and recycling in the bin facilities provided.

Event Management Requirements and Considerations

Sustainability principles should be considered and demonstrated during:

- Pre-Event Planning - to incorporate sustainability into event planning, contract management, procurement and promotion prior to an event.
- Event Implementation - delivering and managing the planned activities during the event, and monitoring to ensure compliance with the Policy.

The following should be considered and actions incorporated, where applicable, into the planning, management and implementation of all events within the scope of this Policy:

- Waste avoidance and minimisation
- Resource recovery (reuse, recycling)
- Energy conservation
- Air quality
- Sustainable transport
- Water conservation
- Biodiversity conservation
- Animal welfare/ethics
- Sustainable purchasing (e.g. sustainable products/services)
- Social considerations (e.g. volunteering, charity)
- Economic considerations (e.g. local stakeholders, local products, value for money)

Mandatory Inclusions

The Mandatory Inclusions must be complied with for all events within the scope of this Policy.

- Promotional materials are to be printed on recycled paper (80-100% post-consumer recycled content)
- All cups, plates, napkins and cutlery purchased, used and distributed at an event must be made from recycled/recyclable /reusable/biodegradable and/or compostable materials
- Plastic bags are not to be used and/or given away during events. Alternative products should be used/provided
- Balloons are not to be released into the environment before, during or after any event

Note: Balloons may be used as decoration both at indoor and outdoor events as long as they are adequately weighted and/or secured, and are not released into the environment.

Tip: Place a raffle ticket, lucky door prize, lollies, or small toys inside the balloons to provide added incentive for deflating/popping balloons at the end of an event.

Mosman Sustainable Event Management Policy

Preferred Alternatives

Event organisers are strongly encouraged to consider the following preferred alternatives:

- Where products such as tea, coffee, hot chocolate or chocolate are to be provided at events, the use of Fair Trade products are preferred
- Encourage event participants to bring their own reusable water bottle to the event
- Provide alternative water sources in lieu of giving away or selling plastic water bottles

Alternative water sources could include:

- * Providing pitchers of water for meetings/workshops/events
- * Glass bottles where appropriate
- * Water stations set up with water containers or water trailers
- * Use of bubblers or water bottle refill stations, if available at the event venue.

Where there are valid reasons for alternatives not to be used (i.e. specific sporting events, safety reasons), the event organiser must ensure that sufficient recycling bin facilities and adequate signage is provided for the appropriate disposal of plastic water bottles for recycling.

Sustainable Event Management Checklist and Plan

Under this Policy, relevant Council staff responsible for the planning and implementation of Council events must complete the Sustainable Event Management Checklist.

External event organisers must complete and submit to Council the Sustainable Event Management Plan.

Both the Sustainable Event Management Checklist and Sustainable Event Management Plan must demonstrate that the Mandatory Inclusions have been implemented, that the Preferred Alternatives have been considered, and that other sustainability aspects, as provided in this Policy, have been incorporated, where possible. The areas identified in the Checklist or Plan are as follows:

- Mandatory Inclusions
- Preferred Alternatives
- Venue Selection
- Transport
- Water and energy
- Waste Management
- Equipment, Supplies and Products
- Event Promotion & Materials
- Catering
- Training / Awareness

Compliance

Failure to comply with this Policy and the approved Sustainable Event Management Plan may result in the exclusion of the external event organisers responsible for the non-compliance in any future events hosted by Council, or inform Council's decision to reject a booking on land managed by Council of any future events hosted by the non-complying external event organisers.

Responsibility

The Manager Environment and Services will be responsible for reviewing this Policy, and monitoring compliance and environmental performance in accordance with the Policy.

The Venue and Markets Officer will be responsible for ensuring that Mosman Markets stallholders comply with the Mandatory Inclusions and where appropriate the Preferred Alternatives included within this Policy.

The Events and Marketing Coordinator and Council Bookings Officer will be responsible for ensuring external event organisers/individuals are aware of this Policy, and are provided with the documentation to complete and submit the Sustainable Event Management Plan as required.

The Rangers will be responsible for monitoring compliance on the day of the event, where possible.

All relevant Council staff and external event organisers responsible for planning, managing and implementing events, workshops and meetings (of 50 or greater participants) must be aware of and adhere to this Policy and the accompanying Guide to Sustainable Event Management.

Communication

This Policy is to be communicated to external event organisers through the event booking process and made available on Council's website. The Policy detail is to be communicated to Council staff via internal communication channels and the new staff induction process.

Related Information

The existing Special Events Management Policy and Drill Hall Venue Hire Policy and Procedures must be implemented in conjunction with this Policy to ensure sustainability principles are considered and incorporated into all events within the scope of this Policy.

This Policy allows for the provision of a preferred suppliers list for sustainable products, including but not limited to; printing, catering supplies, and other materials. Council will, for the purpose of delivering on this Policy, make available a preferred suppliers list which can be utilised by internal Council staff and external event organisers to purchase sustainable products/materials for an event within the scope of this Policy.

Related Documents:

- Environmental Management Plan
- Environmental Sustainability Policy
- Special Events Management Policy
- Application to Conduct a Special Event
- Drill Hall Venue Hire Policy and Procedures
- Mosman Art and Craft Markets Application Form
- Procurement and Land and Asset Disposal Policy
- Sustainable Preferred Suppliers List
- Mosman Guide to Sustainable Event Management (Part A - Internal Events, and Part B - External Events)

Related Legislation

- *Local Government Act 1993*
- *Protection of the Environment Operations Act 1997*
- *Waste Avoidance and Resource Recovery Act 2001*

Glossary

Ecologically Sustainable Development - is living within our means over the long-term. Defined by Brundtland as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

Ecological Footprint - a measurement of the space required to produce and supply all of the resources we need to support our lifestyles and to take up the wastes we generate, compared to the land actually available to us.

Sustainability principles – values and standards applied to events that provide a balance between economic, social and environmental objectives, and ensure sustained use of renewable natural resources, and minimal impact on the natural environment.

Event - A planned activity that is conducted for the purpose of fundraising/charity, individuals/community and/or group participation, or commercial profit and is held in a public space or venue owned or managed by Mosman Council.

Event Organiser - an individual, community group, charity, or commercial organisation responsible for the planning, management, administration and/or implementation of an event.

Resource Recovery- the recovery of materials or energy from solid waste for reuse or recycling.

Fair Trade - products certified against international standards to guarantee fair terms of trade, better prices and decent working conditions for farmers and workers in developing countries.

Biodegradable - capable of being broken down (decomposed) quickly by microorganisms (bacteria).

Review

This policy will be reviewed every four years unless otherwise directed by Council or senior management.

Contact

Enquiries should be directed to the Manager Environment and Services on 9978 4018.

Amendments

Date	Detail of Amendment	Reference
5 July 2011	Adopted	EP/87
6 May 2014	Revised	EP/14

C6.2	Mayoral Minute - Palliative Care Inpatient Facility at Mona Vale Hospital
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Meeting: Council

Date: 7 March 2016

MAYORAL MINUTE

BACKGROUND

On 7 July 2014 Cr Kay Millar brought to Council a motion seeking Council's support for a Palliative Care Inpatient facility at Mona Vale Hospital. At that point in time momentum for this facility was growing through people such as Jo-Ann Steeves and Gail Carew.

On Friday 19 February 2016 at the Mona Vale Chamber of Commerce fundraiser for Mona Vale Hospital, Minister Rob Stokes announced that this campaign had been a success with NSW Health confirming a Palliative Care Inpatient Facility would be provided at Mona Vale Hospital.

These moments are to be celebrated, especially the work of our Council and community in driving this campaign.

Crs Kay Millar and Kylie Ferguson along with Lindsay Godfrey, Manager Community Services, are all to be thanked and congratulated for their support of this campaign as are the members of the working group:

Jo-Ann Steeves, Gail Carew, Eileen Gordon, Stewart James, Geraldine Dixon, Parry Thomas, Yvonne McMaster and Andrew Johnston from Minister Stokes' electorate office.

This is a terrific outcome for Pittwater and the wider northern beaches community. Access to the new Palliative Care Inpatient facility at Mona Vale Hospital will provide a continuum of care for people with a terminal illness, close to home and the support of their families.

Motion

- 1. That Council acknowledge the announcement of there being a Palliative Care Inpatient Facility at Mona Vale Hospital.***
- 2. That Council write to the Mona Vale Palliative Care Inpatient Facility working group to congratulate and thank them for their work in this achievement.***
- 3. That Council write to the Minister for Health, Jillian Skinner to acknowledge and thank NSW Health for recognising the need for this facility at Mona Vale Hospital to service our wider community.***

Cr Jacqueline Townsend
MAYOR

SUBJECT: Notice of Motion - The Need for Inpatient Palliative Care Services on the Northern Beaches (Notice of Motion by Cr Kay Millar)

Meeting: Council

Date: 7 July 2014

NOTICE OF MOTION

BACKGROUND

Palliative Care Services are provided across the Northern Sydney Local Health District (NSLHD) by HammondCare.

HammondCare is an independent Christian charity, committed to improving the quality of life for people in need. The organisation specialises in providing dementia care, palliative care, rehabilitation, older persons' mental health and other health services. HammondCare provides these services across NSW through a range of subacute hospitals, residential care facilities and community care services.

Approximately 5 years ago HammondCare acquired Hope Healthcare, an established provider of subacute services including rehabilitation, older persons' mental health and palliative care. Through this acquisition HammondCare adopted responsibility for the operation of Neringah Hospital at Wahroonga, Greenwich Hospital at Greenwich, Braeside Hospital at Fairfield, and the Northern Beaches Palliative Care Service, which is based on the campus at Mona Vale Hospital. This service has recently been renewed with a \$630k extension to the Cora Adcock Palliative Care Centre, which was opened in October 2013 by the Hon Rob Stokes, MP, Member for Pittwater.

Range of Palliative Care Services Available on the Northern Beaches

(a) Home Support Packages

HammondCare, in a consortium with Sacred Heart and Calvary, were awarded part of the \$35m contract for providing home support packages to assist people to die at home linked into a specialist community palliative care team.

(b) Community Care

Outpatient (day only) services are provided at the Cora Adcock Palliative Care Cottage located on the grounds of Mona Vale Hospital. Also, the Cora Adcock building is base to the Community 'at-home' team which provides services into homes with specialist medical, nursing, allied health, pastoral care and bereavement services. Unfortunately, not all end of life circumstances can be accommodated by either Home Support Packages or the services provided by the Cottage and require admission into a specialist palliative care unit at either Greenwich (25 beds) or Neringah (19 beds).

(c) **Hospice Care**

As a result in 2012/2013 over 200 Northern Beaches residents were referred to either Greenwich or Neringah for inpatient Palliative Care Services.

With the best support available through Home Support Packages and the fantastic services offered at the Cora Adcock Cottage there are still people who just cannot be cared for at home. These people and importantly their families must travel to Greenwich or Wahroonga, with no direct public transport, at a time when they are most vulnerable.

This unfortunately places a huge additional burden and dislocation on family and friends trying to cope with and support loved ones with a terminal illness. The demand, for further hospice beds to care for those vulnerable folk in end of life, will grow and not diminish in future years.

(d) **Funded beds at Mona Vale Hospital**

There are currently 4 beds assigned for Palliative Care at Mona Vale Hospital in the tower building. These beds are used for a variety of patients other than palliative care. They are in a typical hospital environment with little amenity for patients or their families. In the near future this facility will be unavailable.

Community Support

Palliative Care services at Mona Vale Hospital have always been strongly supported by the local community. The recent major extension of the Cora Adcock Cottage was only achieved with the support of the following:

- The Hon. Rob Stokes, MP, Minister for the Environment, Minister for Heritage, Minister for the Central Coast, Assistant Minister for Planning and Member for Pittwater
- The Hon. Bronwyn Bishop, MP, Shadow Special Minister of State, Shadow Minister for Seniors, Member for Mackellar
- The Mona Vale Hospital Auxiliary
- Pittwater Rotary
- The Friends of Northern Beaches Palliative Care
- Mona Vale Hospital Trust and the HammondCare Foundation

There is widespread support not only from these individuals and groups but from the wider community. When I have discussed Palliative Care with local residents they are surprised to learn that the current services at Mona Vale Hospital do not include inpatient beds.

Mona Vale Hospital Masterplan

The recently released Mona Vale Hospital Masterplan includes a zone for the future expansion of Palliative Care Services on the site. Whilst the nature of the expansion is unspecified there seems to be very significant community support for the inclusion of future inpatient Palliative Care beds, in a non-clinical cottage style environment, to cater for the needs of terminally ill Northern Beaches residents, their families and friends.

Conclusion

Northern Sydney has the largest number of older people of any Health planning region in NSW. Its 80+ population is expected to be in excess of 85,000 in 2016.

It is important to acknowledge however, that not all end of life patients are elderly. There are many local young families who suffer the loss of a husband, wife and parent who would benefit from a facility in the area, allowing some degree of normalcy to children's daily routines.

Given the recently released masterplan for Mona Vale Hospital and the review of Palliative Care Services it seems very timely to raise the need for inpatient Palliative Care beds at Mona Vale Hospital.

There seems little doubt that there is a clear need for local specialised Palliative Care beds in a stand alone cottage style model on the Northern Beaches, given that last year (2012/2013) over 200 residents were admitted to facilities either at Greenwich or Wahroonga.

It is recognised that end of life patients are more comfortable in their own homes however, where this is not possible it is important for the patient to have a dignified death in a specialised facility which simulates a home like environment with their family and friends around them.

The community has in the past and I hope will again in the future assist with fundraising to help achieve an inpatient facility at Mona Vale Hospital to complement the wonderful services offered at the Cora Adcock Palliative Care Cottage.

MOTION

- 1) That the General Manager write to the Chairperson and CEO of Northern Sydney Local Health District requesting that as part of any review of Palliative Care Services the need for inpatient beds, in a stand alone cottage with a minimum of 15 beds, at Mona Vale Hospital be included.
- 2) That the Mayor and General Manager be asked to raise the need for inpatient Palliative Care beds on the Northern Beaches, as a regional need, at the next SHOROC Executive meeting and at any other appropriate SHOROC forums.
- 3) That the General Manager also write to:
 - The Hon Mike Baird MP, Premier NSW, Minister for Infrastructure, Minister for Western Sydney, Member for Manly
 - The Hon. Jillian Skinner, MP, Member of the Legislative Assembly, Member for North Shore, Minister for Health, and Minister for Medical Research
 - The Hon. Rob Stokes, MP, Minister for the Environment, Minister for Heritage, Minister for the Central Coast, Assistant Minister for Planning and Member for Pittwater
 - Mr Jonothan O'Dea, MP Member for Davidson, and
 - The Hon. Brad Hazzard MP, Attorney General and Minister for Justice Member for Wakehurstindicating Council's support for inpatient Palliative Care beds, in a stand alone cottage style model, at Mona Vale Hospital.

Cr Kay Millar

C6.3	Mayoral Minute - Freedom of Entry to Pittwater - Australian Air League
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Meeting: Council

Date: 7 March 2016

MAYORAL MINUTE

BACKGROUND

Council has received correspondence from the Avalon Sub Beach RSL Sub-Branch requesting Freedom of Entry for the Australian Air League in recognition of their contributions to the community of Pittwater and of their participation in the annual Avalon Tattoo (refer **Attachment 1**).

The Australian Air League was established in 1934 and has offered young boys and girls the opportunity to learn about aviation while developing important life skills like leadership, discipline, self-confidence and teamwork. Cadets are encouraged to take part in public activities such as helping with community projects, assisting in ANZAC Day and other local community parades and festivals.

Permission to enter confers upon individual units the right to march in full ceremony in recognition of the confidence, trust and friendship existing between the citizens and military personnel. Such permission is formalised by a sealed and illuminated scroll (known as the Freedom Scroll), which is presented at a formal parade where the Mayor inspects the assembled troops.

The granting of the Freedom of Entry would coincide with the 2016 Avalon Tattoo which will take place at Dunbar Park on 11 June 2016. The Entry Scroll for presentation to the Australian Air League at the Avalon Tattoo will be provided by the Avalon Beach RSL Sub-Branch.

Motion

That the Mayor on behalf of Pittwater Council grants The Australian Air League the right of Freedom of Entry to the Pittwater Local Government Area.

Cr Jacqueline Townsend
MAYOR

RETURNED AND SERVICES LEAGUE OF AUSTRALIA

NEW SOUTH WALES BRANCH



Avalon Beach Sub-Branch

1 Bowling Green Lane, Avalon Beach NSW 2107
PO BOX 13
AVALON BEACH NSW 2107

Telephone: (02) 9918 2201
Fax: (02) 9973 1103

Email: subbranch@avalonrsl.com.au

17th August 2015

The Mayor
Pittwater Council
Councillor Jacqueline Townsend
PO Box 882
MONA VALE NSW 1660

For Information;
The General Manager
Pittwater Council

NOMINATION OF AUSTRALIAN AIR LEAGUE FOR FREEDOM OF ENTRY TO PITTWATER

The history of the granting of Freedom of Entry to a military unit by a municipality is attached.

In 2010, in recognition of their contributions to the community and of their participation in the annual Avalon Tattoo, Pittwater Council granted Freedom of Entry to the three local Cadet Units. Unfortunately, since then, the Navy Unit, Training Ship CONDAMINE has ceased operations due to lack of staff.

The Australian Air League is another vibrant youth organisation and is the only Cadet Unit to be granted Freedom of Entry to the City of Sydney. The Manly Squadron and the Riverwood Band of the League continue to participate in the Avalon Tattoo and their contribution for Tattoo 2016, which will have an aviation emphasis, will be:

Parade OC
Parade Adjutant
NSW Boys' Group Flag Party
Riverwood Band
Two Flights of Cadets

The Avalon Beach RSL sub-Branch requests that Pittwater Council grant Freedom of Entry to the Australian Air League. If approved, the sub-Branch will assist with the Entry Scroll for presentation at the Avalon 2016 Tattoo.

Once again, thank you very much.

Yours sincerely

(G. V. Sloper)
Commodore AM RAN (Rtd)
President

7.0 Business by Exception

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

8.0 Council Meeting Business

C8.1	Notice of Motion - Pittwater Citizenship Garden - (Motion submitted by Cr Hegarty)
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Meeting: Council

Date: 7 March 2016

NOTICE OF MOTION

BACKGROUND

As part of Council's Australian citizenship ceremonies, all participants are provided with a native tree or shrub to plant in their garden to remind them of this special event. However, as our community changes and accommodation options and densities increase, so too does the lack of appropriate garden space for some new Australians in Pittwater to plant these trees or shrubs to their full potential.

As Council has a large number of parks and reserves that would benefit from additional plantings, it is proposed that Citizenship Gardens be established as per the following Motion.

Motion

- 1. That Council staff identify a number of parks or reserves which may be used as Citizenship Gardens.*
- 2. That participants of Pittwater Council's citizenship ceremonies who are provided with a tree or shrub be given the option to have this planted in one of these Citizenship Gardens.*
- 3. That to ensure the success of these plants and gardens, Council staff plant and maintain these gardens.*
- 4. That the new citizen be provided with a letter detailing the planting date, location and species of their shrub or tree.*
- 5. That a plaque be erected at each garden identifying it as a citizenship garden.*
- 6. That appropriate details of this option to be provided to potential citizenship applicants.*

Cr Julie Hegarty

C8.2	Notice of Motion - Merger Proposal Communications - (Motion submitted by Cr Grace)
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Meeting: Council

Date: 7 March 2016

NOTICE OF MOTION

BACKGROUND

Nil.

Motion

That all future merger proposal communications or distribution of material to residents be first authorised by Councillors.

Cr Bob Grace

C8.3	Report from the General Manager - Council Merger Proposal - Pittwater Council, Warringah Council and Manly Council
-------------	---

Meeting: Council

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE: To ensure local democratic representation

DELIVERY PROGRAM ACTION: To ensure Council's financial sustainability
To ensure local democratic representation

EXECUTIVE SUMMARY

On Wednesday 26 February 2016, the Delegate for the current merger proposal, Mr Richard Pearson, wrote to Council to advise that under Section 218E of the Local Government Act, Warringah Council has made a proposal to the Minister for Local Government for the amalgamation of the Pittwater Council, Manly Council, and Warringah Council local government areas. A copy of the proposal as received to date is attached. (**Attachment 1**).

The Minister for Local Government has referred the proposal to the Acting Chief Executive Officer of the Office of Local Government for examination and report. The Acting Chief Executive Officer has delegated the function of examining and reporting on the proposal to Mr Pearson.

Mr Pearson will be conducting an examination of this amalgamation proposal having regard to the factors contained in section 263(3) of the Act.

Over four years of community engagement, it is clear Pittwater residents are strongly opposed to the creation of one council for the northern beaches.

Mr Pearson strongly encourages the Council to provide a submission on the proposal. Submissions can be made until 5pm EST on Friday 8 April 2016 and can be submitted:

Online at www.councilboundaryreview.nsw.gov.au

By mail to Council Boundary Review Submissions, GPO Box 5341, Sydney NSW 2001

The Delegate will undertake a public inquiry which will include a public meeting and written submissions on the aspects of the proposal primarily related to Section 263(3) of the Local Government Act outlining matters referred to the Boundaries Commission (further outlined in section 4.3). Submissions can be made until 5pm, Friday 8 April 2016 and the date of the public meeting is yet to be determined.

2.0 RECOMMENDATION

- That Council note Warringah Council's alternate merger proposal to amalgamate Pittwater Council, Manly Council and Warringah Council to form one council.***

2. *That it be noted that the formal merger proposal period has commenced and that Mr Richard Pearson has been delegated responsibility for examining and reporting on the proposal and that submissions close at 5pm on Friday 8 April 2016.*
 3. *That Council note the Departmental Guidelines for decision making during the merger proposal period are in effect.*
 4. *That upon receipt of the formal proposal it will be circulated.*
 5. *That a budget allocation of \$100,000 be provided for a community engagement program.*
-

3.0 BACKGROUND

3.1 PURPOSE

The purpose of this report is to provide Council with the information released by the NSW Government on 26 February 2016 regarding council merger proposals and boundary review.

3.2 BACKGROUND

This Local Government structural reform process has been active for over four years. During this time Council has actively participated, through the preparation of evidence based submissions, to strongly argue Council's and the community's position with respect to the future Local Government structure for this area. The Council has also actively engaged its community through several channels to inform the community and seek opinions on the options going forward.

Over four years of consultation, it is clear Pittwater residents are strongly opposed to the creation of one council for the northern beaches:

- 89% of the over 4000 Pittwater residents surveyed want the status quo. If forced:
 - 85% are opposed to one northern beaches council
 - 86% support the 'Greater Pittwater' model of two councils for the region

Following the release of the IPART report in late 2015 the NSW Government asked councils to consider submitting merger preferences by 18 November 2015. At its meeting on 16 November 2015, Council resolved to submit the following merger preferences:

1. *That Pittwater Council reaffirms its opposition to forced amalgamation of Councils in New South Wales.*
2. *That Pittwater Council reaffirms its commitment to local government remaining local to ensure local democracy.*
3. *That whilst Pittwater Council's position is the status quo with an independent Pittwater Council providing local representation and delivery of local services to the people of Pittwater on its current boundaries, Council provide the following merger preferences if forced:*
 - (a) *Preference One - Pittwater Council*
 - (b) *Preference Two - Warringah Council*
(Explanation: Redefining Pittwater Council and achieving two Councils on the Northern Beaches.)

- (c) *Preference Three - Warringah Council
(Explanation: Redefining Pittwater Council and achieving two Councils in the SHOROC region.)*

- (d) *Complete the box for Comments on Preferences as follows:*

Preference 1 - Pittwater Council status quo.

Preference 2 - 3 Councils into 2, relocating Pittwater's boundary including: Terrey Hills, Narrabeen, Collaroy, Collaroy Plateau, Cromer, Oxford Falls, Frenchs Forest, Duffys Forest, Belrose, Davidson. Warringah's remaining suburbs merge with Manly.

Preference 3 - on same basis as preference 2 merging 4 SHOROC Councils into 2 Councils by adding Mosman.

4. *That Council provide the feedback in relation to IPART's assessment of Council's Fit for the Future submission.*
5. *That a copy of this resolution and report be sent to the following:*
- *Premier of NSW, Hon Mike Baird*
 - *Local Member, Hon Rob Stokes MP*
 - *Minister for Local Government, Hon Paul Toole*

In consideration of Pittwater's merger preference, the NSW Government announced on 18 December 2015 it would be putting forward an amalgamation proposal for preference three, being the merger of the four SHOROC councils into two.

On Monday 21 December 2015, Council resolved the following:

1. *That Council note that the NSW Government is proposing that Pittwater Council be merged with part of Warringah Council and that this proposal is consistent with Council's third merger preference if forced, subject to the additional suburbs of Forestville and Killarney Heights.*
2. *That it be noted that the formal forced merger proposal period will commence in January 2016 and that Council will participate in the process and that a report will be brought back to Council at its next meeting.*
3. *That Council note the Departmental Guidelines for decision making during the forced merger proposal period.*
4. *That in accordance with the Departmental Guidelines a budget allocation of \$50,000 is approved for a community information campaign to inform the community about the merger proposal using print media, social media and possibly residential mail outs.*

On Saturday 27 February 2016, Council adopted the Council's merger proposal submission supporting the NSW Government's proposal for an expanded council for Pittwater and part of Warringah Council. Attached is the body of the report without attachments. (Attachment 2).

3.3 **POLICY IMPLICATIONS**

Nil

3.4 **RELATED LEGISLATION**

NSW Local Government Act 1993, particularly Section 263(3).

3.5 FINANCIAL ISSUES

As per Guidelines issued under Section 23A Council will consider preparing a 'sub-plan' to the adopted Delivery Plan and Budget during the merger proposal period.

4.0 KEY ISSUES

4.1 Section 263(3) of the Local Government Act

Staff will be preparing a response to reflect the key criteria in respect to the submission of 263 (3)

(3) When considering any matter referred to it that relates to the boundaries of areas or the areas of operations of county councils, the Boundaries Commission is required to have regard to the following factors:

- (a) the financial advantages or disadvantages (including the economies or diseconomies of scale) of any relevant proposal to the residents and ratepayers of the areas concerned,
- (b) the community of interest and geographic cohesion in the existing areas and in any proposed new area,
- (c) the existing historical and traditional values in the existing areas and the impact of change on them,
- (d) the attitude of the residents and ratepayers of the areas concerned,
- (e) the requirements of the area concerned in relation to elected representation for residents and ratepayers at the local level, the desirable and appropriate relationship between elected representatives and ratepayers and residents and such other matters as it considers relevant in relation to the past and future patterns of elected representation for that area,
 - (e1) the impact of any relevant proposal on the ability of the councils of the areas concerned to provide adequate, equitable and appropriate services and facilities,
 - (e2) the impact of any relevant proposal on the employment of the staff by the councils of the areas concerned,
 - (e3) the impact of any relevant proposal on rural communities in the areas concerned,
 - (e4) in the case of a proposal for the amalgamation of two or more areas, the desirability (or otherwise) of dividing the resulting area or areas into wards,
 - (e5) in the case of a proposal for the amalgamation of two or more areas, the need to ensure that the opinions of each of the diverse communities of the resulting area or areas are effectively represented,
- (f) such other factors as it considers relevant to the provision of efficient and effective local government in the existing and proposed new areas.

4.2 The Examination and Reporting Process

The Delegate will be seeking a meeting with Council representatives. In addition he strongly encourages Council to make a submission on the proposal and invites representatives of the council to speak at the public inquiry.

It is understood that the Delegate will be contacting Council shortly with the details of the public inquiry, including the date and time, location and registration process.

- Submissions once made and received become part of the public record.

- Submissions will be published at the conclusion of the proposal examination process after the delegate has provided their report to the Minister, unless the author of a submission requests that it remains confidential.
- Authors must clearly state if they wish all or part of their submission to remain confidential.
- To protect the privacy of submitters, signatures and other personal contact details will be removed before submission are published.

4.3 The examination process is outlined on www.councilboundaryreview.nsw.gov.au

The Legislative Process

The process for considering proposals to amalgamate local government areas or alter a local government area boundary is set out in Chapter 9, Part 1, Divisions 2A and 2B, and Chapter 9, Part 3 of the Act. The Minister for Local Government (Minister) has referred proposals to the Chief Executive of the Office of Local Government, who has delegated the examination and reporting function under section 218F of the Act to a number of persons (Delegates). The Delegates will be responsible for examining and reporting on the proposals in accordance with the Act. Once they have completed their examination, they must prepare a report and provide that report to the Minister and to the independent Boundaries Commission. The Boundaries Commission will review the reports of the Delegate and provide its comments to the Minister. Once the Minister has received reports prepared by the Delegates and the Boundary Commission's comments on those reports, the Minister will make a decision on whether or not to recommend the implementation of each proposal to the Governor of NSW. For more details on the legislative process please refer to the Act.

The Public Inquiry

Sections 263(2A) and 218F(2) of the Act requires the Delegate to hold a public inquiry (public meeting) into the proposal. Any person may speak at the public inquiry, but may not be represented at the public inquiry by an Australian Lawyer or by a person qualified for admission as an Australian Lawyer, or any person acting for a fee or reward.

Details of the time, date and location of the public inquiry will be made available in due course.

Submissions

Written submissions will be one of the most important ways for Delegates to gather information. People who make written submissions are encouraged (but are not required) to focus on the factors listed in section 263(3) of the Act.

Written submissions close 5pm Friday 8 April 2016 and can be submitted either online at the www.councilboundaryreview.nsw.gov.au website or by mail.

Council Boundary Review Submissions
GPO Box 5341
Sydney NSW 2001

4.4 Council Decision Making During Merger Proposal Periods

The Office of Local Government under section 23A of the NSW Local Government Act has released guidelines outlining Council Decision Making during merger proposal periods. The NSW Government has confirmed that until such time as a new council is created all councillors will remain in place conducting council business as usual. The Premier has indicated that there may be a need to defer the 2016 September elections until March 2017.

The Council is required to consider the Guidelines in exercising their functions during the proposal period. The Office of Local Government will be monitoring compliance. It is therefore important to outline the following:

During a merger proposal period, councils and council officials should be mindful of the need to act in the best interests of their community and for the purposes of meeting the needs of that community. Councils should not make decisions that needlessly impose avoidable costs on a new council.

In particular, councils and council officials should not make decisions during a merger proposal period for the following purposes:

- to prevent or disrupt the consideration of merger proposals by the Chief Executive of the Office of Local Government or his delegate, the Boundaries Commission or the Minister for Local Government other than through the legitimate exercise of legal rights of review or appeal
- to exercise their functions or use council resources to oppose or support a merger proposal for personal or political purposes (see below for more information on merger-related information campaigns)
- to seek to damage or impede the operational effectiveness of a new council including by (but not limited to):
 - making significant and/or ongoing financial commitments that will be binding on a new council
 - making other significant undertakings or commitments that will be binding on a new council
 - making decisions that are designed to limit the flexibility or discretion of a new council
 - deliberately and needlessly expending council resources to minimise the resources available to a new council on its commencement.

4.4.1 Merger-Related Information Campaigns

Any public information campaigns conducted by councils with respect to merger proposals:

- should be conducted for the purposes of informing the local community about the merger proposal and should be proportionate to this purpose
- should not involve disproportionate or excessive expenditure or use of council resources
- should be conducted in an objective, accurate and honest manner and should not be deliberately misleading
- should not be used to endorse, support or promote councillors, individually or collectively, political parties, community groups or candidates or prospective candidates at any election, Local, State or Federal.

Merger-related information campaigns should be approved by councils at an open council meeting. Councils should also publicly approve a budget for the campaign at an open council meeting before incurring any expenditure on the campaign

4.5 Community awareness

The community has made its views clear to Council in the past on this proposal for one council for the northern beaches.

It will be very important for the Delegate and the NSW Government to hear directly from the community on its views on this proposal during the coming 5 weeks before the 8 April 2016 deadline. A community engagement program is proposed to inform the community of the proposal, consistent with the section 23A guidelines.

5.0 ATTACHMENTS

Attachment 1: Letter from Warringah Council to the Minister for Local Government dated 23 February 2016.

Attachment 2: Pittwater Council's Merger Proposal Submission – Pittwater Council Warringah Council (Part) – body only without attachments.

Attachment 3: Office of Local Government Council Decision Making During Merger Proposal Periods

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

A community engagement program is planned to inform the community and encourage members to provide submissions to the NSW Government. Council staff will ensure up to date information is available for the community via Council's website, social media and print media channels. It is expected the NSW Government will release further information on the public inquiry process by early March 2016.

6.1.2 Risk Management

The issued Departmental Guidelines under Section 23A provide a risk framework for councils during the merger proposal periods.

A risk framework will be finalised in March / April to manage the number of risks and challenges that may be experienced prior, during and post merger (including but not limited to):

- Uninterrupted service delivery
- Adequate and accurate information available to community and staff
- Financial management and budget setting
- Systems integration
- Change management framework for staff

6.2 ENVIRONMENT

6.2.1 Environmental Impact

No immediate impact however, improvement in Catchment Management, Coastal Management and National Park relationships would be anticipated.

6.3 **SOCIAL**

6.3.1 **Community Needs and Aspirations**

As set out by the NSW Government the community will have a further opportunity to have input into the proposed mergers via the Delegate appointed by the Chief Executive of the Office of Local Government.

It will be necessary to work with the Pittwater community to ensure their voice is heard in relation to the proposed merger.

6.4 **ECONOMIC**

6.4.1 **Economic Development**

Careful examination of the economic benefits of the proposed merger would be required.

Report prepared by

Mark Ferguson
GENERAL MANAGER



23 February 2016

The Hon. Paul Toole, MP
Minister for Local Government
GPO Box 5341
SYDNEY NSW 2001

Our Ref: 2016/058128

Dear Minister

Proposal Under Local Government Act 1993

I am writing to advise of a decision made at the Extraordinary Meeting of Warringah Council held this evening.

Council resolved as follows:

That Council:

- A. *Pursuant to section 218E of the Local Government Act 1993, make a proposal to the Minister for Local Government for the amalgamation of the Pittwater, Manly and Warringah local government areas into one new area, and*
- B. *Delegate to the General Manager the authority to do all things necessary to give immediate effect to the above.*

We will forward you the full proposal in the coming days.

Yours faithfully

Malcolm Ryan
Acting General Manager

WARRINGAH COUNCIL
Civic Centre 725 Pittwater Road Dee Why NSW 2099
DX 9118 Dee Why NSW ABN 31 565 068 406
T 02 9942 2111 F 02 9971 4522
warringah.nsw.gov.au



27 February 2016

MERGER PROPOSAL - SUBMISSION

PITTWATER COUNCIL WARRINGAH COUNCIL (PART)



Mark Ferguson, General Manager, Pittwater Council
PO Box 882 Mona Vale NSW 1660
Phone: 02 9970 1111
Email: info@pittwater.nsw.gov.au

Submitted for Pittwater Council

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1. EXECUTIVE SUMMARY

This proposal has been presented after four years evaluation and consultation by the Local Government sector, State Government and the community. The Pittwater community vehemently opposes the establishment of one council for the northern beaches and it is evident that many people did not want change, preferring to retain the structure of Local Government that has serviced the community effectively.

Over four years of consultation, it is clear Pittwater and Manly residents are vehemently opposed to "One Northern Beaches Council":

- 89% of the over 4000 Pittwater residents surveyed want the status quo. If forced:
 - 85% are strongly opposed to one northern beaches council
 - 86% support the 'Greater Pittwater' model of two councils for the region
- Based on surveys of over 2400 Manly residents, if mergers are forced, there is overwhelming preference for there to be two councils in the region, as opposed to one large Northern Beaches Council

The majority of residents are currently silent as they accept the two-council proposal.

Inevitably the need for reform is necessary to more effectively manage our unique natural assets, plan and accommodate for metropolitan population growth, maintain an ageing asset infrastructure and provide a more liveable, vibrant city of Villages.

Ultimately local government is about building communities. Finances are a means to this end but not the number one driver of decision making in local government.

This proposed merger balances the divergent views of the community and creates a strong council by achieving economy of scale whilst maintaining agility, connection to community and local representation.

The current SHOROC model of four Councils of uneven size and capacity has created ongoing issues for the functioning of the region. This proposal, linked with the Southern Council proposal of two equally balanced Councils, overcomes this issue and will provide strong stable governance for the local government sector into the future.

The proposal creates a Council of 214 square kilometres in area incorporating, Narrabeen catchment, 2 National Parks, 2 State Parks, \$1Billion in assets and annual operating revenues in excess of \$217 Million per year by 2025 with approximately 850 staff. This proposed expanded Council will have the scale and strategic capacity to effectively plan and partner with State and Federal Government in the delivery of key infrastructure without the loss of community identity which would result from the single northern beaches council model.

There will be an ideal opportunity to review process and explore innovation and transformational opportunities through a new culture and sharing of ideas. The staff at Pittwater recognise the opportunities that may present, as well as the challenges and in collaboration with their Waringah colleagues build a strong, sustainable and innovative Council to service the new Council area with leadership and outstanding service delivery.

Taking into account financial saving and government funding, major services and projects will be delivered to the community. For example implementation of the B-Line bus rapid transit, a new strategic centre at Frenchs Forest, future growth of Ingleside, a common parking system to deliver a reciprocal permit, and the ongoing preservation of Pittwater and nearly 50% of Sydney's coastline.

More importantly the proposal provides the opportunity to create a more collaborative operating culture within the SHOROC region. The Northern Council would be able to provide stronger governance at Kimbriki, a single Council for the Rural Fire Service volunteers and stronger relationships with the NSW Surf lifesaving clubs.

The area would retain its low density peri-urban ambience of around 700 people per square kilometre. Demographic experts advise the expanded council has a community of interest characterised by low density housing, similar demographic and socio-economic indicators making it well suited to the current merger proposal. It also has strong connections across sporting, recreational and cultural interests.

The proposal would improve the management and coordination of sporting fields with the various sporting associations, through Council hosting most of the sporting facilities within the SHOROC Region.

Professor Brian Dollery endorsed the SHOROC two council model as 'the most sensible and economically responsible outcome for the region possible', despite stressing that he was 'always opposed to compulsory mergers'.

He said that compared to the Independent Panel's recommendation of a forced merger of Manly, Pittwater and Warringah, 'the IPART's new proposal is the best outcome for residents in the region'.

'It allows for the strengthening of villages and communities and retention of local character, community of interest and identity with both of the areas retaining a similar density', he said.

'It also ensures the custodianship over a unique waterway and lower density development in keeping with the natural environment and heritage in the northern council, whilst the southern council would be more harbour and city focussed with a higher level of density'.

Professor Dollery noted that the SHOROC two council model 'supports conceptual and empirical research that shows that the larger proposed entity was not a better option'.

Empirical research undertaken by both Professor Brian Dollery and KPMG had shown that a two council model can provide financial, environmental, social and governance benefits for the communities they serve.

Whilst a number of submissions will present an argument for the one northern beaches Council, this model has been overwhelmingly rejected by the Pittwater Community and government, despite the concept being heavily promoted. Consideration of a single Council for the northern beaches is beyond the scope of this proposal required to be examined by the Chief Executive Officer's delegate and ought not be considered as part of the process required to be undertaken under s218F of the Local Government Act which requires the delegate to examine and report on the proposal put forward by the Minister.

Similarly, the proposition of a major boundary change of the three suburbs of Killamey Heights, Forestville and Frenchs Forest is materially different to the proposal which the Minister has required the Chief Executive Officer through his delegate to examine.

The task is not to consider any amalgamation proposal but the one referred by the Minister. Removing these 3 suburbs from the proposal would be significantly different to the Minister's proposal. It would reduce the population of the proposed Council by 25,000 to 115,000 population. This would irreparably damage the two Council balance, scale and strategic capacity of the northern Council, rendering it outside the current key reform criteria as the smallest Council in Sydney.

It is submitted that no weight should be given to these submissions as they represent an alternative proposal to the one put forward by the Minister for consideration and are contrary to the key descriptors of the proposal under consideration.

The following Submission examines each of the Legislative Criteria under Section 263 of the Act and analyses the Criteria against the Government's Proposal, Council views, and transformational opportunities.

The proposal on the table provides an opportunity for Council to work with our community to create an innovative, community focused and sustainable Council that builds on all the great things that Pittwater and Warringah have achieved.

2. INTRODUCTION

Pittwater is a strong award winning Council formed in 1992 after two decades of community campaigning for a separate Council.

Since formation Council has grown to be a leader in local government, winning multiple accolades including for environmental management, planning, sustainability, and communications. Council has been recognised twice in its short history with what is widely regarded the most prestigious award for local government in NSW, winning the A.R. Bluet Memorial Award in 2002 and receiving a commendation in 2015.

Over four years of consultation, it is clear Pittwater and Manly residents are vehemently opposed to "One Northern Beaches Council".

- 89% of the over 4000 Pittwater residents surveyed want the status quo. If forced:
 - 85% are strongly opposed to one northern beaches council
 - 86% support the 'Greater Pittwater' model of two councils for the region
- Based on surveys of over 2400 Manly residents, if mergers are forced, there is overwhelming preference for there to be two councils in the region, as opposed to one large Northern Beaches Council

The majority of residents are currently silent as they accept the two-council proposal.

Our vision is to be a vibrant sustainable community of connected villages inspired by bush, beach and water and this vision is embodied in all Council delivers. This is evident in the strong support from the community, with 91% satisfied in Council's performance in our recent community survey.

Pittwater Council and community have strongly opposed the creation of one council for the northern beaches and would prefer a strong, independent Pittwater Council providing local representation and delivery of local services to the people of Pittwater on the existing boundaries.

However we recognise that inevitably the need for reform is necessary to more effectively manage our unique natural assets, plan and accommodate for metropolitan population growth, maintain an ageing asset infrastructure and provide a more liveable, vibrant city of villages.

This proposed merger balances the divergent views of the community and creates a strong council by achieving economy of scale whilst maintaining agility, connection to community and local representation.

Recognising the need for change, increased strategic capacity and a stronger local government sector, Council has resolved to support the NSW Government's merger proposal which will result in two equally balanced Councils collaborating for the region.

The strength of Pittwater together with Warringah, which has also recently become an award winning Council, shows this is a real opportunity to transform the new Councils created by currently the two best Councils in NSW into two new leading Councils nationally and perhaps internationally.

3. RESPONSE TO LEGISLATIVE CRITERIA

3.1 The financial advantages or disadvantages (including the economies or diseconomies of scale) of any relevant proposal to the residents and ratepayers of the areas concerned.

3.1.1 Response to Proposal

Pittwater Council supports the NSW Government's proposal for an expanded Council for Pittwater and Northern Warringah as it will meet the new scale and capacity criteria of a population of approximately 150,000. Similarly, the southern council will also meet that criteria with a population of approximately 140,000.

This will create two stronger Councils and will satisfy the financial criteria associated with sustainability, infrastructure and service management and efficiency with estimated Net Assets for the northern council in excess of \$2.5 billion and Cash and Investments of more than \$78 million and a similar outcome for the southern council.

As indicated by the NSW Government's own independent studies and reports undertaken by KPMG, the proposed merger has the potential to provide \$49 million in total benefits to communities of the expanded Council for Pittwater over the next 20 years, made up of \$29 million in financial savings over the period and a further funding package of \$20 million in the short term to fund transition, infrastructure and amenity improvements.

The proposed merger will create a northern Council better able to meet the needs of the community into the future and will provide significant benefits, in addition to the \$49 million financial benefit of:-

- a projected 67 per cent improvement in annual operating results, potentially reducing the reliance on rate increases through Special Rate Variations (SRVs) to fund local infrastructure;
- improved capacity to effectively manage and reduce the infrastructure backlog;
- improved strategic planning and economic development to better respond to the changing needs of the community;
- effective representation by a Council with the required scale and capacity to meet the future needs of the community; and
- providing a more effective voice for the area's interests and better able to deliver on priorities in partnership with the NSW and Australian governments.

An expansion of Pittwater Council to include approximately 45% of Warringah Council will also meet the assessment criteria of the Fit for the Future (FFF) Program of the NSW Government, in that:-

- the expanded Council will meet the scale and capacity criteria at a population of 150,000.
- the expanded Council will satisfy the financial criteria associated with Sustainability Infrastructure, Service Management and Efficiency.

In achieving the NSW Government's mandate of better, stronger Local Government, residents will become part of a financially stronger Council. The residents of the northern half of Warringah will incur no financial disadvantage with significant potential for improvement based on anticipated synergies realised with the rationalisation of employee structures, IT systems, plant, and other assets of the two organisations.

While it is understood that Warringah Council has conducted another internal analysis of the potential financial advantages or disadvantages of the two new proposed Councils effectively refuting any financial advantages indicated by the State Government and their external experts, it should be noted that over the past 2 years Warringah Council has released numerous reports purporting to provide the costs and benefits of the "one northern beaches Council" model in comparison to the NSW Government's proposal and the status quo.

These reports have been discredited by IPART and the NSW Government, grossly overestimating the benefits of the "one northern beaches Council" by more than \$100M and the "costs" of creating two new Councils for the SHOROC region.

Any past or present analysis presented by Warringah Council should be read cautiously or even discounted as unfortunately all "analysis" to date has been based on flawed and current policy agendas of Council in order to establish their preferred outcome.

For example, on a single but significant issue of Capital Works Programs, the assessment presented in Warringah Councils' submission considered by Council on 23 February 2016 misrepresents the data to skew the results, in that it:

- o Ignores significant capital projects in the northern council area totalling at least \$225 million over the next 10 years to undercount the costs facing the northern council, including for example the Ingleside Land Release, Warriewood Valley Land Release Infrastructure requirements, Church Point Car Park, McPherson Street Bridge to name a few, however
- o Includes projects in the southern council that are currently effectively a 'wish list' as they are not planned to be funded by Warringah or overstates the likely cost. These include for example Brookvale Oval (unfunded and not planned by Council), the Brookvale Structure Plan (unfunded and only just commenced) and the Frenchs Forest Structure Plan (likely to be paid for by s94, not general revenue)

Further, Warringah Council's own final submission to the Boundaries Commission (before Council 23 February 2016) highlights areas of financial concern in that *"Warringah's projected surplus's over each of the ten years of the Long Term Financial Plan are required to supplement shortfalls in Developer Contributions to fund new works, for example, the Dee Why Town Centre redevelopment and revitalisation"*.

Accordingly, the fact is that independent analysis shows both the proposed southern and northern councils are financially sustainable and the new Councils will have the ability to adjust policies and budgets to maximise these benefits and any financial scare tactics that have been and are being used by Warringah Council are only in order to overshadow past inequities in their operations.

(a) Financial analysis of proposed Council

While Pittwater Council continually looks to the future we have been able to estimate financial results of a merged expanded Council for Pittwater based on the 2014/15 published and audited financial statements of both Councils. The results are based on 100% of Pittwater Council's 2014/15 financial results merged with 45% of Waringah Council's 2014/15 financial results to provide a snap shot of what a merged Council's financial position may look like as a baseline. While it is acknowledged that boundaries and suburb profiling may affect rate bases, operating matrixes, capital expenditure, etc it is believed that this simple profile will not be too dissimilar to an end result at the beginning of its lifecycle.

Accordingly, based on the NSW Government's Fit for the Future Scale and Capacity and Financial criteria a high level financial assessment of the potential merged entity is as follows:-

(b) Scale and Capacity - Satisfied

An expanded Council for Pittwater will fulfil the NSW Government's determination of scale and capacity, meeting the State Government's objective of "creating Councils of around 150,000 or greater in population size" (Merger Proposal: Pittwater Council Waringah Council (part) January 2016). This will see a range of efficiency improvements under a merged entity.

- **Greater capacity to undertake regional planning and strategic delivery of projects.**
- **Improved ability to address challenges and opportunities, particularly infrastructure backlogs, and improved financial sustainability.**
- **A more effective partner for NSW and Australian governments when delivering infrastructure projects and other cross-government initiatives.**
- **Better able to function as a modern organisation with**
 - **staffing capacity and expertise at levels currently not practical or economically possible for smaller Councils;**
 - **innovative and creative approaches to service delivery; and**
 - **the resources to deliver better training and to attract professionals into leadership and specialist roles.**

(c) Sustainability - Satisfied

Both Pittwater and the proposed expanded Council would satisfy the criterion for Sustainability based on 2019-20 forecast benchmarks as required by the NSW State Government for:-

- operating performance ratio;
- the own source revenue ratio, and

- the building and infrastructure asset renewal ratio.

The ratios based on 2014/15 financial data would be as follows:-

Ratio	Operating Performance Ratio	Own Source Revenue Ratio	Building & Infrastructure Renewal Ratio
Pittwater Council	0.12 %	81.00 %	113.90 %
Expanded Council for Pittwater (Merged Entity)	1.84 %	83.70 %	132.29 %
Benchmark	Greater than 0.00 %	Greater than 60 %	Great than 100 %

(d) Infrastructure and Service Management – Satisfied

Pittwater Council in isolation would have satisfied the criterion for Infrastructure and Service Management based on 2019-20 forecast benchmarks as required by the NSW Government for:-

- infrastructure backlog ratio;
- asset maintenance ratio, and
- the debt service ratio.

Under an expanded council for Pittwater proposal these sustainability ratios become stronger.

The ratios based on 2014/15 financial data would be as follows:-

Ratio	Infrastructure Backlog Ratio	Asset Maintenance Ratio	Debt Service Ratio
Pittwater Council	2.63 %	127.00 %	2.87 %
Expanded Council for Pittwater (Merged Entity)	1.64 %	119.00 %	1.80 %
Benchmark	Less than 2.00 %	Greater than 100 %	Greater than 0 %

(e) Efficiency – Satisfied

Pittwater Council in isolation will satisfy the criterion for Efficiency based on 2019-20 forecast benchmarks as required by the NSW State Government for:-

- Decline in Real Operating Expenditure Per Capita.

Under an expanded Council for Pittwater proposal this efficiency ratio would continue to be satisfied as would Pittwater's current stand-alone estimate and Warringah Council's current stand-alone estimate.

Ratio	Decline in Real Operating Expenditure Per Capita
Pittwater Council	Decreasing
Expanded Council for Pittwater (Merged Entity)	Decreasing
Benchmark	Decreasing

(f) Other Financial Considerations

Whilst financial stewardship of an organisation rests with good managers and a competent elected Council, the financial viability of an organisation is based on its positive operating results, the strength of its balance sheet, availability of cash and its asset-to-liabilities ratio in the short term. Sound results in these areas of finance allow an organisation to operate effectively towards its business goals without the need to generate additional income such as a rate increase above normal inflationary adjustments.

Beyond the FFF criteria, Council has re-extrapolated the 2014/15 financial results to form a financial baseline for both the newly formed Northern and Southern Councils in order to demonstrate that these Councils would be financially sustainable now and into the future.

- Both Northern and Southern Councils will have strong financial baselines.
- Such strength in the newly formed Council's financial baselines will create the platform for the delivery of the State Government's service and infrastructure improvements.

As demonstrated in the table below, both Councils have strong current financial operating and capital platforms to build upon.

Financial Result (re-extrapolated 2014/15 financial results)	Expanded Northern Council including 45% of Warringah	Expanded Southern Council including 55% of Warringah
Net Operating Result (before Capital grants and contributions)	\$5,216,000	\$11,910,000
Net Assets	\$2.374 billion	\$2.857 billion
Unrestricted Current Ratio (benchmark 1.5)	2.71	2.59
Cash Expense Ratio (benchmark 3 months)	6.49 months	5.91 months
Capital Expenditure Ratio (benchmark 1.1)	2.23	2.11
Cash and Cash Equivalents	\$73.5 million	\$105 million
Rate Base	\$71.6 million	\$84.5 million

Note: The splitting of Warringah (45% North and 55% South) is based on rateable properties within each of the proposed new Council boundaries. The final percentage split will need to further take into account prevailing assets, liabilities etc. and accordingly will be subject to final negotiation.

Furthermore, the baseline (2014/15) financial criteria above would continue to strengthen after the formation of the new Council based on the improvement and rationalisation programs that would be introduced under new management.

KPMG, on behalf of the NSW Government, has projected that additional financial savings amounting to \$29 million over the next 20 years in the north and \$47 million of savings in the south could occur from the rationalisation of staff, assets, economies of scale relating to expenditure, and access to cheaper funding from the NSW Government thus seeing significant improvements in future operating results occurring.

In addition, the injection of the State's \$10 million for capital expenditure in the north and \$15 million in the south could effectively almost eradicate any infrastructure backlog liabilities of the newly formed Councils if injected directly into asset backlogs.

The SHOROC model of 4 councils into 2 delivers an additional \$15 M government funding up front to the region, compared to the 3 into 1 Northern Beaches model.

Accordingly, the simple yet accurate analysis of the aggregated snapshot of 2014/15 financial information of the proposed expanded northern and southern Councils, anticipates that no resident in either Pittwater or the northern half of Warringah should be disadvantaged through either reduced service delivery or infrastructure due to the fact of the strength in the Council's initial financial baseline and projected savings indicated by the NSW State Governments analysis.

Accordingly, all residents in both affected areas have the opportunity to be governed by a financially sustainable, stronger, more strategic, collaborative and regionally influential Council that will progress the sound achievements that both current Councils have obtained to date in the areas of infrastructure renewal and development, service delivery, and community representation in the Sydney basin.

3.1.2 Transformational Opportunities

The financial benefits outlined above are based on the current operating models of Pittwater and Warringah Councils.

This is also an ideal opportunity to review process and explore innovation and transformational opportunities through a new culture and sharing of ideas. The staff at Pittwater recognise the opportunities that may present as well as the challenges and in collaboration with their Warringah colleagues build a strong, sustainable and innovative Council to service the new Council area with leadership and outstanding service delivery.

Planning has commenced to ensure that these transformational opportunities in creating a new Council are realised, further extending the financial benefits of the new Council.

3.1.3 Summary

Council strongly supports the Government's proposal and the financial benefits it will deliver to the residents and ratepayers of an expanded Council for Pittwater and Northern Warringah.

Whilst a number of submissions will present an argument for the one northern beaches Council or changes to the boundary to include suburbs in the proposed southern Council, either of these would significantly change the financial criteria for the new Council outlined in the proposal, meaning that it would need to be considered a new proposal and as such the commencement of a new boundary review process.

3.2 The community of interest and geographic cohesion in the existing areas and in any proposed new area.

3.2.1 Response to Proposal

Pittwater Council supports the Proposal to merge Pittwater and Northern Warringah as it will bring together communities with significant similarities across demographic, housing market, environmental, urban character and socio-economic indicators.

The proposed expanded Council for Pittwater and Northern Warringah will be responsible for infrastructure and service delivery to more than 140,000 residents.

It provides the opportunity to bring together the communities from across the Local Government areas of Pittwater and Northern Warringah. These communities have similar lifestyles, use similar services and have a common identity based on similar socio-economic profiles and a proximity to the coastal environment. They also have similar population growth outlooks and face similar challenges in accommodating population growth.

The proposed boundaries for the expanded Council draw on natural features and take advantage of the area being bordered by water on three sides. The boundaries will extend from Pittwater and Ku-ring-gai Chase to the north and the Pacific Ocean to the east. The coastline shapes the lifestyle of many communities and attracts a large number of tourists and weekend visitors. The proposed western boundary will mirror that of the existing Warringah Council up to and including part of Garigal National Park. The southern boundary of the expanded Council follows the southern edge of the current suburbs of Collaroy, Cromer, Oxford Falls, Frenchs Forest, and the eastern edge of Killarney Heights. The proposed merger would see environmentally important areas such as McCarrs Creek and the foreshores of Narrabeen Lagoon falling within one local government area, rather than two.

The expanded Council for Pittwater will be better able to provide services and infrastructure that matter to the community such as:-

- more integrated management of the Narrabeen Lagoon and Narrabeen Lagoon Catchment area.
- preserving and improving access to the coastal environment for the benefit of local residents and to enhance tourism, including improved coastal and estuary management.
- improving bush regeneration, weed control and fencing initiatives across the region, including areas along the Wakehurst Parkway or Mona Vale Road.
- preservation of Pittwater – the second-largest harbour in metropolitan Sydney (after Port Jackson).
- many of the residents are members of volunteer organisations that include Surf Life Saving, the Rural Fire Service, and the State Emergency Services.

(a) **Communities of Interest**

The proposed expanded Council will bring together two areas of predominantly low-medium density housing supported by a number of connected villages surrounded by bush and water.

Council commissioned an analysis of the proposed new Local Government Area by demographic experts (see **Attachment 1**) which found significant similarities across a range of indicators between the existing Pittwater Council and the residents of Northern Warringah.

"Pittwater Council is similar to Northern Warringah across demographic, housing market and socio-economic indicators, making the regions well suited to a merger." (id The Population Experts)

The following table extracted from the work undertaken by id The Population Experts highlights the high level of compatibility between the proposed merger areas:-

Indicator	Pittwater Council	Northern Warringah	Compatibility Rating
Demographic Indicators			
Population 0-15 years	20.00%	20.90%	Very similar
Population 65+ years	17.00%	18.00%	Similar
Couples with Children	38.40%	41.10%	Similar
Population born overseas	22.70%	25.30%	Similar
LOTE speakers	7.50%	13.30%	Different
Housing Market			
Separate dwellings	72.70%	72.30%	Very similar
Houses with 3 or more bedrooms	73.60%	72.90%	Very similar
Socio-economic			
Households in highest income quartile	40.10%	40.10%	Identical
Population with Bachelor degree or higher	25.20%	26.10%	Very similar
Employed full time	57.10%	60.40%	Very similar
SEIFA	1094.4	1093.5	Very similar
Average rating			Similar
Demographic			Similar
Housing market			Very similar
Socio-economic			Very similar

During the exhibition period of the Proposal, concerns have been raised that the most southern suburbs of the proposed Northern Warringah area, namely Killarney Heights, Forestville and Frenchs Forest, are not as well aligned to merge with an expanded Council for Pittwater.

Council commissioned id. The Population Experts to examine specifically the compatibility of these three suburbs to either the proposed expanded Council for Pittwater or to the proposed new Southern Council (see **Attachment 2**). The analysis found that "Killarney Heights, Forestville and Frenchs Forest were most similar to Belrose, Oxford Falls and Davidson and therefore more closely aligned to an expanded Council for Pittwater".

(b) Geographic Cohesion

The major benefit of the two-Council proposal is that it creates two distinct local government areas: one with a higher density urban feel; and one with a lower density, more environmental feel. This allows the two Councils to have a specific focus on the regional characteristics of their areas

The expanded Council for Pittwater Local Government Area would contain around 11,000Ha of remnant natural areas, 7,500Ha of this being National Park with a further 3,500Ha of remnant natural areas on private, Crown and Council lands. The proposed merged areas contain the same vegetation types and the same mix of flora and fauna.

The lower density of the proposed expanded Council for Pittwater would contain the majority of the Garigal and Ku-ring-gai Chase National Parks, with a small exception on Middle Harbour.

There are significant environmental management benefits with the natural assets split between two Council areas, which are currently difficult to provide. For the proposed expanded Council for Pittwater this would include such services as:-

- better coordination and management of regional issues that include feral animal control, local representation of vegetation communities in reserves, weed control, wildlife corridors, and development assessment. The proposal provides a mechanism in which the vast majority of remnant vegetation will be within the one Council, streamlining the planning process around the development of significant corridors;
- improved management of the area's outstanding natural heritage, including the waterways. This would formalise the Narrabeen Lagoon catchment into one LGA, allowing for improved planning of the immediate catchment including vegetation types and onward links to the national parks;
- improved planning at the regional level, including consolidation of environment values in regional and metropolitan plans.
- complementary planning legislation and development controls across the whole LGA, reflecting environment constraints and opportunities as well as community expectations and aspirations;
- Regional Environmental education via the Coastal Environment Centre (CEC). The reach and target audience of the CEC is broad and not limited to the immediate Pittwater LGA. Annually the CEC provides curriculum education programs to 10,000 students from all areas of the Sydney basin, but particularly the Warringah-Pittwater Area. The CEC works closely with the Peninsular Community of Schools (PCS) which includes primary schools and secondary schools in both the Pittwater and Warringah LGAs.

The reach for community education programs focuses more broadly on the catchment areas of the Pittwater and Narrabeen Lagoon. The CEC provides events that include open days, pop-up events at local markets, professional workshops, local walks, seminars and a regular school holiday program for children aged 6-12.

- reducing competing demands for contracting of services for environmental management works and allowing for priority setting across the combined area. Both

current Councils use the contractor pool for most of their environmental services. The proposal would ensure consistency in the appointment and costs of these services across the proposed expanded region and allow for environmental priorities to be better implemented.

These services are currently more difficult to implement across two separate Local Government Areas. Grant applications would be more effective and apply to the whole locality. External committees and groups such as the Sydney Weeds Committee and Local Land Services would be more productive, with fewer member Councils and fewer locally based divisive issues. The larger scale and capacity of the proposed Council would also provide greater advocacy and resilience for environmental issues.

3.2.2 Summary

The proposed new expanded Council for Pittwater Local Government Area will bring together communities with significant similarities across demographic, housing market and socio-economic indicators. As identified by demographic experts, "Pittwater Council is similar to Northern Warringah across demographic, housing market and socio-economic indicators, making the regions well suited to a merger."

The proposal facilitates each new Council having a specific focus on the regional characteristics of their areas, including better co-ordination of regional assets and infrastructure, and significant environmental management benefits.

Whilst a number of submissions will present an argument for the one northern beaches Council or changes to the boundary to include suburbs in the proposed southern Council, as indicated earlier neither of these are the subject of the Minister's proposal, both would significantly change the population criteria and other matters for the new Council outlined in the proposal, and are alternate proposals. As such they require the commencement of a new boundary review process.

3.3 The existing historical and traditional values in the existing areas and the impact of change on them.

3.3.1 Response to Proposal

The communities of Pittwater and Northern Warringah share many common characteristics. These communities are bound by their sense of place as a coastal and suburban area and their shared identity. The Proposal recognises the unique history of Pittwater Council, which was created just over 20 years ago following a separation from Warringah Council. Through an analysis of historical events and recent research into the benefits and impacts of change the proposal would bring, Pittwater Council see the proposal as both a recognition and preservation of existing values whilst harnessing the common characteristics, values and interests of the two areas into a new local government area.

Historically, there have been a number of campaigns pushing for political change across the area, including a proposal in the early 1960s to split Warringah into two sections, largely as a counter to a proposal to combine Manly and Warringah Councils, which remained on the political agenda up until the 1970s. In seceding from Warringah in 1992, Pittwater established its independence and although its current preference is for it to continue to stand alone, the proposal to merge Pittwater with the northern suburbs of Warringah is acceptable because of a commonality of environmental and social values as well as communities of interest based not only on demographic similarities, but also around sporting, recreational and cultural activities.

Strong connections exist, not only demographically, but also across sporting, recreational and cultural interests.

The existing communities of Pittwater and the northern part of Warringah share many common values, especially related to their suburban environments, their bushland settings and the coastal communities. The areas share connections across their communities with many local services operating across the region. These services include community-based services such as volunteering groups, community care services and counselling and crisis support. These services are provided by groups such as Northern Beaches Community Connect, Community Care Northern Beaches and Northern Beaches Lifeline.

Some of the many volunteering opportunities existing across the region both through Council operated groups and community-based groups are:-

- Council-supervised bush care groups from both Pittwater and Northern Warringah work in similar environments to help regenerate nature reserves and coastal habitats. A specialised supervision and support structure will assist and expand the scope and value of work.
- there are approximately 1,200 volunteers in the Warringah-Pittwater Rural Fire Service district with six of the current brigades in the current Pittwater area and most of the remaining brigades, including the brigade headquarters, in the northern suburbs of Warringah. A larger Council will bring these brigades into a single, cohesive structure.

- both Pittwater and Warringah have community library services run by volunteers, notably Avalon and Terrey Hills, sharing similar objectives in supporting the reading and information needs of their local communities. Library systems at both Pittwater and Warringah operate Home Library Services with volunteers delivering books to housebound clients and those in retirement villages and nursing homes.
- Surf Lifesaving NSW volunteers patrol nine beaches in the current Pittwater Council area and an additional five beaches will be included in the proposed expanded Council for Pittwater area from the beaches of Northern Warringah. Pittwater's model of relationship building with the surf clubs enables empowerment of the volunteers building skills and participation rates. Through this model a genuine intergenerational volunteer service is created leading to community cohesion, development and covert learning by all age groups.

Pittwater and Northern Warringah additionally share a strong sporting community and outdoor culture. Providing recreational facilities, nature reserves, walking tracks, bike trails and sports fields is important to both regions and some facilities, such as Pittwater Rugby Park, are shared by the Warringah Rugby Club and other sports.

The inclusion of the whole Narrabeen Lagoon catchment area and surrounding recreational facilities under one Council provides a strong opportunity for consolidating the management of both the natural environment and recreational uses of this important natural attribute valued by residents of both Pittwater and Northern Warringah.

In the area of education, merging Pittwater with Northern Warringah will bring all the schools in the Peninsular Community of Schools (collective schools interest and advocacy group) into a single Council area. Collaroy Plateau, Cromer, Narrabeen Lakes and Wheeler Heights Public Schools would become part of this larger Council. Other educational institutions that service the area are Northern Beaches Community College and University of the Third Age.

Pittwater and Warringah Councils collaborate in protecting and promoting Aboriginal heritage in their local communities and are partners in The Aboriginal Heritage Office, a joint initiative of Lane Cove, North Sydney, Manly, Warringah, Willoughby, Ku-ring-gai, and Pittwater Councils, in a progressive move to protect Aboriginal Heritage in these areas. This relationship will continue under the new Council arrangements.

3.3.2 Summary

There are strong historical and traditional values shared across the new expanded Council for Pittwater. These shared values will be strengthened in an expanded Council for Pittwater, particularly with improved co-ordination and support for the Rural Fire Service network, the expanded Surf Life Saving connections and greater co-ordination of the use of sporting fields. Any changes to the boundary proposed for the expanded Council for Pittwater would reduce those opportunities, particularly for the Rural Fire Service and other volunteer based services where efforts may be more coordinated and greater rates of volunteerism realised.

Pittwater's model of relationship building can be replicated across the expanded council, for example the approach to surf clubs enabling and empowering volunteers in building skills and connectedness through participation.

3.4 The attitude of the residents and ratepayers of the areas concerned.

3.4.1 Response to Proposal

The proposal to merge Pittwater and Northern Warringah was the preferred merger option for the SHOROC region for three of the four Councils affected by the proposal.

Furthermore the proposal to merge Pittwater and Northern Warringah is the Pittwater Community's overwhelming preferred merger option if retaining the status quo was not supported by the NSW Government.

The Government has considered the merger options for this area of Sydney and is proposing an expanded Council for the southern, higher density part of the Northern Beaches and an expanded Council for the northern part of the Northern Beaches area of approximately the same size in population. This option was the preferred merger option for this part of Sydney for three of the four Councils affected by this proposal, supports the Government objective of creating Councils of populations of around 150,000 or more, and recognises the unique history of Pittwater Council, which was created just over 20 years ago following a separation from Warringah Council.

Over four years of consultation, it is clear Pittwater and Manly residents are vehemently opposed to "One Northern Beaches Council":

- 89% of the over 4000 Pittwater residents surveyed want the status quo. If forced:
 - 85% are strongly opposed to one northern beaches council
 - 86% support the 'Greater Pittwater' model of two councils for the region
- Based on surveys of over 2400 Manly residents, if mergers are forced, there is overwhelming preference for there to be two councils in the region, as opposed to one large Northern Beaches Council

The majority of residents are currently silent as they accept the two-council proposal.

Warringah has run a factually incorrect marketing campaign that has misled the community.

(a) Pittwater Analysis

Pittwater Council undertook a comprehensive program of community engagement activities to provide an opportunity for the broadest cross-section of the community to voice and then capture their views and preferences about local government amalgamations.

This included a random sample telephone survey run by an independent consultant, paper and online surveys, displays at customer service areas and libraries, drop-in sessions with the Mayor and General Manager, presentations to Council's four reference groups, a public meeting, and information stalls at various community market days.

Detailed information about the options was provided on Council's website, through social media and in a brochure sent to all residents and businesses in Pittwater.

The fundamental basis of this engagement was objectively seeking the community's views on the options. The three options outlined included:-

- remaining as we are on the existing boundaries.
- a two-Council model across Pittwater, Warringah and Manly (Greater Pittwater/Greater Manly).
- one single Council for Pittwater, Warringah and Manly.

Within the survey respondents were asked a series of questions, and also about their preferences and levels of support for the three options.

As respondents were not forced to complete all questions in the paper and online survey, the random sample telephone survey conducted by independent research firm Micromex Research has the most statistically valid data from which to draw conclusions.

When asked about their preferences it is clear that the overwhelming majority of residents want Pittwater to remain within its existing boundaries. Eighty-nine per cent of telephone survey respondents also support the status quo.

The option of two Councils for the SHOROC region consistently scored as the preferred second choice, of those with a second preference.

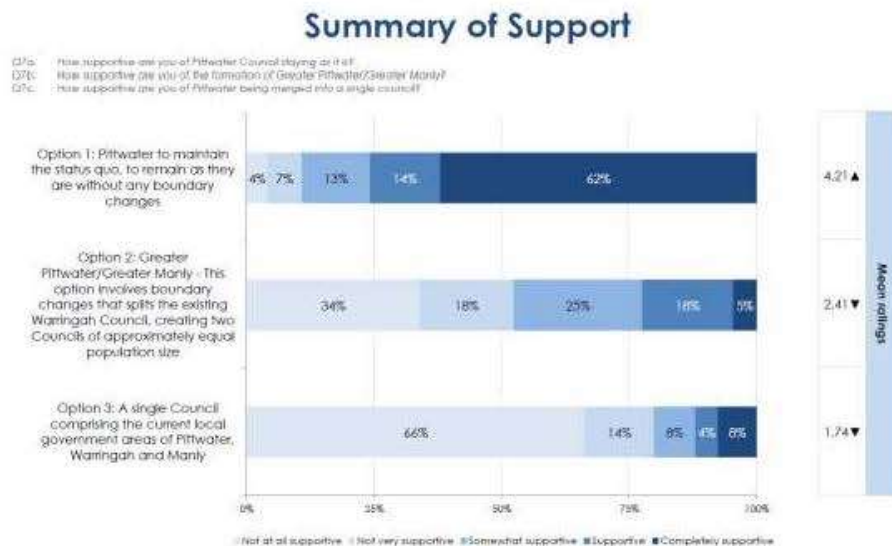
	1st preference – status quo
Random sample telephone survey	73%
Online survey	87%
Paper survey	95%
Average of all respondents	88%

	2nd preference – Greater Pittwater/Greater Manly
Random sample telephone survey	74%
Online survey	89%
Paper survey	87%
Average of all respondents	86%

** Averages are based on total number of respondents to each survey.

When asked about the two-Council model, respondents were told that this option involved boundary changes that split the existing Warringah Council and create two Councils of approximately equal population size.

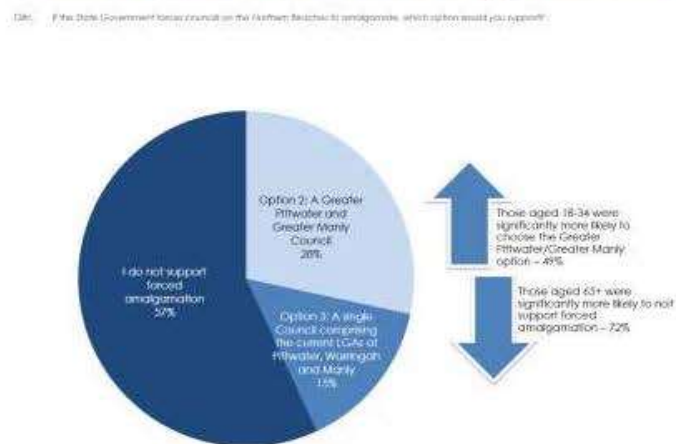
The results from the random telephone survey are summarised in the table below.



Source: Micromex Research 2015, p. 15

An additional question was asked in the telephone survey tool to clarify residents' preferences if Pittwater Council was forced to merge. For this option, twice as many residents prefer a two-Council amalgamation over one large Council for Pittwater, Warringah and Manly.

Result of State Government Forcing a Decision



Source: Micromex Research 2015, p. 22

(b) Warringah Analysis

Warringah Council conducted two random sample telephone surveys during the course of their consultation with residents. The first survey, conducted by Jetty Research, did not ask about the two-Council option as a preference under consideration. It did ask about the extent to which residents across Manly, Warringah and Pittwater supported or opposed amalgamations in general. Marked differences were evident in this research, with Warringah having the highest net support for amalgamations in general (28%), followed by Manly with 6% and Pittwater strongly against with -14% net support. (N.B. net support = total supporting merger minus total opposing merger). This indicates that Warringah residents are more supportive of amalgamations than their neighbours in the other two Councils, regardless of the option on the table.

Another element identified by the Jetty Research related to the extent to which a new Northern Beaches Council would reflect the unique character of their area. The survey report stated:

"Manly and Pittwater residents were in strong net agreement that a new Northern Beaches Council may struggle to reflect the unique character of their local area. However Warringah based respondents did not see this as such an issue" (Jetty, 2014 p. 30)

The second survey (undertaken by Micromex Research) asked respondents about three options:

- creation of a New Northern Beaches Council.
- Warringah Council to stand alone.
- dividing the Northern Beaches by splitting Warringah to create two smaller Council areas.

It was interesting to note the language used to explain the two-Council option. Understandably, in this context, the creation of two Councils was the least preferred option according to Warringah residents, with only 12% identifying this as their first preference. Residents who were unsatisfied with the performance of Warringah Council however preferred two new Councils over one larger Council for Manly Warringah and Pittwater. It is difficult to ascertain levels of support within the Warringah LGA for a two-Council model as this has never been promoted with any balanced coverage as an option for Warringah residents to consider.



Preferred Option – All Options

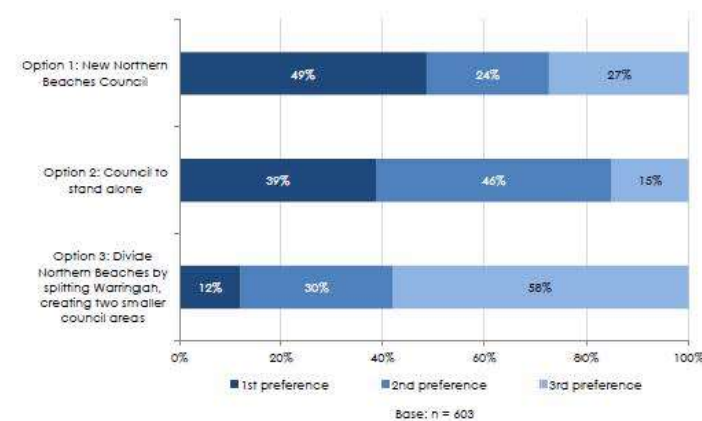
Summary

Residents were significantly more likely to prefer Option 1 (49%) and Option 2 (39%), leaving Option 3 (12%) as their least preferred.

Residents of Ward 8 ranked Option 1 significantly higher.

Residents aged 25-34 were somewhat more likely to have preferred Council to stand alone, reiterating their support for this option.

Q9. Thinking about these options, which is your preferred option? And your second preference?



Scale: 1 = 1st preference, 3 = 3rd preference

▲▼ = significantly higher/lower ranking (by preference)

Micromex Research 2015. p. 11

(c) Current Community Views

The research above is supported by the response from the Pittwater community since the NSW Government's proposal for an expanded Council for Pittwater and northern Warringah was announced. The community has been largely silent since the announcement, with community members and resident groups indicating acceptance of the proposal.

Warringah Council conducted a two-year costly mass-media marketing campaign heavily promoting the supposed benefits of "one northern beaches Council" and attacking the proposal for two Councils for the SHOROC region. Unfortunately this campaign was based on analysis discredited by IPART and the NSW Government.

Unsurprisingly following this significant campaign some northern (and southern) Warringah residents are concerned with the NSW Government's proposal based on the misinformation and ongoing campaign from Warringah Council.

Should the proposal have been for one Council for the region, as advocated by Warringah Council, Pittwater community members and resident groups have made it clear the response from the Pittwater community would have been vastly different, with significant community outrage that would have swamped that seen on the current proposal.

(d) Pittwater staff

During the Fit for the Future consultation process Pittwater staff were given the opportunity to complete an in-house survey using Survey Monkey. This was seen as important as both staff who lived within and outside Pittwater could have a say.

The survey tool was exactly the same as the tool used for the community with the exception of two questions:-

It was compulsory for staff to provide an answer to the preference question.

An additional question was included which asked "Please provide your feedback on what you see as Pittwater Council's greatest achievements to date".

200 surveys were completed by staff which is an extremely high response rate, indicating the level of importance local government amalgamations is to them.

It was an entirely voluntary survey and anonymity was assured.

Results for levels and support and preferences can be seen by the following table:-

Level of Support	
Status Quo	87%
Greater Pittwater	81%
One Council	19%

Preferences	
1	58% Status Quo
2	61% Greater Pittwater
3	88% One Council

Whilst many supported the status quo, it is clear that there is a high level of support from staff for a two Council model and very little support for one Council on the northern beaches.

In fact this staff survey indicated a much higher level of support for a two Council model than indicated by any of the community surveys.

3.4.2 Summary

It is clear that the majority of residents would like to remain as they are on the existing boundary. However the community understanding is that no change is not an option.

In this context there is strong opposition to one Council for the northern beaches. If forced to amalgamate, twice as many Pittwater residents are supportive of a two Council option than one Council.

Over four years of consultation, it is clear Pittwater and Manly residents are vehemently opposed to "One Northern Beaches Council".

- 89% of the over 4000 Pittwater residents surveyed want the status quo. If forced:
 - o 85% are strongly opposed to one northern beaches council

- o 86% support the 'Greater Pittwater' model of two councils for the region
- Based on surveys of over 2400 Manly residents, if mergers are forced, there is overwhelming preference for there to be two councils in the region, as opposed to one large Northern Beaches Council

The majority of residents are currently silent as they accept the two-council proposal.

Warringah has run a factually incorrect marketing campaign that has misled the community.

3.5 The requirements of the area concerned in relation to elected representation for residents and ratepayers at the local level, the desirable and appropriate relationship between elected representatives and ratepayers and residents, and such other matters as it considers relevant in relation to the past and future patterns of elected representation for that area.

3.5.1 Response to Proposal

The ratio of residents to elected Councillors in each of the two existing Councils is markedly different. This reflects the wide variation in resident populations. While the proposed merger will change the ratio of residents to elected Councillors, the ratio, based on Councillor numbers in the existing Councils, is likely to be similar to those currently experienced in other Sydney Councils, including the more populous Blacktown City Council (see table below).

Council	Number of Councillors	Number of Residents (2014)	Residents per Councillor
Pittwater Council	9	63,338	7,038
Warringah Council	10	155,289	15,429
Merged Council	9*	140,680	15,631
Blacktown City Council	15	325,139	21,676

It is considered that a Council with 9 elected representatives is a good governance model for the area. The resulting residents per Councillor doubles from 7,000 to 15,000 for Pittwater residents and remains similar for Warringah residents. One of the 9 Councillors would also perform the role of Mayor. This position should be elected by the Councillors in the Councillor's first term and at the first election, a constitutional referendum conducted to determine the view of the community on the popular election of the Mayor. If the Mayor is determined to be popularly elected it would result in nine Councillors plus a Mayor.

At the present time the Pittwater Mayor is elected by the councillors. The Warringah Mayor is popularly elected by the people.

The role of Councillors since the introduction of the Integrated Planning and Reporting strategic framework has changed to become more strategy and performance focussed. This combined with advanced community engagement protocols, communication strategies and more effective customer service systems, enables the Councillor to stream enquiries that they receive through the customer service system. It is important for that to occur to ensure equitable service delivery.

Therefore, the role of the contemporary Councillor is to develop and adopt policy and strategy, lead community engagement and monitor Council performance. Representing individual constituents on issues remains an element of the role, but it should be focussed on making the Council accountable for its decisions.

3.5.2 Summary

It is suggested that the new expanded Pittwater Council have nine elected representatives, three from each of the three new Wards. Initially, it is felt that the Mayor should be one of these nine Councillors. The issue of a Popularly Elected Mayor should be considered but elected for a 2 year term and a constitutional referendum conducted at the first Council Election to determine the community's views on a popularly elected Mayor.

3.6 The impact of any relevant proposal on the ability of the Councils of the areas concerned to provide adequate, equitable and appropriate services and facilities.

3.6.1 Response to Proposal

The proposal to merge Pittwater and Northern Warringah has many positive outcomes with greater opportunities for transformational synergies. With a range of infrastructure resources and services that would be consolidated within the new expanded Council for Pittwater, optimising management and provision of waste disposal and resource recovery, a whole-of-catchment approach to management of Narrabeen Lagoon and consolidation of RFS services to develop a more-consistent approach, better planning and a higher level of service delivery.

The expanded Council for Pittwater will be better able to provide the services and infrastructure that matter to the community such as:-

- more-integrated management of the Narrabeen Lagoon and Narrabeen Lagoon Catchment area.
- preserving and improving access to the coastal environment for the benefit of local residents and to enhance tourism, including improved coastal and estuary management.
- common parking system to deliver a reciprocal permit.

Key examples of transformational opportunities the new entity can achieve:

(a) Kimbriki Environmental Enterprises Agreement (KEE)

Kimbriki Environmental Enterprises Pty Ltd (KEE) is one of the most successful Public-Private Partnership projects in New South Wales. Established in 1992 by the four SHOROC Councils of Pittwater, Warringah, Manly and Mosman, Kimbriki has diverted over 2 million tonnes of waste from landfill since its inception. Under Council's proposal, Kimbriki will be transformed into a world class facility in resource recovery, material reuse, community engagement, and environmental education and research. Residents of New South Wales will greatly benefit from Council's vision to further develop the facility in partnership with KEE.

Kimbriki is the only remaining public access resource recovery facility in the north shore Metropolitan Sydney region. Its existence ensures residents of the north shore region have an equitable and adequate waste disposal and resource recovery service. Under the proposal, Council will ensure the facility will continue its development under the ambitious Kimbriki Resource Recovery Project that will see the centre develop into an integrated resource recovery facility incorporating material recovery and alternative waste treatment technologies. The vision for the centre will also see its current environmental education workshop expand into an education and research facility for primary, secondary and vocational education. An expanded Council for Pittwater will be seeking to establish learning and research partnership programs with universities to discover and develop new technologies for waste treatment, material reuse and waste to energy initiatives.

Under the proposal, residents of the north shore region will continue to enjoy a one-stop-shop for waste disposal and resource recovery service, and for education and training opportunities at Kimbriki Resource Recovery Centre.

The expanded Council for Pittwater will be in a better position to strengthen the relationship between the enterprise, the landlord and the shareholders. Recent discussions have taken place between Pittwater Council executive and the team at Kimbriki to build a more collaborative working relationship to explore potential future innovations, and new key activities that will build the profile of Kimbriki as a leader in resource recovery, material reuse, community engagement, and environmental education and research. Simplifying the shareholding of KEE with two equal shareholders will better facilitate KEE's activities going forward.

Key focus areas for new Council entity in partnership with KEE:

- Review and streamline approvals for projects.
- Review of leasing arrangement to ensure facility remains a regional asset with greater site access and appropriate pricing structures for customers.
- Increased community engagement with facility and waste education.
- Build a more collaborative relationship between KEE, landlord / consent authority.
- Regionally coordinated and centralised waste teams, education and training programs.
- Approvals and consent status review of critical capital works program and projects.
- Review and improve governance arrangements between KEE Board and Shareholders.
- Streamline finance systems between Council and KEE.
- Raise the profile of facility.
- Review head lease to provide greater clarity between KEE and landlord.
- Increase efficiency of project planning and delivery by streamlining communication, approval pathways and improved relationship management.
- Investigate better cell development to reduce costs and protracted delivery.
- Undertake visioning for a waste education facility, increasing community access and centralised location for waste education teams across region.
- Introduce graduate partnership and program with higher education institutions.

(b) Reciprocal Parking Arrangement

Pittwater, Warringah, Manly and Mosman Councils currently have individual parking schemes.

The parking permits provided allow the permit holder to park in designated Council Pay and Display areas with the exception of the Council free car parks with time limits and special condition carparks located at Church Point, Rowland Reserve in Bayview, and Woorak Reserve in Palm Beach. Manly and Balmoral beaches have variable conditions applied to residents and non-residents.

Benefits of a Reciprocal Parking Arrangement:-

- **a consistent approach by Councils in the newly established areas.**
- **ease of use for the public within the new Councils.**
- **affordable for both ratepayers and cost-effective for Councils.**

The NSW Government has outlined this as a benefit of the proposal and both Manly and Pittwater Councils have committed to introduction of a reciprocal parking scheme with the commencement of the new Councils.

Residents currently using Council parking facilities in Pittwater, Manly, Warringah and Mosman are required to display the relevant Council permit, which can result in multiple permits affixed to vehicles' windscreens. A reciprocal parking permit would eliminate confusion surrounding associated boundaries for both customers and rangers. It would also alleviate concerns of residents that would lose access to free parking at their local beach (eg Cromer to Dee Why) if such a scheme were not introduced.

(c) Consolidated Management and Response to Flooding, Coastal Hazards, Water Quality Impacts and Climate Change

The proposed area captures about 95% of Narrabeen Lagoon water catchment area, and would drive the vision in the draft Narrabeen Lagoon Plan of Management of "*Working together for the protection and enhancement of the environmental and recreational values of Narrabeen Lagoon*" by unifying a catchment that is currently split between Warringah and Pittwater Councils.

Extending from Terrey Hills, Belrose, Frenchs Forest, Collaroy Plateau, Beacon Hill, Oxford Falls, Cromer, Elanora Heights, to the lower floodplains of Warriewood Valley, North Narrabeen and Narrabeen, the catchment represents a range of landscapes and land uses, including urban (residential, commercial and industrial), rural, recreational and bushland, all managed within two local government areas.

Narrabeen Lagoon, has specific flooding and water quality challenges likely to be exacerbated by climate change, and which are also influenced by the sand accumulation across its ocean entrance. These challenges can best be managed as a single catchment in line with the proposed new local government boundaries to achieve:-

- **more efficient planning, resourcing, and approvals for flood hazard mitigation and entrance clearance works for the Narrabeen Lagoon entrance.**
- **equitable distribution of resources based on the entire Narrabeen Lagoon floodplain for flood risk management priority projects.**
- **addressable climate change management strategies with fewer barriers to implementation.**

A new catchment management focus linked to the Narrabeen Lagoon catchment boundaries will provide better clarity of local government responsibilities to the residents, commercial operators, schools, and local and transient visitors (particularly visitors to Sydney Lakeside Caravan Park). This would see:

- Consistent consultation processes within the Narrabeen Lagoon catchment area for water quality and floodplain management issues (including single-Council representation on the Floodplain Management Committee).

- Clear point of contact and accountability for public enquiries relating to matters affecting the floodplain and catchment, in particular Lagoon entrance clearance activities.
- The opportunity for the Council-operated Coastal Environment Centre to be the focal point for Narrabeen Lagoon education.

Benefits would extend to a simplification of the way the major entrance clearance works are financially managed and funded, with only one Council to be accountable for and plan for any flood mitigation works required.

A stronger and consistent strategic planning approach to the Narrabeen Lagoon catchment area will ensure that land use and development aligns with the environmental values of the catchment. With a changing climate, planning for a sustainable catchment is of even greater importance to ensure that the Lagoon and its foreshores continue to remain a cherished environmental and recreational resource. The proposal area will facilitate:-

- Consistent application of catchment, stormwater and floodplain planning controls.
- The development of robust land use planning and development policies to manage future flood risks under potential climate change scenarios.

In the area of coastal management, the proposed area includes three coastal erosion 'hotspots' (Mona Vale - Basin Beach, Bilgola Beach and Collaroy/Narrabeen Beach). The proposed merger area would provide additional scale and capacity to provide coastal management and planning policies to address and mitigate coastal hazards at all three 'hotspot' areas in accordance with the future outcomes of the State Government's Stage 2 coastal reforms.

The benefits of the proposed area include opportunities for achieving joint environmental objectives between State agencies and the proposed Council, including:-

- The opportunity for further discussion with Sydney Water on wet weather flows and wastewater reuse as the sewerage to Warriewood Wastewater Treatment Plant includes a network extending into Belrose, Frenchs Forest and Oxford Falls.
- Enhancing marine biodiversity conservation with the Marine Estate Management Authority, particularly for the aquatic reserves at Barrenjoey Head, Narrabeen Head and Long Reef.

(d) Rural Fire Service

Services such as the NSW Rural Fire Service are also shared between the two current Councils. The size of the current Warringah-Pittwater Bush Fire Management Committee Area is approximately 27,400 hectares. Both Councils duplicate management services to support each service. The proposal would consolidate these services to the RFS into one Local Government Area, with Manly Dam being the exception within the proposed Greater Manly Council area.

This consolidation would see all 14 current brigades and stations fall within the one Council Local Government Area. This would provide a consistent approach to station and asset maintenance and the obtaining of funding for asset renewal. It would ensure that the current responsibility for station maintenance was centralised and remove the current situation where some stations are managed by one Council while located in another's area.

The vast majority of land prone to bushfire would be within the proposed expanded Council for Pittwater Local Government Area. This would provide a consistent approach to hazard reduction, and a streamlined approach to grant applications for the funding needed for hazard reduction, fire trail maintenance and other significant works, with reduced competition for such grants. Contracting for management hazard reduction and other works would be standardised and centralised.

The current joint agreement between Warringah and Pittwater would no longer be needed, removing competition for resources, and disparity in the provision of those services. The proposal allows one LGA to focus on bushfire management and devote specific resources to this functional area of management, perhaps the greatest natural hazard to the northern beaches area.

The Warringah-Pittwater Rural Fire Service Office would only need to deal with one entity for services and the negotiation of service level agreements, reducing paperwork.

Environment and planning assessment for bushfire risk would be consistent across the fire district and allow the proposed single Council to develop a consistent approach, better planning and a higher level of service delivery. Community education and engagement would be consistent and allow standardised information to be used across the fire district. Reporting and monitoring would be simplified across one single district.

(e) Planning and Managing our Sporting Facilities for the Future

The effective management of sporting facilities is a major priority for the community and Council regional sporting events and competitions are conducted over the four SHOROC councils, not just the Northern Beaches. The Council and the Manly Warringah Pittwater Sporting Union (MWPSU) will seek to implement a common approach to the planning and management of sporting fields across both the new northern and southern Councils for the SHOROC region and build a stronger working relationship in the future.

This is intended to include:-

- A regular Council and sporting groups forum for the MWPSU, Associations and Clubs to discuss Council/region-wide issues.
- Development of a Council/regional sporting facility strategy in consultation with the MWPSU, Associations and Clubs setting out the future plans and collective funding for upgrades and new facilities.
- Work with adjoining Councils to develop commonality on fees, booking processes and allocation processes, and consistent communications during periods of wet weather.

- Council consulting and working with the Association, Clubs and Schools to:-
 - Determine ground allocations.
 - Efficiently manage fields in wet weather.
 - Plan ground maintenance schedules.
 - Plan and jointly fund upgrades.
- Council collecting sporting user fees through Clubs or Associations, sport by sport, depending on what is most efficient.
- Maintaining the strong working relationship between Council and clubs.

An expanded Council for Pittwater will increase the total number of sporting locations to around 31 across the new area, with the majority of locations in the northern SHOROC council. This will have a positive impact on the major users of our sporting fields in a number of ways.

- Increasing the number of fields will give Council much greater flexibility in managing the usage of the fields eg If a ground is out for renovations or due to other unforeseen circumstances, council is able to relocate teams to accommodate their needs.
- Providing an improved level of service across the whole area by providing the Pittwater service of currently inspecting grounds over the weekend during wet weather in order to provide updated information to users as to whether grounds are open or closed (not followed by Warringah currently).
- Making it easier for the Public Schools Sports Association (PSSA), as it will only have to work with one council for ground availabilities and bookings.
- A greater number of playing field locations has enormous benefits for the planning for incoming populations and the allocation of both grounds and resources for the management of those grounds.

3.6.2 Summary

There is a range of infrastructure resources and services that would be consolidated within the new expanded Council for Pittwater. For example optimising the management and provision of waste disposal and resource recovery, providing a 'whole of catchment' approach to management of Narrabeen Lagoon and the consolidation of Rural Fire Services to develop a more-consistent approach, better planning and higher levels of service delivery.

In addition a reciprocal parking arrangement would enable consistency, ease and affordability for residents across the two new council areas.

Any changes to boundaries within the proposal would diminish capacity to manage the provision of these services and facilities as effectively.

3.7 The impact of any relevant proposal on the employment of the staff by the Councils of the areas concerned.

3.7.1 Response to Proposal

An expanded Council with appropriate scale and capacity will be better able to partner with the NSW Government on the implementation of these regional priorities.

Function as a modern organisation with:-

- staff capacity and expertise at levels that are not currently practical or economically possible for smaller Councils;
- innovative and creative approaches to service delivery; and
- the resources to deliver better training and attract professionals into leadership and specialist roles.

The Proposal has the strong support of Pittwater staff as an opportunity to continue to strengthen the local government industry and create a leading Council providing stronger services to the community.

The focus, scope, scale and positioning of this new organisation will attract new employees and assist in the retention of a highly skilled and motivated workforce.

The Proposal provides opportunities to staff for extended career paths, and opportunities for specialisation and movement into other roles.

The Proposal establishes an organisation of a size large enough to bring about the benefits of economy of scale and greater scope and capacity, whilst still retaining the necessary agility to respond to changing environments. It is not so large that it will stymie economies of scale, introduce unnecessary bureaucracy or a lack of accountability, or create a remoteness from the community.

The Proposal provides an opportunity to generate savings and efficiencies, and reduce the current duplication of back-office functions, senior executive positions and duplicated layers of current regulations. Its size, the increased scope of work and larger budgets will accelerate the appointment of young people entering the workforce through traineeships, graduate programs, internships and apprenticeships.

Similarly, it will encourage older workers to remain in the workforce while moving towards retirement by reducing their working hours. This is easier to accommodate in larger organisations because of larger teams and their capacity to be more flexible.

It is recognised that integrating large numbers of staff from different cultures into a single unified culture is challenging. The Proposal, however, creates a unique opportunity to achieve this through transformational change, and to refresh and regenerate existing workers from both Councils.

Both Pittwater and Warringah Council have Workforce Plans in place; the focus of both organisations as stated within these documents is to identify the current and future staffing needs and trends and ensure the changing needs of the community are met.

"Workforce Planning is the process of identifying current and future staffing needs on the basis of current internal and external information. It focuses on retaining existing staff as well as attracting new employees to ensure we have the right number of people, with the right skills in the right jobs at the right time, now and in the future."

An analysis of the Workforce Plans (2013-2017) of both Warringah Council and Pittwater Council demonstrates that a significant number of the same strategic issues are noted within both Council workforce planning frameworks. These issues are:-

- Both focus on entry level programs to introduce young people into the workforce.
- The challenges of an ageing workforce (one older than average) in both Council areas.
- A shrinking workforce because of declining birth rates.
- A strong reliance by both Councils on the northern beaches catchment area for recruitment of staff.
- Similar gender inequality issues, particularly in senior management and decision making roles.
- Similar employee profiles, with a high percentage of older workers and a relatively low proportion of young employees.
- Strong emphasis by both Councils on learning and development programs, including leadership programs, to help retain staff and maintain skill levels.
- Both Councils focus on employee wellbeing programs and recognise the need for and desire for flexibility in the workplace.
- Both Councils seek greater diversity within their workforces.
- Both Councils note the need to manage the impacts of new technology on staff.
- Both Councils identify the need for targeted recruitment for in-demand roles.
- Both Councils note the need for continuing staff engagement programs, underpinned with research to gauge levels of staff engagement.

Using the Workforce Planning documents provides the foundation for 'day one' planning of the new organisation. A draft human resourcing framework is attached providing a blueprint for separation and integration of staff within the proclamation of a new Council and beyond (**Attachment 4**).

Whilst there are many benefits to the proposal identified and outlined within this submission it is important to highlight that staff and organisational culture are the key to a successful integration and design of a new entity and to ensure the benefits are realised in the medium to longer term.

The key features of the framework are built on the following elements to managing human resourcing through a transition / merger:-

- Articulate the vision and strategy for workforce management prior to proclamation and throughout transition (first 100 days).
- Set the new organisational structure early on.
- Establish stable leadership and management structure.

- Bring the combined cultures of both organisations together creating a strong cultural vision for the new entity. Strengths of both cultures to be captured and leveraged to create a high performing organisation.
- The retention of key talent from both organisations.
- Ensure effective knowledge transfer and retention for continued service delivery.
- An approach that is both enabling and transformational for staff throughout the transition and longer term.
- Strive for employer of choice in the medium to long term.
- Ensure the staff have sufficient tools and resources to deliver continuous services from day one.

3.7.2 Summary

The proposal will increase organisational capacity and staff expertise through new opportunities that will result from the increased size and scale of the new organisation.

The attraction of new employees and the retention of highly motivated staff will be assisted by new leadership and specialisation roles, and by opportunities for diversification into other areas of work. The proposal also delivers economies of scale and efficiencies in back office functions, regulatory compliance, accountability and senior executive positions.

This is not withstanding the fact that people and human capital are central to a successful integration. A human resource framework is essential from day one providing the fundamental human resourcing considerations, a desired approach and execution is essential to ensure continuity of service, staff retention and a successful integrated organisational culture.

Whilst there are many benefits to the proposal identified and outlined within this submission it is important to highlight that staff and organisational culture are the key to success and realisation of any benefits of the proposal in the medium to longer term.

3.8 In the case of a proposal for the amalgamation of two or more areas, the desirability (or otherwise) of dividing the resulting area or areas into wards.

3.8.1 Response to Proposal

Pittwater Council supports the creation of three new Wards with three Councillors elected from each Ward in keeping with the current three ward structure of both Pittwater and Warringah Councils.

A detailed analysis of options for Wards has been undertaken with the assistance of "Id The Population Experts". The proposal for new Ward boundaries, as outlined in **Attachment 6**, creates three Wards, each with approximately equal numbers of voters. The proposed Wards comply with the requirements of the Local Government Act to ensure less than a 10% variation between the number of electors in each Ward.

The three proposed Wards are outlined below:-

- **Ward 1 - Peninsula and National Park - 32,141**

Mona Vale and north along the peninsula to Palm Beach.
Bayview, Ku-ring-gai Chase, Cottage Point.

- **Ward 2 - Narrabeen Lakes - 31,732**

Warriewood, North Narrabeen, Collaroy, Collaroy Plateau, Wheeler Heights, Cromer.

- **Ward 3 - Inland - 33,374**

Frenchs Forest, Forestville, Davidson, Belrose, Oxford Falls, Killarney Heights, Elanora Heights, Terrey Hills, Duffys Forest.

This is an indicative ward structure for consideration in line with s210 Local Government Act. The aim has been to include whole suburbs within the ward boundaries. Should suburbs be placed in or out of any of the wards, the 10% variance of electors as specified would need to be maintained.

3.8.2 Summary

It is proposed that the new Expanded Pittwater Council be split into three Wards as outlined in **Attachment 5**.

3.9 In the case of a proposal for the amalgamation of two or more areas, the need to ensure that the opinions of each of the diverse communities of the resulting area or areas are effectively represented.

3.9.1 Response to Proposal

The Council will be of optimum scale and capacity to be a more-effective advocate for the needs of the Pittwater and Northern Warringah communities. It will also be able to develop improved strategic capacity to partner with the NSW and Australian governments, including on major infrastructure initiatives, community services, and urban planning and development.

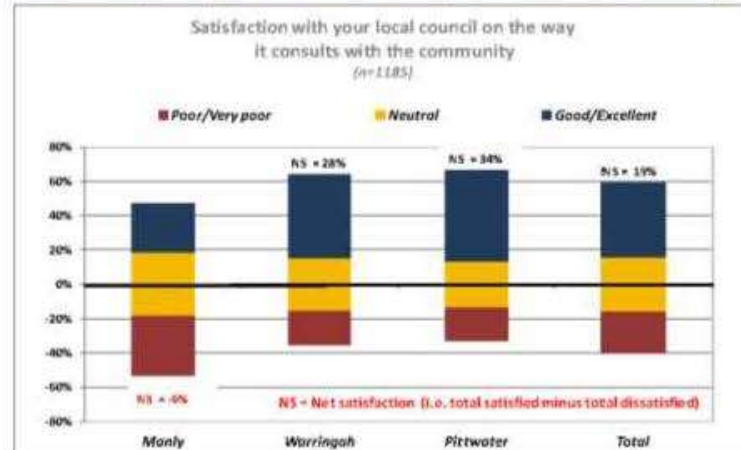
The many ways communities currently engage with these Councils will continue, including through public forums, committees, surveys and strategic planning. Councillors will continue to represent local community interests and will have the opportunity to take a more regional approach to economic development and strategic planning.

Through the community strategic plan council would replicate its successful reference group model to engage and empower large numbers of stakeholders in the delivery of the community's vision for the new council. This model enables a high level of participation, accountability and transparency between the council and the community.

Pittwater Council has a proven track record in relation to the way that it consults with its community. This is substantiated by research commissioned by Warringah Council in 2015 (highlighted in the table below) which indicates that current Pittwater residents have the highest level of satisfaction with community engagement of the three Councils surveyed. In addition, Pittwater Council's own community survey result showed that 75% of residents are satisfied with the community's involvement in decision making (Micromex Research 2014, p.38).



Graph 2.3c: How would you rate your local council on the way it consults with the community?



Warringah and Pittwater both scored reasonably well on the quality of their consultation, with less than 20 per cent of respondents dissatisfied in each instance. Less so Manly Council, with 34 per cent dissatisfied and a net satisfaction score of -6 per cent.

Table 2.1: Summary of satisfaction scores

How would you rate your LGA on:	LGA	Very poor	Poor	Neutral	Good	Excellent	Mean	Net satisfaction
The quality of services it delivers	Manly	7.1%	7.9%	35.8%	45.8%	4.2%	3.32	35%
	Warringah	2.8%	6.2%	34.8%	46.8%	18.2%	3.57	40%
	Pittwater	4.8%	5.8%	29.8%	45.1%	16.1%	3.63	51%
Its financial strength	Manly	12.5%	12.2%	42.5%	29.7%	3.1%	2.98	8%
	Warringah	5.2%	8.8%	35.5%	39.8%	11.6%	3.43	37%
	Pittwater	4.2%	3.3%	40.8%	35.0%	16.7%	3.57	44%
The way it consults with the community	Manly	20.7%	13.5%	37.4%	26.2%	2.2%	2.76	-6%
	Warringah	6.9%	13.5%	30.8%	36.1%	12.7%	3.34	28%
	Pittwater	5.1%	14.3%	27.1%	38.6%	14.8%	3.44	34%

(N.B. Cells marked blue indicate a statistically significant difference above the overall mean. Those marked in pink show a statistically significant difference below the overall mean.)

Pittwater Council has developed a sound framework to ensure that the broadest cross-section of the community is involved in decisions and matters that affect it. This framework includes a register of community groups which reflect the range of stakeholders in our community, including resident groups, natural environment groups, specific interest groups, and key user groups. Pittwater Council undertakes a regular audit with these and other groups to keep information up to date and to verify that governance processes are in place to ensure they legitimately represent the interests of their community.

These groups have been actively involved in the local government reform process alongside individual residents in the community.

Pittwater welcomes the opportunity to join with groups such as the Killarney Heights Progress Association, Terrey Hills Progress Association, Oxford Falls Progress Association, Collaroy Plateau Progress Association, Warringah Urban Fringe Association, Frenchs Forest Lions, and Rotary Clubs. There are opportunities to extend this list to create a more-inclusive network that represents each of the resident areas within this extended community. These would then be formally represented through the community engagement framework using mechanisms such as the community reference groups.

Pittwater Council was the first amongst the SHOROC Councils to establish community reference groups in 2009.

Pittwater Council has four reference groups (Connecting Communities, Natural Environment, Sustainable Towns and Villages, and Leading and Learning) which align with the Key Directions of our community strategic plan. One marked difference from the approach at Warringah Council is that the members of these groups are appointed as representatives of community groups as well as individual Pittwater residents. The Reference Group format allows for a mix of 14 representatives (up to 12 representing a community group). This ensures that representation is far reaching and that a vast network of views is taken into consideration as we implement the aspirations identified in the community strategic plan. This engagement structure places an emphasis on inclusion and there is the capacity to increase the number of representatives on these community reference groups.

In addition to reference groups Council has established committees such as the Narrabeen Lagoon Risk Management Working Group, the Ingleside Community Reference Group and the Special Rate Variation Community Advisory Committee. These act as legitimate mechanisms to ensure accountability and transparency. Pittwater Council actively seeks the knowledge and expertise of community members on these important matters.

More recently, Pittwater has invested resources in a Youth and Family Services team. Within this structure is the innovative mechanism of having paid youth consultants and a network of youth volunteers. The engagement practice of this team provides the capacity to easily involve young people within the northern areas of Warringah.

The introduction of a Place Management Business Unit within Pittwater Council in 2014 emphasised the importance of people and place. Since its inception, the Place Management team has worked hard to plan and activate our network of villages so that they operate as important social, recreational and economic hubs within our community. We see tremendous opportunities, with the addition of a series of villages within the Northern Warringah area, to consolidate our vision for a vibrant sustainable community of connected villages inspired by bush, beach and water. There are unique opportunities with the development of the land release area of Ingleside to connect with the communities of Terrey Hills and Duffys Forest.

Pittwater Council has developed a close working relationship over many years with key community service organisations that include Surf Life Saving, the State Emergency Services, Rural Fire Services Community, Care Northern Beaches (located at Mona Vale), and Manly Warringah Sports Association.

The preservation and protection of the natural environment is a priority for Pittwater and Council has been recognised for bringing together the volunteer base focused on enhancement of the natural bushland and coastal areas. Pittwater Council supports over 35 volunteer bush care groups that would now extend to those in Northern Warringah. The social capital that Pittwater Council has built within this network means that such groups will have a united community voice focused on preserving and protecting these precious natural assets.

3.9.2 Summary

Pittwater Council's proven track record of community engagement and strong links with the community will ensure that the diverse opinions of the new Council area are effectively represented.

3.10 Such other factors as it considers relevant to the provision of efficient and effective Local Government in the existing and proposed new areas.

3.10.1 Response to Proposal

Benefits of the Merger Proposal include:-

- improved strategic planning and economic development to respond better to the changing needs of the community; and
- providing a more-effective voice for the area's interests, to be able to deliver on priorities in partnership with the NSW and Australian governments more effectively.

(a) Two equal Councils, working together and partnering with the NSW Government

The current SHOROC model of four Councils of uneven size and capacity has created ongoing issues for the functioning of the region. This proposal linked with the Southern Council proposal of two equally balanced Councils overcomes this issue and will provide strong stable governance for the local government sector into the future.

This proposed expanded Council will have the scale and strategic capacity to effectively plan and partner with State and Federal Government in the delivery of key infrastructure.

More importantly the proposal provides the opportunity to create a more collaborative operating culture within the SHOROC region, with the two Councils working cooperatively on an equal basis to plan for population growth, improve services, infrastructure and put downward pressure on rates.

(b) Planning for housing, employment and infrastructure

Greater Sydney Commission & District Planning

The new Greater Sydney Commission and creation of District Plans has changed the way state and local government's collectively plan for the future.

Critical to the success of this process is the establishment of suitably strong Councils able to work together and in partnership with the NSW Government to strategically plan for future housing, employment and infrastructure across the District's and Sydney.

This proposal creates such a Council and importantly taken together with the proposed southern Council and the other three proposed Councils for the northern Sydney District creates 5 relatively equal Councils that will be able to work together with the NSW Government to build and deliver a strong District Plan for this region.

Pittwater has demonstrated a history of successful partnerships with Government to deliver strategic outcomes across both Pittwater and the SHOROC region and this will be further enhanced under this expanded Council model.

Housing

Pittwater and Northern Warringah have large areas characterised by detached, low density residential housing in an environmental setting. Analysis provided by .id The Population Experts (2016) has identified that 72.7% of the current Pittwater Council area is made up of separate dwellings. This aligns almost exactly with Northern Warringah which has been shown to have 72.3% separate dwellings (.id, 2016).

The amount of low density residential housing is a major point of differentiation between Greater Pittwater and Greater Manly Councils, with a rate of separate dwellings of approximately 72% for an expanded Council for Pittwater compared to only 43% for Greater Manly (.id, 2016). This is a clear point of distinction between the two proposed entities and reflects the different character and demographics of these areas.

Nowhere is the difference more pronounced than in areas such as Killarney Heights, Forestville and Frenchs Forest with over 90% of housing stock as separate dwellings (.id, 2016). This creates a compelling case for inclusion with an expanded Council for Pittwater.

A merged Council will allow a consistent approach to the planning and development of these areas, ensuring that increased housing density be shared equitably across the region. There will be an improved capacity to plan for, and respond to, housing and employment growth, and to coordinate associated infrastructure delivery.

A different planning approach will be required in Greater Manly with approximately 37% of its housing stock as higher density, compared to approximately 1% for Greater Pittwater (.id The Population Experts, 2016). Medium and high density areas such as parts of Dee Why, Freshwater, Queenscliff, Manly and Mosman have a significantly different character to the residential areas of an expanded Council for Pittwater. As such, they require a different planning approach in the future.

Planning of Strategic Centres

Pittwater Council has undertaken a successful Place Planning Process for Mona Vale town centre. This process will deliver a vibrant town centre that creates places for people, and employment and housing opportunities. The Place Planning Process can be applied to the existing centres and villages within Northern Warringah, including the Frenchs Forest hospital precinct. A Place Planning approach allows Council to work with the community to deliver places where people want to live, connect and work.

Pittwater Council recognises the strategic importance of the Frenchs Forest hospital precinct: the opportunity exists to extend the benefits from the significant investment in infrastructure in this area, to provide employment and housing opportunities for the region. As outlined below, Pittwater Council and its community have a track record of partnerships with Government that deliver positive results for the community on large scale strategic projects such as the Ingleside Precinct and Warriewood Valley Land Release.

There will obviously be a need for councils to adopt a collaborative approach with their neighbouring councils to deliver consistent outcomes on regional and metropolitan scale issues. Pittwater Council has a long record of effectively collaborating with stakeholders across the region to plan for and deliver strategic planning outcomes. This has seen outcomes delivered including the Northern Beaches BRT and a new Northern Beaches Hospital. This same collaborative approach would be used to work with the proposed southern Council to plan for the strategic centre at Frenchs Forest. A similar approach would be applied to any issues that may arise along shared Council boundaries or major strategic centres throughout the region.

Land Release

Warriewood Valley is an existing land release area that is more than half complete, and is due to deliver over 2,500 new dwellings. The planning and delivery of this land release has included a partnership with the Department of Planning & Environment (DP&E) to undertake a Strategic Review of existing controls following the Global Financial Crisis. This resulted in increased densities in this area, and a subsequent renewed interest and uplift in the rate of development. The experience in managing and delivering projects of this scale can be applied in Northern Warringah.

The Ingleside Precinct Planning Process is a partnership between the DP&E, Urban Growth and Pittwater Council. This project has also demonstrated Pittwater's ability to partner with the State Government to investigate the development potential of Ingleside. This process considers environmental, economic, social, governance, and infrastructure issues associated with such a land release. The skills and expertise developed as part of this process can be applied to Northern Warringah.

(c) Economic Development

The proposed expanded Council for Pittwater will encompass a total land area of over 214 square kilometres with a population of 140,681 (2014), supporting greater economic development advantages and increasing job generation. Currently the Pittwater LGA comprises one town centre at Mona Vale and key village centres at Newport and Avalon, which is part of an urban coastal region made up of a variety of smaller localities.

Local residents of an expanded Council for Pittwater will be well-served by extensions to national parks and bushlands, including coastal foreshores, beaches, islands and waterways. The area will be underpinned by a variety of existing major features such as Mona Vale Hospital, Warriewood Shopping Centre, surf clubs and other local attractions. The proposed new boundaries for the merger will include additional village centres that will include Narrabeen, Collaroy, Terrey Hills, Belrose, Forestville, Glenrose, Killarney Heights and Forestway. These additional centres will greatly enhance the vibrancy essential to place planning programs, and will enliven and build stronger village economies.

From a broad economic development perspective, the proposed expanded Council boundary area will significantly add to the existing highly skilled and educated workforce (32,316, *id* The Population Experts, 2014), which has a low unemployment averaging less than 3 per cent. Expanding Pittwater's existing business base, predominantly micro- and small-to-medium, globally competitive firms (with currently over 8,000 businesses in Pittwater LGA) will support diversification and help grow business innovation to further underpin the local economy. The Gross Regional Product for Pittwater alone was \$3,053million at 30th June 2014.

Economic Growth and Development

In keeping with the implementation of Council's current Economic Development Plan, the addition of business and commercial areas will encourage further smart economy growth in a range of high-value, low-impact sectors, diversifying and broadening the local economic base while respecting and recognising the interdependence of the economy with the environment and community. The framework and direction of Council's current economic development planning is adaptable, to drive economic growth through the support of economic programs.

The new, expanded Council for Pittwater business base will include the following new geographic locations of business that will support continuing employment generation, promoting even greater sustainable business growth, investment, and employment for an expanded Council for Pittwater:

- **Austlink Business Park** at Terrey Hills integrates modern forms of industry, manufacturing, research, warehouses, offices and related services with the natural qualities of this locality and the adjacent national park.
- **The Forest Central Business Park** and surrounding businesses, located on Warringah Road at Frenchs Forest, supports a cluster of wholesale traders and global brand head offices including Miele, Dell Computers, Citizen Watches and Beam Global. These businesses have an extensive employment base, from blue collar workers to specialist technical and professional management. Forging effective partnerships with these new business and communities will stimulate sustainable job, innovation and overall economic development.
- **From the economic perspective**, the new 200ha **Northern Beaches Hospital at Frenchs Forest** will have a high level of synergy with Mona Vale Hospital, especially in the areas of specialist suppliers, and employment opportunities for specialist and key workers. The new hospital will provide increased health services and complex care, supporting innovation, research, teaching and clinical changes well into the future. When open in 2018, the level 5 hospital services will provide the community with 488 beds, a large emergency department, operating theatres and a GP clinic on-site. More than 1,300 professional and other staff will work at the hospital.

Self-containment

Referring to the 2011 Census, self-containment measures the proportion of local residents who also work locally. For Pittwater, this figure is now close to 40% - i.e. 40% of employed local residents work within Pittwater. A further 17% work in neighbouring Warringah. Around 10% of residents travel to work to the Sydney CBD, and 3.5% go to North Sydney. Pittwater is also the destination of 1,200 daily workers from the surrounding areas of Manly, Ku-ring-gai, Hornsby and Ryde. As the level of self-sufficiency (the percentage of workers who live locally) is also high, at 60%, an expanded Council for Pittwater will benefit from both increasing levels of self-containment and self-sufficiency.

There has been a significant increase in the number of Pittwater's residents working in managerial and professional occupations, supported by data from .id The Population Experts. This has been accompanied by significant growth in service and administrative workers. This trend is another indicator of the increasing diversity which will likely increase with an expanded Council for Pittwater.

The high levels of education and skills of the existing local population, and the addition of similar high levels from Northern Warringah, mean that there is an expanding, highly-skilled pool of local workers providing an important resource for growing local, small-to-medium businesses now and into the future.

North Narrabeen Village Centre

There are considerable economic development-related advantages of a single village centre for Narrabeen, combining the existing Narrabeen and North Narrabeen village centres. While the existing bridge physically splits the two villages, there are significant

high- level economic development opportunities to be realised through expanding the mixed-use retail/commercial business environment. One cohesive, relaxed and pedestrian-friendly village, connected to the lakes, the new Narrabeen trail and attractive public open spaces supported by housing, will ensure vitality and business growth.

With a greater stimulus for commercial activity, potentially one business support group in the expanded centre will provide benefits to the existing economic base for in branding and marketing. An increased mix and diversity of commercial and retail use and potential for more north Narrabeen "shop top" housing and cafes will complement and grow the village. There is also activation potential on the northern side, combined with commercial and/or residential uses above ground level with quality design, efficient on-site parking for optimum amenity and accessibility.

Smart People/Global Connections/Home-based Businesses

Many of the residents and home-based business owners of Pittwater represent very successful entrepreneurs and intelligent business people that have made a lifestyle choice to live and work in Pittwater. These people often have very strong global business networks and access to capital. The additional village economies of the expanded Council for Pittwater will greatly enhance these existing strengths, to assist future economic development trends:-

- understanding and building world-class, export-oriented industry clusters that contribute to a more-diverse, resilient economy.
- new investments in infrastructure that are strategic, sustainable and focused on delivering economic returns to Pittwater.
- maintaining a high quality of life that attracts and retains the skilled and talented workers required to drive the local economy.
- providing regional leadership for economic development and employment growth.
- be a global leader in sustainability practices, balancing social, environmental and economic considerations for the benefit of all residents and businesses.

Tourism Business Sector

The proposed new expanded Council for Pittwater provides an extension of significant tourism, recreation and leisure links and will expand opportunities to help promote the area as a destination for day visitors, with flow-on to support and grow business in an emerging part of the local economy. The key aim of the Tourism In Pittwater Emerging Issues Paper aims to increase the overall recognition of the tourism business sector locally and regionally, acting as a major source of strong economic development by government and the business sector, assisting the alignment of local and relevant state strategies underpinning tourism, and to be a useful tool for educators, investors, tourism operators and the wider business community in the implementation of their own plans.

Sustainable tourism in an expanded Council for Pittwater will help build a type and a style of tourism development that contributes to even greater economic viability of places and people through employment and investment.

It will contribute to the communities' sense of pride, place attachment and connection with others, and provide sustainable stewardship over the environmental and natural resources that contribute to the tourist experience.

Tourism-related economic development as part of an expanded Council for Pittwater can have positive social implications through promoting inclusive growth as investment occurs in the community. Local support for tourism activities, events and development can generate strong social outcomes on the standard of living of local residents. Tourism is a major and growing contributor to Pittwater's economy. The area is gaining recognition as a great place to visit, live, work, play and invest. More than 10 per cent of our current local workforce is employed directly in tourism and hospitality, which is above the national average. Job opportunities exist for all, including young and mature residents with many job vacancies available in this sector. The tourism and hospitality industry is one of the few industries which is able to offer employment on a casual, part-time, full-time and internship basis, and across a variety of skill levels. New assets for the expanded Council for Pittwater, such as Glen Street Theatre, will greatly assist tourism related employment.

There is increasing growth in the 'new economy' sectors of information, media and telecommunications; professional scientific and technical services; administrative and support services; education and training; health care; arts and recreation. These changes are indicative of a healthy diversification of Pittwater's local economy into what could be described as key 'new economy' activities.

(d) Role in Future Northern Sydney ROC

The Shore Region of Councils (SHOROC) consisting of four Councils has been a successful model of Local Government for the past 20 years. It plans, advocates and procures on behalf of Councils, achieving for example, over \$1 billion in NSW Government investment in the region's health, public transport (the B-line) and road infrastructure in the last five years.

The restructure of the Local Government Sector now provides the opportunity to build that model to match the northern Sydney planning district by merging with North Sydney Regional Organisation of Councils (NSROC). NSROC currently has seven member Councils.

The regional organisations have been in discussion for the past year on a potential merger of the two organisations to create a single North Eastern Sydney entity that matches the NSW Government districts including for planning, health, education, community services. The Local Government Reform proposals will reduce the number of Councils in this district to five. That would enable the five more equally balanced Councils that form part of the North East Sydney Planning District with similar strategic capacity to collaborate on not only Planning issues, but a range of service and advocacy matters for the region.

3.10.2 Summary

The two existing economies of Pittwater and Northern Warringah complement each other. The new expanded Council for Pittwater Council will continue to achieve high levels of containment and will continue to support an emerging tourism sector.

Any changes to the proposed boundary of the expanded Council for Pittwater, particularly if Frenchs Forest were not included, would significantly diminish the economic opportunities of combining Pittwater and Northern Warringah.

An expanded Council for Pittwater will allow those parts of the region that predominantly feature detached low density residential housing in significant environmental settings to be managed consistently.

The three current or future major land releases and consolidations, namely Warriewood Valley, Ingleside and Frenchs Forest, will be managed by an expanded Council for Pittwater.

The proposed boundary of the expanded Council for Pittwater is most suited to ensuring the future Council's ability to be an equal partner in the planning for the Northern Sydney planning district.

4. CONCLUSION

This proposal represents the culmination of four years of discussion and debate, evaluation and misinformation, engagement and communication on the options available in the Local Government Reform program. Panels have recommended an array of reforms from Joint Organisations to mergers of councils to achieve financial sustainability and scale and strategic capacity. The councils have advocated from the status quo position to the one council model.

Structural reform is only one element of the process for stronger Local Governance. For instance, a review is currently underway relating to the rating structure with a view to amend the valuation basis upon which rates are calculated. Similarly the Local Government Act is the subject of a review by the Government and currently before the sector.

The heavily qualified theoretical financial dissection of the incomes and long term expenditures undertaken by Warringah rely upon historical models (eg rating) that may not apply to the new council and future expenditures that were previously unbudgeted. Ultimately the new councils' success will be a product of their leadership and culture. What should not be missed, particularly in this region, is that Local Government is not just about dollars and cents, but about proper planning, people and places.

The last Boundary Commission outcome following years of community unrest resulted in the splitting of part of Warringah Council to form Pittwater. The result of that decision has provided two decades of an outstanding, award winning, high performance council, with a strongly collaborative culture working with a highly engaged community.

Quoting from the interim findings and conclusions of the Pittwater Public Inquiry 1990-1991 "the Pittwater situation is a compelling example that local government issues are not related solely to costs and services. People there are very concerned about local government as government, about policies and how they are arrived at, how the public view is taken into account and about the style and management by which they are governed." *An excerpt taken from page 10 of the interim findings and conclusions of Pittwater Public Inquiry 1990-1991.*

The strong sense of identity, the outstanding planning achievements, the progress on key infrastructure and the sense of connectedness through the improvements to Towns and Villages is the essence of Pittwater. Vibrancy, sustainability, community, connectedness and strong custodianship over the natural environment have been captured and delivered from the communities' vision for Pittwater.

Two decades later, in a changed environment with different pressures the Government and the local government sector is seeking to reform the sector through the reduction in the number of councils and provision of scale and strategic capacity. This submission outlines the reasons that the proposal for the merger of an expanded Pittwater council with 124 square kilometres of Warringah council with a resident population of 77,343 will provide a strong, viable entity, sharing similar values that will have the economy of scale and strategic capacity to effectively plan and partner with State and Federal Government in the delivery of key infrastructure.

More importantly the proposal provides the opportunity to create a more collaborative operating culture within the SHOROC region. The Northern council would be able to provide stronger governance at Kimbriki, a single council for the Rural Fire Service volunteers, stronger relationship with the NSW Surf lifesaving clubs.

The area would retain its low density peri-urban ambience of around 700 people per square kilometre. There exists a strong community of interest and connection not only demographically but also across sporting, recreational and cultural interests.

The proposal would improve the management and coordination of sporting fields with the various sporting associations with the council hosting most of the sporting facilities within the SHOROC Region.

Professor Brian Dollery endorsed the SHOROC two council model as 'the most sensible and economically responsible outcome for the region possible', despite stressing that he was 'always opposed to compulsory mergers'.

He said that compared to the Independent Panel's recommendation of a forced merger of Manly, Pittwater and Warringah, 'the IPART's new proposal is the best outcome for residents in the region'.

'It allows for the strengthening of villages and communities and retention of local character, community of interest and identity with both of the areas retaining a similar density', he said.

'It also ensures the custodianship over a unique waterway and lower density development in keeping with the natural environment and heritage in the northern council, whilst the southern council would be more harbour and city focussed with a higher level of density'.

Professor Dollery noted that the SHOROC two council model 'supports conceptual and empirical research that shows that the larger proposed entity was not a better option'.

Empirical research undertaken by both Professor Brian Dollery and KPMG had shown that a two council model can provide both financial, environmental, social and governance benefits for the communities they serve.

The negative argument against the splitting of Warringah is counter intuitive given that the proposition that Warringah argues it has been very successful. It would follow that two similarly sized councils in the same region would also be successful and it would represent the best model for the future of the region. Likewise Pittwater received the only highly commended award in the Bluett awards in 2015 and is a previous winner. The joining of the like elements of these two councils will provide transformational benefits for the council and its community.

Whilst a number of submissions will present an argument for the one northern beaches council this model has been overwhelmingly rejected by the Pittwater Community and government despite the concept being heavily promoted. Those submissions relate to a proposal which has now been referred by the Minister for examination. Consideration of a one council for the northern beaches proposal requires the commencement of a new process.

Similarly the proposition of a major boundary change of the three suburbs of Killarney Heights, Forestville and Frenchs Forest is not the proposal which the Minister has referred for examination. It would reduce the population of the proposed council by 25,000 to 115,000 population. This would irreparably damage the two council balance, scale and strategic capacity of the northern council, render it outside the current key reform scale and capacity criteria and the smallest council in Sydney. For such a proposal to be examined, a different proposal would need to be referred by the Minister and the process begun again.

It is submitted that no weight should be given to these submissions in this instance as they represent alternative proposals not currently before the Chief Executive's delegate.

Pittwater Council commends the proposal and seeks the Delegate's endorsement to enable the transition to strong, collaborative, strategic and fiscally sound Local Governance for the northern part of the SHOROC Region being Pittwater and part Warringah.



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COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS



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PURPOSE

These Guidelines provide guidance to councils that are the subject of merger proposals on the appropriate exercise of their functions during the period in which a merger proposal is under consideration by the Chief Executive of the Office of Local Government, the Boundaries Commission and the Minister for Local Government under the Act.

It is important during any merger proposal period that councils continue to operate appropriately, effectively and efficiently to meet the needs of their communities. The Office of Local Government recognises that councils, councillors and council staff all share the desire to continue to serve their communities effectively during the merger proposal period and will have many questions about how to do this in a manner that is appropriate and permissible. These Guidelines seek to assist councils to do this and to provide clear guidance on what is and is not appropriate and permissible during the merger proposal period.

These Guidelines are issued under section 23A of the Act meaning that all councils must consider them when exercising their functions.

THE SCOPE OF THESE GUIDELINES

These Guidelines apply to decisions made by councils the subject of a merger proposal during a merger proposal period.

For the purposes of these Guidelines:

“the Act” – means the *Local Government Act 1993* (NSW).

“a decision” - includes the exercise by the council of any function (including the expenditure of monies and the use of resources) and includes functions exercised under delegation by council officials.

“council officials” – includes a councillor (including the Mayor), a member of council staff or a delegate of a council.

“merger proposal” – means a proposal for the amalgamation of two or more local government areas or the alteration of the boundaries of one or more local government areas initiated by the Minister for Local Government, a council affected by the proposal or an appropriate minimum number of electors under section 218E of the Act.

“merger proposal period” – means the period of time during which a council is affected by a merger proposal, commencing on the day a proposal is made with respect to the council’s area under section 218E of the Act and concluding on:

- the day after the Minister decides to decline to recommend to the Governor that a proposal referred to the Boundaries Commission or the Chief Executive be implemented under section 218F(8), or
- the date specified in the proclamation implementing the proposal if the Minister

recommends to the Governor that the proposal be implemented.

“new council” – means a new council created as a result of a merger proposal.

COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS – GENERAL PRINCIPLES

During a merger proposal period, councils and council officials should be mindful of the need to act in the best interests of their community and for the purposes of meeting the needs of that community. Councils should not make decisions that needlessly impose avoidable costs on a new council.

In particular, councils and council officials should not make decisions during a merger proposal period for the following purposes:

- to prevent or disrupt the consideration of merger proposals by the Chief Executive of the Office of Local Government or his delegate, the Boundaries Commission or the Minister for Local Government other than through the legitimate exercise of legal rights of review or appeal
- to exercise their functions or use council resources to oppose or support a merger proposal for personal or political purposes (see below for more information on merger-related information campaigns)
- to seek to damage or impede the operational effectiveness of a new council including by (but not limited to):
 - making significant and/or ongoing financial commitments that will be binding on a new council
 - making other significant undertakings or commitments that will be binding on a new council
 - making decisions that are designed to limit the flexibility or discretion of a new council
 - deliberately and needlessly expending council resources to minimise the resources available to a new council on its commencement.

INTEGRATED PLANNING AND REPORTING

During a merger proposal period, councils should continue to implement and operate in accordance with their adopted Community Strategic Plan, Delivery Program, Operational Plan and Resourcing Strategy.

Annual reporting requirements continue in accordance with the Act, and a report on the progress on implementation of the Community Strategic Plan should be presented at the final meeting of each of the outgoing councils.

Preparation of Operational Plans

Should councils prepare Operational Plans during a merger proposal period, these should be prepared as a sub-plan of the council's adopted Delivery Program and should not depart from the council's adopted Delivery Program.

The Operational Plan should directly address the actions outlined in the council's adopted Delivery Program and identify projects, programs or activities that the council will undertake within the financial year towards addressing these actions.

The Operational Plan should include a detailed budget for the activities to be undertaken in that year.

FINANCIAL MANAGEMENT

Expenditure during merger proposal periods

During a merger proposal period, councils should only expend monies in accordance with the detailed budget adopted for the purposes of implementing their Operational Plans for the relevant year.

There should be clear and compelling grounds for any expenditure outside of a council's adopted budget. Expenditure outside of the adopted budget should be approved by the council at a meeting that is open to the public.

The council's resolution approving the expenditure should disclose the reasons why the expenditure is required and warranted.

Should such expenditure be outside of a council's adopted budget and be of an amount equal to or greater than \$250,000 or 1% of the council's revenue from rates in the preceding financial year (whichever is the larger), then such a variation shall be advertised and public comments invited.

Councils the subject of merger proposals should not make decisions that will impose a significant and/or ongoing financial commitment on a new council.

Entry into contracts and undertakings

Councils the subject of merger proposals should not enter into a contract or undertaking involving the expenditure or receipt by the council of an amount equal to or greater than \$250,000 or 1% of the council's revenue from rates in the preceding financial year (whichever is the larger), unless:

- the contract or undertaking is being entered into as a result of a decision made or procurement process commenced prior to the start of the merger proposal period; or
- entry into the contract or undertaking is reasonably necessary for the purposes of:
 - meeting the council's ongoing service delivery commitments to its community; or

- o to implement an action previously approved under a council's Delivery Program or the Operational Plan for the relevant year

WORKFORCE MANAGEMENT

Appointment and termination of employment of general managers and senior staff

A council affected by a merger proposal should not during a merger proposal period appoint or reappoint a person as the council's general manager, other than:

- appointing a person to act as general manager under section 336(1) of the Act, or
- temporarily appointing a person as general manager under section 351(1) of the Act.

Councils affected by merger proposals should also avoid making appointments of senior staff other than temporary or "acting" appointments unless there are compelling operational reasons for doing so. Outside of these circumstances, where possible, councils should make temporary appointments to fill vacancies to senior staff positions during the merger proposal period.

There is no restriction on councils' ability to terminate the employment of general managers and other senior staff during a merger proposal period. However, in doing so, councils must comply with the standard contracts of employment for general managers and senior staff and the 'Guidelines for the Appointment & Oversight of General Manager' (July 2011).

Organisation restructures

Councils affected by merger proposals should not undertake organisation restructures unless there are compelling operational grounds for doing so.

No forced redundancies of non-senior staff

Councils affected by a merger proposal should not during a merger proposal period terminate the employment of non-senior staff on grounds of redundancy without their agreement (see section 354C).

Determination of employment terms and conditions for council staff

Determinations of the terms and conditions of employment of council staff members (including in an industrial agreement, in an employment contract or in an employment policy of the council) made during a merger proposal period will not be binding on a new council unless the determination has been approved by the Minister for Local Government (see section 354E).

The Minister's approval is not required for the following determinations:

- determinations authorised by an industrial instrument, or employment policy of the former council, made or approved before the merger proposal period
- determinations in, or authorised by, an award, enterprise agreement or other

industrial instrument made or approved by the Industrial Relations Commission or Fair Work Australia

- determinations that comprise the renewal of an employment contract (other than for the general manager) entered into before the proposal period.

As a general rule, the Minister will approve determinations unless he is satisfied that the determination arises from or is in anticipation of a merger proposal and would result in an unjustifiable increase or decrease in the obligations of the new council in relation to transferred staff members (see section 354E(3)).

REGULATORY FUNCTIONS

Councils and council officials should exercise their regulatory functions strictly in accordance with statutory requirements and the requirements of the *Model Code of Conduct for Local Councils in NSW* and solely on the basis of relevant considerations.

Councils should not exercise their regulatory functions (including in relation to development applications or strategic land use planning) for the purposes of campaigning for or against a merger proposal.

Councils should not make decisions that would not otherwise withstand legal challenge on the basis that the new council and not the outgoing one would need to defend any such challenge.

MERGER-RELATED INFORMATION CAMPAIGNS

Any public information campaigns conducted by councils with respect to merger proposals:

- should be conducted for the purposes of informing the local community about the merger proposal and should be proportionate to this purpose
- should not involve disproportionate or excessive expenditure or use of council resources
- should be conducted in an objective, accurate and honest manner and should not be deliberately misleading
- should not be used to endorse, support or promote councillors, individually or collectively, political parties, community groups or candidates or prospective candidates at any election, Local, State or Federal.

Merger-related information campaigns should be approved by councils at an open council meeting. Councils should also publicly approve a budget for the campaign at an open council meeting before incurring any expenditure on the campaign.

Any variations to the budget should also be publicly approved by the council at an open meeting.

Councils should account fully and publicly for the costs of merger-related information campaigns, including staff and contractor costs. This information should be accessible to the community on councils' websites.

ENFORCEMENT OF THESE GUIDELINES

These Guidelines are issued under section 23A of Act. Councils are required to consider the Guidelines in exercising their functions. The Office of Local Government will be monitoring compliance with these Guidelines.

Failure to comply with the Guidelines may result in the Minister for Local Government issuing a performance improvement order under section 438A of the Act against a council to compel them to comply with the Guidelines or to correct any non-compliance.

The Chief Executive of the Office of Local Government may also surcharge a council official under section 435 the amount of any deficiency or loss incurred by the council as a consequence of the negligence or misconduct of the council official.

Connecting Communities Committee

9.0 Connecting Communities Committee Business

C9.1	Tender T08/15 - Design and construction of a seawall, roadway and car park, Church Point
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Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY:

- Traffic & Transport
- Town & Village

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To reduce the use of and reliance on private motor vehicles
- To improve road and footpath safety to encourage use by community
- To provide suitable parking arrangements for business, community and commuter transport including park and ride facilities
- To provide adequate parking to meet the needs of businesses and customers

DELIVERY PROGRAM ACTION:

- Provide planning, design, investigation and management of traffic and transport infrastructure
 - Provide works for a range of active transport infrastructure including footpaths, shared paths, line marking, pedestrian refuges, bus stop upgrades and other works directly associated with pedestrian, bicycle and other non-car transport modes on roads
 - Undertake upgrades such as reconstruction and resurfacing to strengthen road pavements combined with road edge support and drainage improvements
 - Ongoing enforcement program to achieve effective utilisation of car parking spaces
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

On 16 December 2013, Council resolved to construct a decked carpark providing a total of 120 carparking spaces over two levels, involving reclamation, seawall construction and the realignment of McCarrs Creek Road at Church Point.

On 7 December 2015, Council resolved to call for tenders for the design and construction of a decked carpark, the realignment of McCarrs Creek Road and the construction of a piled seawall at Church Point. Other issues arising from this resolution are to be considered in further reports to Council at later dates including parking demand management, permit fees and licences.

Tenders were advertised for the design and construction of the project on 15 December 2015 and closed on 29 January 2016. A thorough evaluation has now been completed. This report recommends to Council the preferred tenderer to enable the project to commence

2.0 RECOMMENDATION

That the recommendation contained in the report in the Confidential section of this Agenda be adopted.

3.0 BACKGROUND

3.1 PURPOSE

In accordance with Council's resolution of 7 December 2015, the purpose of this report is to:

- Advise Council on the results of the tender process for the design and construction of the McCarrs Creek Road realignment, seawall and new carpark project; and
- To recommend to Council the appointment of the successful tenderer as outlined in the report contained within the Confidential section of the agenda.

3.2 BACKGROUND

Following the adoption of the Church Point Precinct Masterplan in 2009, Council formed a Working Party to work with local community groups with regard to progressing one of the major recommendations of the Plan of Management, being the design and construction of a new carparking facility at Church Point.

On 16 December 2013, Council resolved to construct a decked carpark providing a total of 120 carparking spaces over two levels, involving reclamation, seawall construction and the realignment of McCarrs Creek Road.

Council engaged Hyder (now Arcadis) to work on a concept design for the project which would enable it to go to tender for design and construction.

The project involves reclamation of the foreshore area, relocation of seagrass beds, realignment of the new road, stabilising of the adjoining cliff face opposite the commuter wharf, parking demands of the local community, visual and environmental considerations and the financial model to support the structure which were all investigated in depth.

At the same time, Council was able to obtain a low interest subsidy from the State Government towards the project which would equate to savings of approximately \$1 million.

The architectural drawings were completed towards the end of October/early November 2015 and at its meeting of 7 December 2015, Council resolved, in part,

- "2. That Council support the commencement of the McCarrs Creek Road realignment and new car park project based on the proposed financing model recommended in this report.*
- 3. That design and construct tenders be invited for the McCarrs Creek Road realignment, seawall and new car park project."*

Tenders were advertised in the Sydney Morning Herald and the Manly Daily on 12 December 2015 for the design and construction of the project. Tenders opened on 15 December 2015 and closed on 29 January 2016.

Tenders were also advertised on Tenderlink.

Alerts were sent to 2012 companies by Tenderlink and the tender documentation was viewed by 195 people with 11 downloads.

Four (4) tender submissions were received by Council, one of which was non-compliant and the three remaining were evaluated and the process and result of this evaluation are outlined in the confidential section of this Agenda.

Council also at its 7 December 2015 meeting resolved, in relation to parking demand management, recommendations to support these in principle and seek community comment before returning to the Council for review. It is intended this process of seeking community comment will commence shortly with a view to reporting to Council in the coming months.

3.3 POLICY IMPLICATIONS

Church Point Plan of Management (PoM) was adopted by both Council and the State Government in 2009. The McCarrs Creek Road realignment and new car park are consistent with the PoM and Council's resolution of 16 December 2013.

3.4 RELATED LEGISLATION

Environmental Planning and Assessment Act 1979

Environmental Planning and Assessment Regulation 2000

Crown Lands Act 1989

Local Government Act 1993

Roads Act 1993

Fisheries Management Act 1994

Native Title Act (Commonwealth) 1993

Native Title (New South Wales) Act 1994

State Environmental Planning Policy (Infrastructure) 2007

3.5 FINANCIAL ISSUES

3.5.1 Budget

Council has adopted an estimated budget for the McCarrs Creek Road realignment and new car park project of approximately \$9.755 million dollars (ex GST).

In order for Council to facilitate such a project a funding package has been formulated comprising of a mix of loan funding, user pays historical reserves, ongoing user pays car parking income, RMS capital contributions, Environmental Infrastructure reserves, Special Rate Variation reserves and NSW State Government Local Infrastructure Renewal Scheme (LIRS) interest rate subsidy.

3.5.2 Resources Implications

The new and upgraded infrastructure delivered by the project will be added to Council's infrastructure assets and hence be subject to ongoing maintenance and servicing cost/budget provisions. As discussed above however, the financing model developed will mean that the project, both its construction and ongoing maintenance, is predominately self-funded requiring only moderate subsidisation by Council.

4.0 KEY ISSUES

Tenders Received

Four (4) tenders were received by Council for this project. These were:

- Ward Civil Engineering Pty Ltd
- Rapid Construction Pty Ltd
- Land & Marine Ocean Engineering Pty Ltd
- Cockram Construction Ltd

One of the tenders (Land & Marine Ocean Engineering Pty Ltd) was received late and after due consideration, the evaluation panel resolved to discard that submission as it did not comply with the tender regulations.

The other three (3) submissions were evaluated and scored as per the table included within the report in the confidential section of this Agenda.

Additional Contingency Allowance

Allowances also need to be made for small contingencies if required. This is discussed in detail in the report in the confidential section of this Agenda.

Permit Costs

The additional funds required for the project, are not envisaged to impact on the proposed parking permit costs for the Church Point carpark.

5.0 ATTACHMENTS / TABLED

Nil.

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

- The consultation on this project has spanned more than two decades. It has intensified since the adoption of the Plan of Management in 2009.
- A Working Party (which included members of community groups) was formed and this group worked to establish concept design options for the carpark. Those designs were placed on public exhibition for comment prior to the adoption of the single deck proposal in 2013.

6.1.2 Risk Management

Strategic Risk

- This project is identified in the PoM and there is a current Council resolution to progress the project and as such there is a community expectation that this project will be delivered.

Financial Risk

- A detailed concept cost estimate, incorporating contingency sums, has been undertaken for the project.
- There remains the potential for project variations for a project of this scale – this will be tightly managed.

Operational Risk

- Project Management - the project will be procured and project managed under Council's refined Management Systems. A specialist external contracted Project Manager will be engaged to supervise this project.
- Work, Health & Safety will be managed in accordance with legislative requirements and Council's guidelines.

Management of Risks

- The project has already had a high level of technical and public scrutiny.
- The project will be constructed in accordance with the requirements of the EIA, REF, SEPP Infrastructure, relevant specifications, approvals and licences.

6.2 ENVIRONMENT

6.2.1 Environmental Impact

The environmental Impact Assessment under part 5 of the NSW Environmental Planning Assessment Act 1979 for McCarrs Creek Road Realignment and New Car Park has determined that there is unlikely to be any significant environmental impact.

The assessment panel determined that the proposal must meet the additional requirements and standard conditions. The reason for the imposition of the additional requirements and standard conditions is to ensure that the development is carried out in such a manner as to achieve the objectives of the Environmental Planning and Assessment Act 1979 (as amended), pursuant to section 5(a) of the Act, having regard to the relevant matters for consideration contained in Clause 228 of the *Environmental and Planning & Assessment Regulation 2000* and the relevant Environmental Planning Instruments applying to the land.

The Review of Environmental Factors (REF) for this project provided by Hyder Consulting has examined in detail the environmental impacts both during construction and longer term and how these can be accommodated and ameliorated.

- The REF has concluded that an EIS is not necessary and a Species Impact Statement is not required. Council concurs with this assessment and its findings.
- The Recommendation contained within the REF will be incorporated into the project outcomes and form part of the specific requirements
- As identified in previous report(s) to Council, the provision of additional car parking at Church Point reduces the need to do the 'Church Point Drive around' trying to find a car space which in turn reduces fuel usage/emissions, improves local amenity and safety.

6.2.2 Mitigation Measures

The EIA and REF have identified an extensive list of mitigation measures. These measures will be incorporated into the tender documentation, detailed design and construction methodologies for the project.

6.3 **SOCIAL**

6.3.1 **Address Community Need & Aspirations**

In recognition of the conflicting uses and divergent interests of stakeholders in Church Point, the McCarrs Creek Road realignment and new car park provide a number of significant social benefits, in particular improved safety, amenity and additional parking supply. These social benefits are achieved through the provision of the following infrastructure:

- New seawall on a new alignment that facilitates a safer road alignment as well as reducing foreshore erosion/sedimentation,
- The foreshore pedestrian route to replace the current narrow and eroding path will significantly improve access and amenity,
- Additional car parking in a convenient location to help ameliorate the chronic shortage of car parking, recognising the unique situation of Pittwater's off-shore communities needing to access their homes where there is no direct car access.

6.3.2 **Strengthening local community**

The proposal will add to the community's feeling of connectedness by:

- Further reinforcing the important community hub at Church Point,
- Recognising the bona fide needs of the off-shore communities to have access to a reasonable quantum of car parking noting the unique set of circumstances
- Provides a sustainable outcome for all stakeholders with a focus on reasonable user pays outcomes,
- Through appropriate parking demand management measures, the project will promote the reduced car reliance, and improved public transport and active travel initiatives,
- Significantly add to the safety and amenity of the precinct.

6.4 **ECONOMIC**

6.4.1 **Economic Development**

- The lack of car parking at Church Point not only affects the on-shore and off-shore communities but also affects businesses and visitors/tourists and hence the local economy. This does not abrogate the need for local businesses to provide the required quantum of car parking as part of their development proposals.
- The proposed new car park when built will provide additional car park numbers to the overall precinct and as such should in turn provide a positive economic outcome.
- A viable local outlet for convenience items is also important to reduce the need for more distant trips and supports local tourism

Report prepared by

Les Munn

MANAGER, RESERVES & RECREATION

Andrew Davies

MANAGER, URBAN INFRASTRUCTURE

C9.2 Tender T11/15 - MacPherson Street/Garden Street Upgrade

Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Warriewood Valley Section 94 Contributions Plan

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To enable Council to carry out works in kind, towards the provision, extension or augmentation of services and facilities that will, or are likely to be, required as a consequence of development in Warriewood Valley
- To make adequate capacity available on approach roads and at major intersections for trips generated by new development and improve access to the Warriewood Valley Urban Release Area.
- To provide upgraded facilities to support the public transport network
- To improve pedestrian, cyclist and vehicular safety at the intersection of Macpherson Street and Garden Street
- To encourage pedestrian and cycle activity in the Warriewood Valley and create linkages between significant destinations in order to encourage a fit and healthy community for all abilities
- To improve the ride quality and traffic flow along Garden Street and Macpherson Street

DELIVERY PROGRAM ACTION:

- Construction of the Macpherson Street-Garden Street Upgrade
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

- 1.1.1 With the completion of half-road reconstruction of the west side Garden Street and Macpherson Street as part of the development of 23B Macpherson Street it was determined to bring forward the construction of the Section 94 Items relating to the Macpherson Street-Garden Street Intersection in order to support traffic flows during the construction of the bridge on Macpherson Street between Boondah Road and Warriewood Road.
 - 1.1.2 This project is included in and funded by the Warriewood S94 Plan.
 - 1.1.3 Council's Urban Infrastructure Business Unit engaged a design company which with input from Council completed the design for roadworks in accordance with the Warriewood Valley Master Plan.
 - 1.1.4 A Tender was released on December 12 2016 for the construction phase of the roadworks which closed on Friday 29 January 2016. Two (2) companies submitted tenders for the works
-

2.0 RECOMMENDATION

That the recommendation contained in the report in the Confidential section of this Agenda be adopted.

3.0 BACKGROUND

3.1 PURPOSE

To seek Council approval for the acceptance of the tender for the construction of the Macpherson Street-Garden Street Upgrade.

3.2 BACKGROUND

The Warriewood Valley Section 94 Contributions Plan (the Plan) addresses the public services and facilities that will be required to meet the needs of the incoming population of Warriewood Valley.

Pittwater Council resolved to approve the Warriewood Valley Section 94 Contributions Plan at its meeting of 1 September 2008 and the Plan took effect from 4 September 2008. Since this time the Plan was subsequently revised in 2014. The life of this Plan is from 2014 to 2023.

With the completion of half-road reconstruction of the west side Garden Street and Macpherson Street as part of the development of Lot 11 Sec C DP 5464 (23B Macpherson Street) it was determined to complete the following Traffic and Transport items:

- *Item No.5.11* Bus Bay and Shelter - Macpherson Street (south side) near Garden Street
- *Item No. 16.1* Pedestrian Refuge (Small) - Garden Street at Fern Creek
- *Item No.32* Roundabout - Macpherson Street and Garden Street (including Undergrounding of Power)
- *Item No.41* Road Upgrade - Macpherson Street (Garden Street to Sector 8) and Garden Street (Macpherson Street to Fern Creek). Undergrounding of Power included.

Design

Council prepared a detailed concept design for the proposed works and a contract (RFQ09/15 – *Macpherson Street-Garden Street: Design*) was executed on 8 September 2015 for the detailed design of the works including road works, drainage, lighting pavement and electrical design.

Tenders

Council advertised an open tender for the construction component the Macpherson Street-Garden Street Upgrade.

The tender package was placed on Tenderlink on 12 December 2015 and the two (2) companies:

- Stateline Asphalt Pty Ltd, and
- Northshore Paving Co. Pty Ltd

submitted a tender.

Tenders were asked to submit a lump sum price for the entirety of the upgrade works as outlined in the design drawings and specification. The tender closed at 11am on Friday January 29, 2016

On Friday, 29 January, following the closing time, tenders were opened. Two (2) companies submitted tenders and these were evaluated by the Tender Panel which consisted of Council's Procurement and Contracts Officer, Senior Works Engineer, Project Engineer and Property and Building Projects Officer.

The results of the tender evaluation are presented to Council in a report contained within the Confidential section of this agenda.

3.3 **POLICY IMPLICATIONS**

This report relates to Council's Procurement Policy No 193

3.4 **RELATED LEGISLATION**

This report relates to requirements imposed on Council by the Local Government Act 1993 and the Local Government (General) Regulations 2005.

3.5 **FINANCIAL ISSUES**

3.5.1 **Budget**

This project is included in and funded by the Warriewood S94 Plan.

Council has conducted a recent regular internal review (to be reported to Council at an upcoming meeting) of the Section 94 Plan and included an allocation consistent with the costs of this project with an allowance for a contingency.

3.5.2 **Resources Implications**

Ongoing maintenance costs for Garden Street and Macpherson Street will be reduced due to the improvements made to the existing road surface.

4.0 **KEY ISSUES**

Council has committed Section 94 Funding for the design and half road reconstruction of MacPherson Street and Garden Street and associated pedestrian facilities as well as the upgrade of the intersection of MacPherson Street and Garden Street and associated service relocations.

Council appointed Craig and Rhodes, a well-known and well established design firm who have been involved in multiple projects in the Warriewood Valley, to prepare a design for roadworks.

Tenders were called and have been revised with a recommendation to Council for acceptance of the tender.

5.0 **ATTACHMENTS / TABLED DOCUMENTS**

Attachment 1: Road and Drainage Plan for the proposed roadworks (Sheet 1)

Attachment 2: Road and Drainage Plan for the proposed roadworks (Sheet 2)

Confidential Evaluation Report on Tender T11/15 is provided in the Confidential Section of the Agenda at Appendix 1.

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

- The community has actively requested the works be undertaken upon the completion of the half road construction associated with 23B Macpherson Street.
- Directly affected residents have been consulted by Council's Urban Infrastructure unit to highlight the design implications for their properties.
- Council has kept the public updated through Council's web page and through social media as the project has progressed.

6.1.2 Risk Management

- The project has been approved under the Warriewood Valley Section 94 Contributions Plan after significant consultation and investigation into the future needs of the Warriewood Valley
- Disruptions to traffic flow along Macpherson Street and Garden Street provide the key social risk on this project

6.2 ENVIRONMENT

6.2.1 Environmental Impact

- The project will require the removal of several trees however there will be an increased number of trees planted in the immediate vicinity as an offset.
- A Construction Environmental Management Plan is required as part of this tender and will be implemented to ensure there is minimal impact on the environment.
- A Part 5 Environmental Impact Assessment has been undertaken in accordance with the Environmental Planning and Assessment Act 1979.

6.3 SOCIAL

6.3.1 Improved Traffic Flows in Garden Street and Garden Street

- The upgraded road will be capable of servicing the larger traffic flows generated by the development within the Warriewood Valley

6.3.2 Improved Pedestrian and Cyclist Connectivity

- The project includes an off road shared user path which will form part of the network of pedestrian and cycle routes to major destinations throughout the Warriewood Valley.

6.3.3 Improving Bus Facilities

- Bus access and egress on Macpherson Street will be significantly improved with a designated bus bay and upgraded shelter

6.3.4 Improved Vehicular and Pedestrian Safety

- Pedestrian and cyclist safety will be improved through definition of the Road and a designated path. The roundabout at Macpherson Street and Garden Street will improve the safety of vehicle movements between Macpherson Street and Garden Street as well as providing pedestrian crossing points.

ECONOMIC

6.4.1 Economic Development

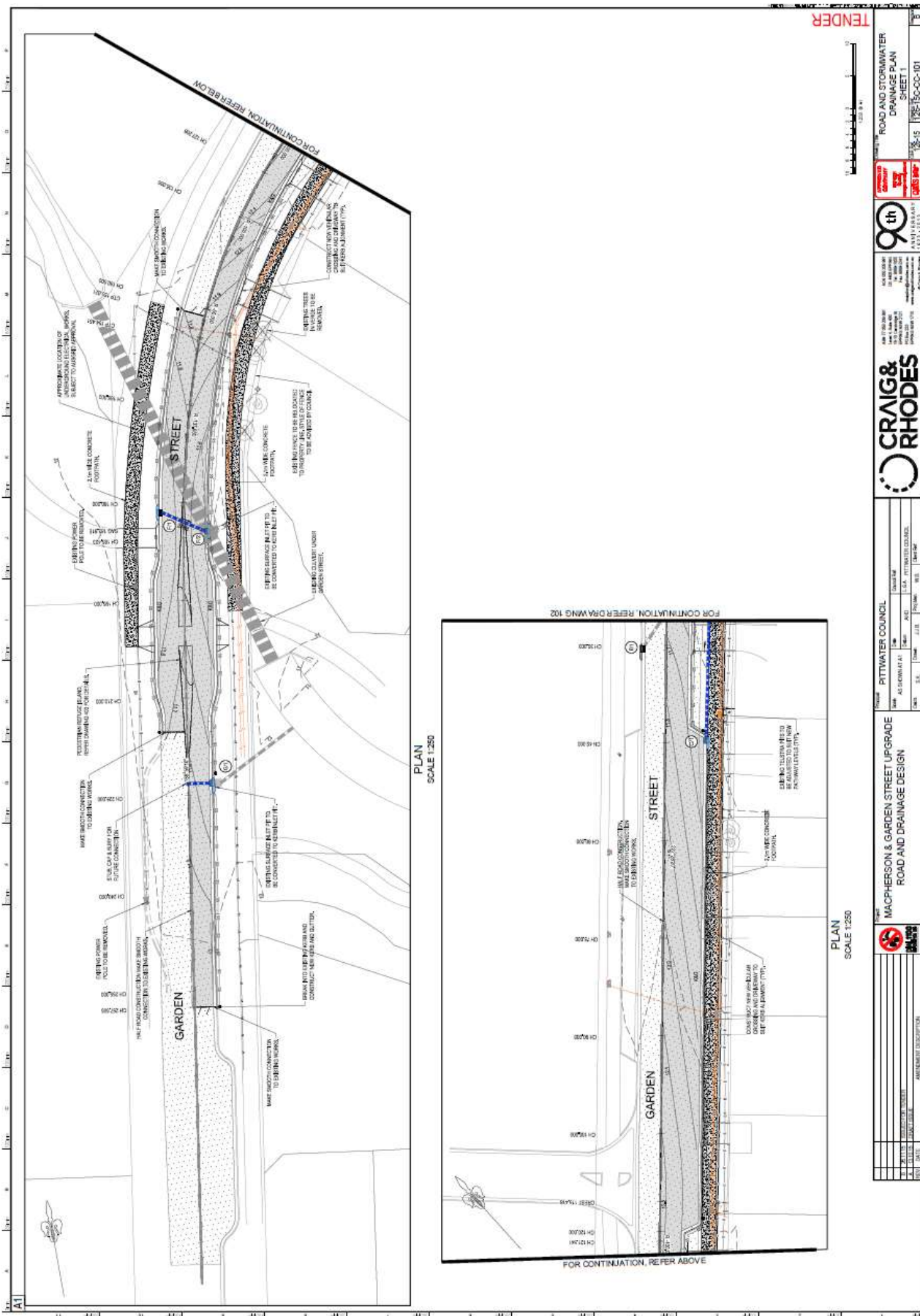
- The project will provide the necessary pedestrian and vehicle infrastructure to support the expected future development within the Warriewood Valley.

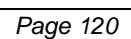
6.4.2 Funding

- The preferred Tender price is consistent with estimated costs in the 2015 Review of Section 94 Items

Report prepared by
David Munday - Project Engineer, Urban Infrastructure

Andrew Davies
MANAGER, URBAN INFRASTRUCTURE





C9.3	Submission of Preferred Option on NSW Container Deposit Scheme Discussion Paper
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Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Land Use & Development

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To actively participate in the development of new technology in waste management

DELIVERY PROGRAM ACTION

- Participate in and promote the SHOROC waste initiatives
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

In January 2016, the New South Government released a discussion paper on the proposed NSW Container Deposit Scheme (CDS). A copy of the discussion paper is at **Attachment 1**). The State Government now seeks feedback on the discussion paper from key public stakeholders, including local councils, private industries, land managers and members of the public. The due date for the submission is 26 February 2016.

A state-wide CDS will have profound impact on Council's waste operations and management strategies. The two proposed options for the CDS, *Refund CDS* and *Thirst for Good* will be discussed in detail in a later section of this report.

The two options diverge significantly in how the scheme will be designed, managed, administered and ultimately, impacting on local communities. Council's submission on a preferred option will not only have to consider the positive outcome of the scheme, but also consider the management of the scheme from Council's operation perspective so that not only maximum efficiency can be extracted from the policy, but also at the same time ensure minimal adverse impact on Council's existing waste management operations.

Furthermore, the CDS will also impact the volume and types of containers collected from Council's existing kerbside collection system. As Council is currently committed to the building of a MRF (Material Recovery Facility) at Kimbriki Resource Recovery Facility, said scheme will have to be carefully designed and adopted so that the requirement of Council's pre-existing commitment is not adversely affected; and more importantly, the proposed MRF at Kimbriki would not be made irrelevant or unviable under the Scheme.

Overall, this report seeks to establish the foundation of the discussion paper on which the CDS is proposed to be designed and implemented. A set of preliminary concerns will also be presented as discussion to Council for consideration. These concerns will form the basis of the submission to the State Government on the discussion paper.

2.0 RECOMMENDATION

- 1. That Council offers in principle support to Option 1 Refund CDS, based on the information given in the NSW Container Deposit Scheme: Discussion Paper,**
- 2. That Council endorses the SHOROC submission on NSW Container Deposit Scheme Discussion Paper.**

3.0 BACKGROUND

3.1 PURPOSE

This report seeks Council's resolution to endorse the SHOROC submission to NSW State Government on its released discussion paper on the proposed NSW Container Deposit Scheme

3.2 BACKGROUND

On 21 February 2015, the NSW Premier Mike Baird MP announced that NSW will implement a container deposit scheme (CDS) by July 2017.

The scheme aims to reduce drink container litter, by introducing a world's best practice, state-based policy framework. The proposed CDS is believed to be able to assist the government to reach its target to reduce the volume of litter in NSW by 40% by 2020 (based on 2013-2014 litter volume).

The NSW government seeks to introduce a scheme that:

- is cost efficient;
- gives people an incentive to return their drink containers;
- targets drink containers used away from home;
- complements, rather than competing with, existing kerbside services; and
- uses modern technology such as reverse vending machines where appropriate.

(@State of New South Wales 2015)

In June 2015, the Minister for the Environment established a nine-person CDS Advisory Committee, comprised of expert members of various disciplines, including environmental matters, recycling, innovation and litter management.

Between June and October 2015, the NSW Environment Protection Authority (EPA) conducted a number of research studies involving many aspects of the proposed scheme, including study of other schemes in other jurisdictions; audits of drink containers in NSW households and public places; assessment of potential impacts on the recycling industry and existing kerbside services; and evaluation of collection infrastructure and the current costs of managing litter.

Finally, EPA also engaged over 100 stakeholders who participated in six Working Groups to address key issues related to the proposed scheme, and to provide further input to the CDS Advisory Committee.

Based on the design principles mentioned earlier in this section and the input of key stakeholders and the CDS Advisory Committee, two options for the CDS were proposed in the discussion paper for community feedback: Option 1 *Refund CDS* and Option 2 *Thirst for Good*.

3.2.1 *Refund CDS*

The Refund CDS was proposed by three Advisory Committee members with input from key stakeholders including beverage industry representatives.

Under this proposed scheme, 10 cents per bottle will be refunded whenever a designated bottle/container is returned to the collection point. The consumer would pay an additional 10 cents at the point of sales, and when the empty container is returned to the designated collection point, the additional payment is refunded.

Designated collection points will include but not limited to:

- Reverse vending machines that are likely to be located in urban areas with high-from-home consumptions;
- Local collection depots that are either funded by local councils or run by private enterprise;
- Materials Recovery Facilities that are either operated by private sector or local councils; and
- Local schools or charities.

A single organisation would be setup to run the CDS and act as clearing house for deposits allowing sorting on material type only (not brand). This organisation could be a not for profit organisation or could be setup by the private industry.

Beverage manufacturers would hold the deposit until it was redeemed, which means that they will only be asked to pay for the number of containers returned for refund (plus handling and administrative costs, minus the sale value of the materials collected).

The proposed scheme will cover 150 millilitres to 1 litre containers, with exemption for milk, wine, spirits and juice containers, as similarly applied in South Australia.

3.2.2 ***Thirst for Good***

An alternative industry proposal – Thirst for Good was proposed by the Australian Food and Grocery Council, which is a member of the CDS Advisory Committee.

Under this proposal, the beverage industry would provide all NSW local councils with a single trailer with a collection cage. The trailers would be leased to community groups to collect scheme-covered containers. Once the trailer is full, it would be returned to Council for a \$300 reward. It would be up to individual council to decide which community group would receive the trailer.

Under this proposal, the beverage industry would also hire 100 collectors, trained and geared to collect littered containers along highways and previously un-serviced areas by councils and land managers.

Beverage industry would also donate 2,000 litter bins to local councils, in addition to the existing litter bin network maintained by Council. Service and maintenance of the donated litter bins will be paid by the industry. However, the discussion paper did not identify how many litter bins each council would be entitled to under this proposal.

In addition, the beverage industry would fund 100 reverse vending machines across NSW. However, different to the *Refund CDS* proposal, these vending machines will provide non-financial reward for any returned containers. Instead, cash-like rewards such as chance to win sport tickets would be offered to consumers. The maintenance of the machines will be managed by the beverage industry.

Finally, the beverage industry would fund the development and implementations of community education programs to support the aforementioned initiatives.

3.3 DISCUSSION

In the Discussion Paper, the State Government asked for community feedback on a range of questions pertaining to the mechanisms of a working CDS model. SHOROC prepared and submitted feedback with input from the four SHOROC councils based on the questions raised in the discussion paper. Please refer to **Attachment 2** for a copy of the SHOROC Submission.

The SHOROC submission aligns with Council's view on the proposed CDS model presented in the Discussion Paper. During the SHOROC General Managers Advisory Committee (GMAC) meeting held on 10 February 2016, it was resolved that a in principle support for Option 1 to be submitted to the State Government and a submission to be provided to the SHOROC Board for consideration. The submission was endorsed during the SHOROC Board Meeting held on 24 February 2016 and subsequently submitted to the State Government on 26 February 2016.

3.4 CONCLUSION

In conclusion, Council is in support of a financial incentive based CDS scheme that is aimed at reducing litter in NSW.

The discussion paper released by NSW government offered two distinctive options for the implementation of the CDS. Both would affect Council's existing waste management operation and future plan for its Kimbriki MRF expansion.

This report outlined the basics of the two proposed CDS models, and offered analysis on both systems in the Pittwater context.

It is suggested that Council offers in principle support for Option 1 Refund CDS model as described in the discussion paper and endorse the SHOROC Submission for the discussion paper.

4.0 ATTACHMENTS / TABLED DOCUMENTS

Attachment 1: Discussion Paper on NSW Container Deposit Scheme

Attachment 2: SHOROC's Submission on NSW Container Deposit Scheme Discussion Paper

Report prepared by

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ACTING MANAGER, ENVIRONMENTAL COMPLIANCE



NSW Container Deposit Scheme: Discussion paper

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Have your say

Stakeholder consultation will be open until 5:00 pm on **Friday 26 February 2016**. Written submissions are encouraged from the general public, community groups, local councils and all industry sectors. The release of this discussion paper demonstrates the commitment of the NSW Government to delivering better waste and recycling outcomes.

For more information, or to provide comment, contact the EPA or visit

<http://www.epa.nsw.gov.au/waste/container-deposit-scheme.htm>

Phone: 02 9995 5555

Email: container.deposit@epa.nsw.gov.au

Post:

Container Deposit Implementation Team, Waste and Resource Recovery Branch

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Introduction

On 21 February 2015, the Premier, the Hon. Mike Baird MP, announced that, if elected, the NSW Government would implement a container deposit scheme (CDS) by 1 July 2017.

The scheme aims to reduce drink container litter. Introducing a world's best practice, state-based CDS will greatly help the government to reach its target to reduce the volume of litter in NSW by 40% by 2020 (based on the 2013–14 litter volume). The government wants to implement a scheme that:

- is cost efficient
- gives people an incentive to return their drink containers
- targets drink containers used away from home
- complements, rather than competing with, existing kerbside services
- uses modern technology such as reverse vending machines¹ where appropriate.

This discussion paper explores the key elements that will shape the design of the CDS and presents two possible models.

To make sure that the scheme is well suited to NSW, the government has committed to broad consultation with the community and key stakeholders throughout the development process. We encourage you to express your views on the introduction of a CDS in NSW and the issues raised in this discussion paper. Written submissions will be accepted until 5pm on **Friday 26 February 2016**. See page i for details of how you can make a submission.

Overview of container deposit schemes

Definition

CDSs use incentives to encourage the community to return empty drink containers to specific collection sites. When the container is returned, the person returning it receives a reward. The incentive can be cash or cash-equivalent, for example a 10-cent refundable deposit per container as is used in the South Australian and Northern Territory schemes. It can also be non-cash/cash equivalent, such as discount coupons, entry into a prize draw or the opportunity to direct funds to a charity or local community group.

CDSs are a way to reward environmentally responsible behaviour, reduce drink container litter and increase recycling. They work on littering behaviour by encouraging the person consuming the drink to hold onto the empty container for later redemption. Likewise, they provide an incentive for other people to pick up littered containers to receive the reward.

In general, consumers cover the cost of the scheme in the price of the drink when purchasing it. In this regard, CDSs are based on the 'polluter pays' principle, shifting waste management and litter collection costs away from local councils and land managers and on to consumers.

¹ Reverse vending machines are machines that receive empty drink containers and give a reward to the user in return.

Where have container deposit schemes been used?

CDSs operate in about 40 jurisdictions around the world, including in South Australia and the Northern Territory.

The concept is simple, but CDSs can be designed and implemented in a number of different ways, depending on the issues they are intended to address and the legal, economic and social context in which they operate. Common scheme objectives include reducing litter, increasing the recycling of single-use containers and increasing the collection and reuse of refillable containers.

There is strong evidence to indicate that CDSs are effective at achieving positive social and environmental outcomes, in both the short and the long term, including drink container litter reduction (P Bragge and B Wright, 2015).

Approach taken in NSW

The NSW Government is committed to implementing a scheme that is both environmentally effective and economically responsible. The government is also committed to developing a scheme that is based on expert advice, sound evidence and comprehensive community consultation.

In June 2015, the Minister for the Environment established a nine-person CDS Advisory Committee, with expertise spanning environmental matters, recycling, innovation and litter management. The Advisory Committee membership and Terms of Reference can be found at <http://www.epa.nsw.gov.au/waste/container-deposit-scheme.htm>. The Advisory Committee was specifically asked to provide advice on:

- incentives for community participation
- the scope of containers to be redeemable under the scheme
- involvement of local government and the recycling industry in the scheme
- suitable locations for reverse vending machines.

To help the Advisory Committee to develop informed advice on scheme design and implementation, the NSW Environment Protection Authority (EPA) commissioned a number of research studies between June and October 2015. These studies included reviews of schemes in other jurisdictions; audits of drink containers in NSW household and public place bins; assessments of potential impacts on the recycling industry and existing kerbside services; and evaluations of collection infrastructure and the current costs of managing litter. The results of this research is presented within the "Designing a scheme" chapter

The EPA also invited over 100 stakeholders to participate in six Working Groups to address key issues and to provide further input for the CDS Advisory Committee. Working Group membership can be found at <http://www.epa.nsw.gov.au/waste/container-deposit-scheme.htm>. The Working Groups covered:

- resource recovery and industry engagement
- environmental protection
- retailer engagement
- community and local government engagement
- business and financial model development
- technology and innovation.

The Advisory Committee's meeting minutes and summaries of the issues discussed in the Working Groups can be found at <http://www.epa.nsw.gov.au/waste/container-deposit-scheme.htm>. The aim of the initial phase of this work has been to develop and release this discussion paper for broad-scale public consultation.

On the basis of the advice from the Advisory Committee, as well as feedback from the community on this discussion paper and a cost-benefit analysis, in the first half of 2016 the NSW Government will draft legislation (and supporting Regulations) for a preferred CDS model. Work will also start on industry engagement initiatives, infrastructure implementation, and the establishment of relevant governance arrangements. This transition period will operate for up to 12 months while NSW prepares for the introduction of the CDS by 1 July 2017.

Objectives

The NSW Government is serious about reducing litter.

On 14 September 2015, the NSW Premier announced a new priority target to achieve a 40% reduction in litter volume by 2020 (see the NSW Premier's Priorities at <https://www.nsw.gov.au/making-it-happen>).

In 2014–15, the contents of an estimated 4.2 billion drink containers were consumed in NSW. Based on currently knowledge, the EPA estimates that around 64% of these containers (by number) were recycled, 32% went to landfill and the remaining 4% were littered. This represents close to 160 million containers ending up littered in the NSW environment.

Although a relatively small percentage of containers end up being littered, drink containers make up a large proportion of the litter stream. According to the National Litter Index (an annual survey of litter in the environment), drink containers make up the largest proportion of litter volume in NSW, at 44%. Drink containers also represent almost twice the volume of the next largest category, which is take-away cups and food containers.

The primary objective of introducing a CDS in NSW is to reduce drink container litter to help achieve the NSW Government's litter reduction target. Another objective is to make sure that containers that are diverted away from litter, or that would have otherwise been landfilled, are recycled.

Litter reduction

What is litter?

Litter is anything unwanted that has been thrown, blown or left in the wrong place. Common litter items are drink containers (plastic and aluminium), glass bottles and pieces, bottle caps, plastic straws, fast-food packaging, chip and lolly wrappers, small pieces of paper and cigarette butts.

As shown in Table 1, a littered environment has many consequences that may not be obvious straight away.

Table 1: Consequences of littering

Visual	Litter makes places look unsightly and uncared for, and attracts more litter. It can also potentially affect property values.
Environmental	Litter damages natural environments and harms terrestrial and marine wildlife.
Human	Litter like broken glass and syringes can injure people. The presence of litter makes it more likely that other antisocial behaviours will occur, like graffiti and property damage (Spehr and Kumow 2015).
Resource	Easily recyclable and valuable resources, like drink bottles, are lost when people litter. Even if littered items are subsequently collected, they are often too contaminated to be recycled.
Economic	In NSW, a 2015 survey of local government, state agencies, private land managers and community groups found that more than \$162 million a year is currently being spent on managing NSW litter (MRA Consulting 2015). That is money that could be spent on other things.

Litter reduction strategies

In general, litter reduction strategies can be thought of as either:²

- **preventive:** behavioural interventions designed to prevent material from entering the litter stream, or
- **reactive:** reactive interventions designed to remove litter once it has entered the litter stream.

Both approaches have a place within a comprehensive litter reduction strategy. Reactive approaches can be an effective way to minimise the impact of litter if the litter can be captured before it becomes too dispersed. Reactive approaches such as stormwater traps and litter boom nets on rivers can help to concentrate litter in the environment and reduce the cost of locating and collecting it. However, once it has escaped such devices, litter can break up and move deeper into the terrestrial or the marine environment, where it can become increasingly difficult and expensive to capture through further reactive approaches, such as litter picking, and can cause significant harm to ecosystems.

Preventive approaches, such as incentives and behaviour change programs, can help to reduce the tide of litter being generated in the first place and therefore reduce the downstream costs of capturing and collecting it later. Although preventive approaches can reduce littering behaviour, they are not expected to eliminate it completely, so reactive approaches will also be needed.

How much litter is in NSW?

Since 2005-06, the NSW Government has commissioned Keep Australia Beautiful to survey litter in NSW twice a year (in November and May) and report its findings as part of its annual National Litter Index. This index provides a snapshot of the amount of visible litter on the ground when and where the surveys are done, in terms of numbers of observable items and volume. This information is broken down by the type of littered item and the type of site and then averaged and normalised on the basis of 1000 square metres. Every year the same sites are surveyed, providing a consistent time series of litter observations over time.

The survey does not take into consideration littering behaviour, population density or litter-reduction activities, such as clean-ups. Nor does it consider weather events, such as rain or wind, which can move littered items. The National Litter Index only gives a snapshot of the stock of litter in the environment at particular sites at a moment in time.

Therefore, the information derived from the index provides no indication of whether residents of a particular region litter more or less frequently than those in a different region.³ Nor can the index be used to make interstate comparisons. However, the index does provide insight into the relative presence or absence of observable litter at specific sites and the resulting trends over time.

² Anti-littering strategies might be more formally described in the literature as 'antecedent' strategies (e.g. influencing behaviour before littering) or 'consequence' strategies (e.g. addressing littering after it has occurred). See Huffman K, Grossnickle W, Cope J, Huffman K 1995. Litter reduction: a review and integration of the literature. *Environment and Behaviour*, 27(2): 153-83.

³ The NLI is currently being independently reviewed to check its statistical rigour and its ability to meet the NSW Government's data needs. This review will be completed in the first quarter of 2016. It may be that, following the review, a revised national litter method will be implemented.

An analysis of the NSW National Litter Index data shows that there is wide fluctuation in NSW in both the average number of littered items and the litter volume. Despite this fluctuation, the index shows that the average number of littered items in NSW is trending downward. Over time this has resulted in a 40% reduction in the average number of littered items in NSW since 2005-06 when NSW survey results were first included in the National Litter Index.

The index also shows that litter volume (i.e. the size of littered items, not the number of littered items) in NSW has also fallen over the same period, but by a smaller amount. Almost all of this decline occurred between 2005 and 2008 (Figure 1). Since then, litter volume has remained largely steady over time, taking into consideration the substantial year-to-year fluctuations. Since 2008-09, litter volume has declined by less than 1%.

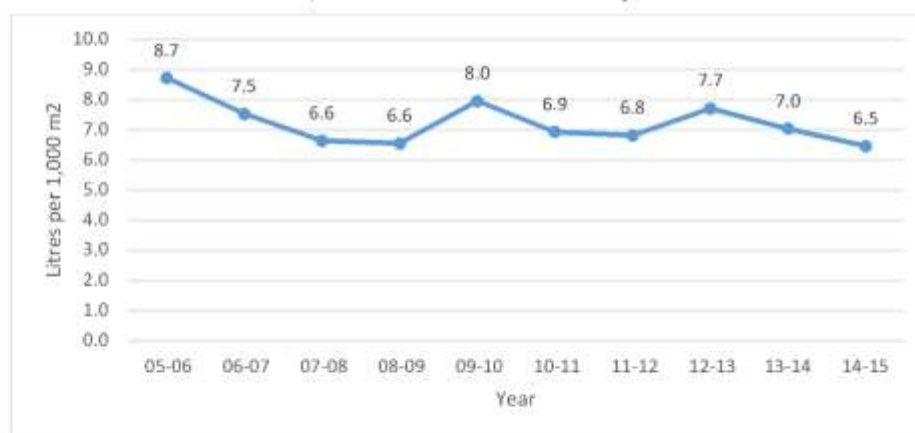


Figure 1: Average volume of litter (measured in litres per 1000 m²) (excluding illegal dumping) in NSW from 2005–06 to 2014–15 (Source: Keep Australia Beautiful – National Litter Index)

How much do drink containers contribute to the volume of litter in NSW?

In 2014–15, drink containers made up 44% of the volume of litter in NSW and were the single biggest category (Figure 2) (In comparison, they made up 11% of the number of littered items).

Takeaway cups and takeaway food containers of all types (e.g. plastic, metal, cardboard and coffee cups) are the next largest category, making up 23% of the NSW litter volume (Keep Australia Beautiful – National Litter Index, 2014–15).

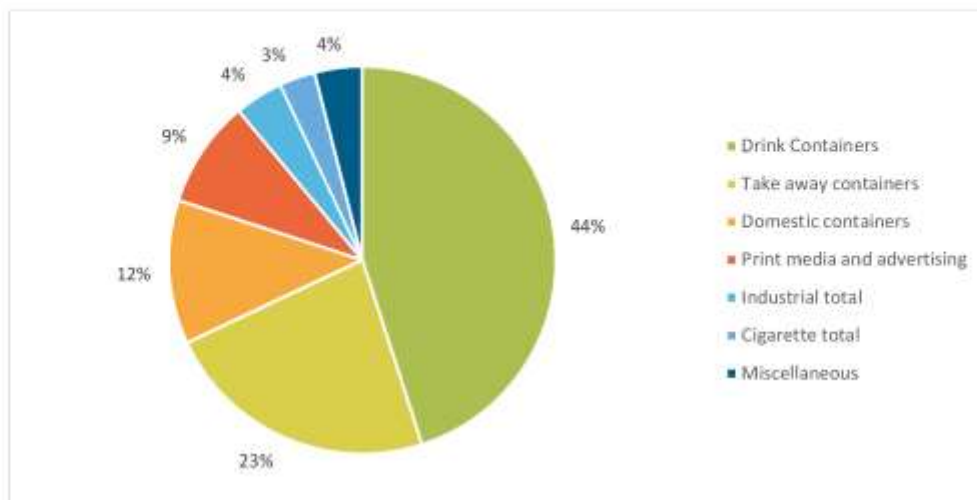


Figure 2: Estimated volumes of litter (measured in litres per 1000 square metres) by item type in NSW in 2014–15 (Source: Keep Australia Beautiful – National Litter Index)

According to the National Litter Index, drink containers are found at all types of sites (Figure 3). They are most prevalent (by number) on highways (39%), at industrial sites (23%), and in car parks (15%). Drink containers are also the major component of litter volume at these sites, representing 48% of the volume on highways, 49% at car parks and 57% at industrial sites.

Litter volume is relatively low at beaches and recreational parks, reflecting the substantial investment in litter management at these sites. Despite this, drink containers make up 34% of litter volume at beaches and 46% of litter volume at recreational parks.

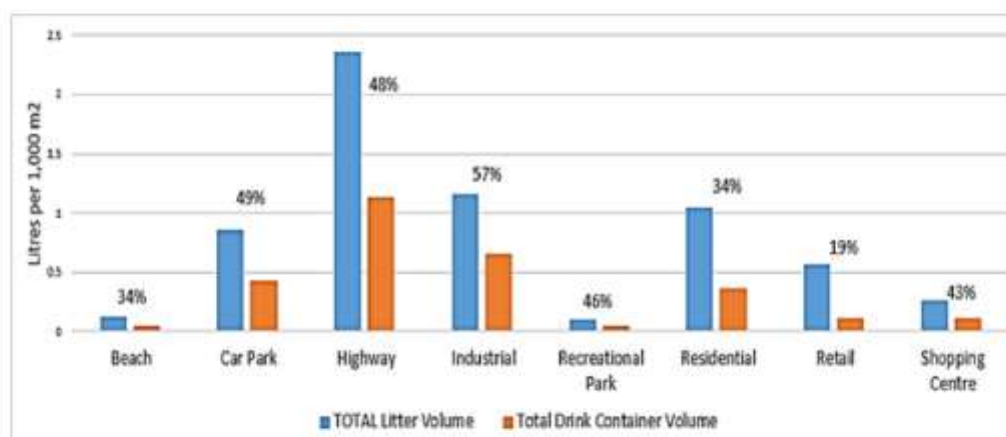


Figure 3: Average volumes of litter and percentages of drink container litter at NSW sites per 1000 m² in 2014–15 (Source: Keep Australia Beautiful – National Litter Index)

How will a container deposit scheme reduce litter?

CDSs provide an incentive for the return of empty drink containers to specific collection locations. When people bring the empty container to the collection point, they receive a small reward, which could be financial or non-financial.

These schemes work whether the consumer of the drink holds onto the empty container and exchanges it for the reward, or whether another person finds a discarded container and exchanges it for the reward. For some people, the value of the reward will be enough to prevent them from littering - that is, the incentive will reduce littering behaviour. For others, the value of the reward will provide an incentive to clean up. In either case, litter will be reduced.

Evidence from South Australia, where a CDS has been operating since 1977, shows that schemes like this can substantially reduce drink container litter volumes. The CSIRO marine debris project, which audited litter on beaches and offshore waters all around Australia, found that South Australia has less plastic bottle and aluminium/steel can litter than any other state (Hardesty *et al.* 2014).

What else is being done to reduce litter in NSW?

The government's commitment to introducing a CDS is a key part of its broader approach to litter reduction in NSW.

Through the Waste Less, Recycle More program the government has currently committed \$20 million over 5 years to revitalise anti-littering efforts across the state. This includes new education and community awareness campaigns, new and upgraded litter infrastructure and targeted enforcement programs (refer to www.epa.nsw.gov.au/wastestrategy/waste-less-recycle-more.htm).

Research into the factors that influence littering has identified that no single approach will 'solve' the litter problem, so an integrated approach is being adopted (Figure 4).



Figure 4: The integrated approach to changing littering behaviours

1. Education and awareness

Community education and engagement are critical for changing behaviour. They raise awareness and build the norm that littering is not the right thing to do.

The NSW Government continues to support its litter prevention campaign, 'Hey Tosser! It's a dirty look'. The EPA is working with Keep NSW Beautiful to develop and implement a litter prevention module for schools as part of the existing EnviroMentors program.

2. Infrastructure

Clean, well-maintained litter and recycling infrastructure helps the community to dispose of litter correctly. It also reinforces the attitude that litter doesn't belong. Since 2013, the NSW Government has made over \$500,000 available to community groups and has given over \$2.67 million to councils as part of council and community litter-prevention grants. From 2015-2017, a further \$2.8 million in grants will be available to local government and at least \$500,000 for community groups.

3. Regulation and enforcement

Enforcing litter offences is part of reinforcing the 'Hey Tosser! It's a dirty look' message that 'every bit of litter gets noticed'. It's important for changing the social norm around littering.

The EPA has established a new 'Report to EPA' system for members of the public to report littering from vehicles to the EPA. From 1 March to 31 April 2015, 3,972 fines were issued by the EPA, compared with 492 fines in the whole of 2013-14.

4. Evaluation and monitoring

Anyone tackling litter needs to know what works and why, and what does not work. Litter volume results are driven by a range of influences, including weather, state/local government programs, site clean-up regimes and levels of use of sites by the public.

The NSW Government is investing in a range of evaluation and monitoring activities, including the EPA's Local Litter Check, annual NSW-wide community surveys, litter audits of targeted areas, and the National Litter Index litter survey in NSW.

Increased resource recovery

The secondary objective of a NSW CDS is to make sure that containers that are diverted away from litter, or that would have otherwise been landfilled, are recycled.

Reducing the amount of waste going to landfill and keeping materials circulating in the economy are important priorities for NSW.

The NSW Waste Avoidance and Resource Recovery Strategy 2014–21 sets clear priorities for reducing waste generation and increasing recycling across all waste streams. The strategy includes a target to increase the amount of waste diverted from landfill from 63% (in 2010–11) to 75% by 2021–22 (<http://www.epa.nsw.gov.au/wastestrategy/warr.htm>).

We are already achieving good recycling results at home, with 92% of the NSW population able to recycle through local council-provided kerbside recycling services and an average of 79% of drink containers that are consumed in NSW households that have kerbside recycling being recovered for recycling (NSW EPA 2014).

The NSW CDS will complement the existing household recycling system by focusing on drink containers consumed away from home, where only 32% of containers are recycled and where the majority of littered containers are generated.

In addition, experience with respect to existing CDSs shows that materials collected through such schemes have lower levels of contamination than materials collected through kerbside recycling. In general, better quality materials can command higher prices and be used in a broader range of applications, giving them more stability in recycling markets.

Designing a scheme

Introduction

There are a number of key elements in the design of a CDS. How the scheme will operate and its potential outcomes depend on the objectives of the scheme and how these elements are addressed.

Key design elements

For the NSW CDS to achieve its litter-reduction objective but also be cost efficient and complement the kerbside recycling system, decisions must be made about the following design elements.

1 Incentives

- How strong should the incentive be?
- Should the incentive offered be a financial or non-financial one? Why?

2 Interaction with kerbside recycling

- How should the scheme interact with the kerbside recycling system?
- Should it actively divert containers from the existing kerbside system or try to keep them in it?
- Should containers collected through kerbside recycling systems be eligible to receive the incentive?

3 Scope of containers

- Which containers should be covered by the scheme?
- Should the scheme focus only on the types and sizes of drink containers found in the litter stream in the largest amounts?
- What advantages/disadvantages would there be if the NSW scheme aligned its scope of containers with those utilised in existing Australian CDSs (in South Australia and the Northern Territory)?

4 Collection infrastructure

- What type of collection infrastructure should be used to collect containers as part of this scheme?
- Where should this infrastructure be located?
- How convenient should this infrastructure be for people to access?

5 Governance and the role of government

- How should the scheme be coordinated and by whom?

- What requirements should be placed on the administration of the scheme?
- What checks and balances are needed?
- How will the scheme make sure that drink manufacturers and importers participate?
- How can the scheme be designed to prevent fraudulent activity?
- How will disputes be resolved?

All of these design elements are interrelated. Decisions on one question will influence the outcomes of other elements. For example, the strength of the incentive and the location and convenience of the collection sites are directly linked. If the incentive is strong, then people will be motivated to participate in the scheme and will return empty containers even if the collection network is relatively inconvenient. Conversely, if the incentive is relatively weak, the same return rates may be achievable if the collection network is pervasive and very easy to access.

Similarly, the way the scheme will interact with the kerbside system will depend on the strength of the incentive and the convenience of the collection network. A strong incentive and a very convenient collection network would be expected to divert a large proportion of containers out of the kerbside recycling system. A weaker incentive and a collection network that is less convenient for householders is more likely to result in containers from drinks consumed at home remaining in the kerbside system.

Competing objectives will need to be managed by balancing these design elements. For example, if the overriding objective is litter prevention, and removing containers from the kerbside system is not a concern, then a strong incentive and very convenient collection infrastructure could be used to reach that outcome. However, if part of the objective is to minimise the diversion of containers out of the kerbside system, then a strong incentive and a convenient collection network are likely to encourage, not minimise, this diversion.

Although the main objective of the scheme is to reduce litter, the government has set out further parameters for how the scheme should operate and what it should deliver. These specifications are a guide to how the key design elements will need to be balanced. To reiterate the government's criteria, the NSW CDS should:

- be cost efficient
- provide an incentive for people to return drink containers
- target drink containers consumed away from home
- complement, rather than compete with, existing kerbside services
- use modern technology, such as reverse vending machines, where appropriate.

Existing Australian schemes

In designing a CDS, we need to examine the existing Australian schemes in South Australia and the Northern Territory. Although NSW does not have to adopt the design of these schemes, there may be advantages to having consistent elements, particularly if it will reduce costs and increase operational efficiencies without undermining the overall objectives.

Aligning the NSW scheme with the existing Australian schemes has the potential advantages of:

- streamlining the regulatory burden on industry

- minimising the scheme's transition costs associated with any required labelling of drink containers
- preventing community confusion and misunderstanding, particularly if there are differences in the scope of containers covered and labelling indicates that certain containers are recoverable in some places but not in others
- if applicable, reducing the cost of separating deposit and non-deposit containers collected at the kerbside at material recovery facilities
- if applicable, reducing cross-border market distortions between jurisdictions where schemes are operating.

The South Australian scheme was established in 1977 and is now administered under the state's *Environment Protection Act 1993*. Its original objective was to reduce the littering of steel cans. Over time, the scope of the scheme was expanded as new types of single-use drink containers (aluminium, plastic, glass and liquid paperboard⁴) were introduced into the South Australian market, replacing refillable bottles. The South Australian legislation is relatively simple. Over time the South Australian scheme has developed a number of conventions to drive cost efficiencies, such as minimising the sorting of containers by brand, rather than relying on the law to ensure these.

The results of the South Australian scheme show that it has been effective in terms of both litter reduction and resource recovery. Currently, 79% of drink containers (by number) are collected; this is above the national average. South Australia also has low levels of drink container litter.

In 2011, the Northern Territory introduced a CDS under the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011*. The Northern Territory aimed for consistency with the South Australian scheme, and matched its legislative requirements.

At this point, the Northern Territory scheme is relatively new and has not yet developed the conventions and cost efficiencies that currently operate in South Australia.

Key design elements in existing schemes

The South Australian and Northern Territory schemes address the NSW key design elements in the following ways:

1 Incentives

These schemes use financial incentives; people receive 10 cents for every drink container returned to a collection point.

2 Interaction with kerbside recycling

The South Australian scheme was introduced before the introduction of kerbside recycling. Currently, about 12% of drink containers are redeemed through the kerbside system. These containers are sorted in materials recovery facilities and then delivered to dedicated drink container collection depots. These containers are each eligible for the 10-cent refund.

In the Northern Territory, kerbside recycling systems were relatively limited (except in Darwin) and much of the Territory was too sparsely populated to support kerbside recycling.

⁴ Liquid paperboard is a packaging material made out of cardboard, layers of plastic and sometimes aluminium foil (<http://recyclingnearyou.com.au/milk-juice-cartons/>)

A lack of recycling opportunities was one of the drivers for introducing a CDS, together with reducing litter. In 2010 in the lead up to introducing CDS, the Northern Territory had a recycling rate of 3.5% (compared to 52% in NSW at the time) (Environment Protection and Heritage Council 2010). Containers recovered through kerbside recycling receive the 10-cent refund (personal communication from Statewide Recycling, one of the supercollectors in the Northern Territory CDS).

3 Scope of containers

The South Australian and Northern Territory schemes cover the following drink containers:

- drinks in containers up to and including 3 litres in the case of water, carbonated soft drinks, non-carbonated soft drinks, cider, beer, and flavoured alcoholic drinks with a wine or spirit base.
- drinks in containers less than 1 litre in the case of flavoured milk and fruit juices

These schemes exempt the following drinks:

- plain milk
- wine and spirits in glass containers
- pure fruit juice and flavoured milk in containers of 1 litre or more.

Water containers over 1 litre are not included in the Northern Territory Scheme

(http://www.ntepa.nt.gov.au/data/assets/pdf_file/0007/135754/factsheet_regulated_containers.pdf).

This is due to the limited access to clean drinking water in the remote Northern Territory and the need for large water containers in these communities. There are also some slight differences in the alcohol containers included in the South Australian and Northern Territory schemes⁵.

4 Collection infrastructure

In both South Australia and the Northern Territory, collection points are mainly depots established on a 'hub and spoke' model. Smaller depots collect containers in outlying areas and then return them to a central hub, where they are compacted and baled to reduce further transport costs. The hubs can also act as collection depots themselves, not only for containers but also for other problem and recyclable products.

The use of reverse vending machines has been, and continues to be, trialled in South Australia and the Northern Territory, but these machines have so far not been taken up in significant numbers. High-speed counting machines have been introduced in both jurisdictions, where they are used in a few of the higher volume depots and hubs.

5 Governance and the role of government

The South Australian and Northern Territory schemes require drink manufacturers to have a waste management plan for their containers. In practice, this requirement is met by manufacturers joining a 'supercollector', which runs a collection scheme on behalf of its member companies. In South Australia, there are currently three supercollectors in operation. In the Northern Territory, there are five supercollectors

(<http://www.ntepa.nt.gov.au/container-deposits/industry>).

⁵ Spirits in plastic containers up to 3 litres are included in the Northern Territory Scheme and not the South Australian Scheme. The Northern Territory restricts flavoured alcoholic beverages in aseptic packs or cask to less than 1 litre. This condition is not applied in the South Australian scheme.

Having multiple supercollectors running parallel schemes has the potential to create inefficiencies in the system, particularly if collection points need to separate containers by brand and separately invoice the supercollectors. This is one of the key efficiencies that has developed over time in the South Australian scheme, where the number of supercollectors has been reduced. The remaining supercollectors in South Australia collaborate to reduce the number of separate sorts required at the depot level. These efficiencies are underpinned by convention rather than by legal requirements and so far have not been adopted to the same degree in the Northern Territory.

Funding

Both schemes pass all costs of the schemes back to the manufacturers and ultimately consumers. The costs of coordinating the system, building and maintaining the collection infrastructure, and transport and logistics are covered through handling and administration fees. These fees are paid by the supercollectors and charged to manufacturers, which pass some or all of these costs on to consumers. These costs are not redeemable by the public.

Payments by manufacturers to supercollectors are made on the basis of what is returned. The supercollector charges manufacturers a total cost based on the sum of the deposit plus administration and handling fee per container minus the value of recovered materials.

Manufacturers can also use unredeemed deposits to help reduce the cost of handling and administration fees and therefore what is passed through to retailers and consumers.

The manufacturer negotiates with retailers whether and how much of this cost they pass through in wholesale pricing. Retailers then set the final retail price to consumers.

In reality, what is actually paid at the cash register depends on a range of other factors. These include the major retailers' national pricing policies and decisions made by manufacturers about how they will spread their costs across their product ranges.

Role of government

In both South Australia and the Northern Territory, the government is responsible for making sure that manufacturers comply with the schemes' requirements - in other words, that they have an arrangement with a supercollector. These governments also have a role in approving the types of containers that can be supplied to the market. This requirement allows the government to make sure that only containers that can be recycled are used.

The Queensland government is currently investigating the introduction of a CDS and will be issuing a discussion paper in early 2016. It has determined that the scheme will involve a refundable deposit at the point of sale, with several objectives

(<https://www.ehp.qld.gov.au/waste/container-deposit-scheme.html>):

- Objective 1: Reduce the litter impact of beverage containers used away from home.
- Objective 2: Improve resource recovery (especially in regions) and provide benefits to jobs and the economy.
- Objective 3: Enhance social benefits by encouraging community-based enterprises to participate in the scheme.

NSW and Queensland would seek to harmonise their schemes as far as possible.

The ACT has also expressed an interest to examine opportunities to participate in, or align with, the NSW CDS. (<http://www.canberratimes.com.au/act-news/canberra-likely-to-follow-nsw-into-refunds-for-drinks-containers-20150105-12i7m0.html>)

Key design element 1: Incentives

Introduction

The core feature of a CDS is the use of an incentive to encourage people to return empty drink containers to specified collection points. In other jurisdictions, consumers pay a small amount extra (comprising a deposit and an administration or handling fee that covers the cost of the system) on drink containers at the point of purchase. The empty containers can then be exchanged for a small reward (equivalent to the deposit amount) when they are returned for recycling at designated collection points.

By providing a reward, CDSs create a disincentive to litter and an incentive to pick up littered items. In doing so, in most cases they also shift waste management and litter collection costs away from local councils and land managers, and on to drink manufacturers and consumers.

Most existing CDSs provide a financial incentive (which may be in the form of physical cash or an electronic credit; P Bragge and B Wright 2015). In Australia, the South Australian and Northern Territory schemes use a 10-cent deposit, which can be redeemed on each eligible container returned.

Incentives can also be non-financial, such as prize draws, discount vouchers and charitable donations. Non-financial incentives have been used in overseas schemes and used in trials in Australia. For example, the City of Sydney and 7-Eleven service stations are trialling the use of non-financial rewards dispensed through reverse vending machines.

Some overseas schemes also use differentiated incentives within the same scheme, such as different deposit amounts on refillable and single-use containers, different sizes of containers, different materials, or differences in the type of product to which schemes apply (P Bragge and B Wright 2015).

The key question for any CDS is how effective the incentive is at encouraging participation in the scheme, particularly over the long term. A weak incentive may need a larger investment in collection infrastructure to achieve a particular objective, or it may not be strong enough to achieve the objective. A strong incentive may be able to achieve its objective with a much lower investment in infrastructure or with infrastructure that is located less conveniently. However, a strong incentive combined with an extensive collection network may negatively affect the viability of existing recycling collection services and infrastructure.

Evidence

As part of the NSW CDS development process, the EPA commissioned BehaviourWorks Australia to review the literature on the effectiveness of different incentives in CDSs around the world. Evidence of effectiveness was drawn from published reviews and primary studies on legislated and non-legislated schemes, as well as trials. In all, the literature review examined 693 citations covering 40 legislated schemes, five trials and two non-legislated schemes (P Bragge and B Wright 2015).

The evidence showed that providing a reward for recycling is a strong driver for positive recycling behaviour. A Sydney City Council survey of the public mirrored these findings, with most people surveyed (93%) saying they would recycle *more* if a reward were offered (City of Sydney 2014, *Project Recycler: Reverse Vending Machines* (unpublished)).

The incentives offered through CDSs can be particularly effective at motivating long-term, environmentally responsible behaviour in:

- people who don't already recycle
- people who describe themselves as 'non-environmentalists'

- lower-income households (if the incentive offered is a financial one) (P Bragge and B Wright 2015).

In many areas, these changes in behaviour have led to significant reductions in litter and increases in recycling rates.

Financial incentives

The literature review found that all of the legislated schemes examined used a financial incentive and that these schemes demonstrated high levels of drink container recovery. Recovery rates varied depending on whether containers were single-use⁶ or refillable (Table 2) and on the size of the financial incentive.

Table 2: Recovery rates across legislated CDSs (Source: P Bragge and B Wright 2015, page 9)

	Non-refillable Containers (%)	Refillable Containers (%)	Combined (%)
Mean	74.8	95.7	76
Median	75.5	95	81
Standard Deviation	13.3	1.7	13.3
Range	55-99	94-99	41-95
Number of schemes reporting data	10	9	23

Recovery rates are higher in areas with schemes that offer financial incentives than in areas with no CDS (P Bragge and B Wright Australia 2015). Data from 2008-09 show that South Australia's drink container recycling rates are higher than the national average for glass bottles (85% compared with 36%), aluminium cans (84% compared with 63%) and polyethylene terephthalate (PET) plastic bottles (74% compared with 36%). Likewise, over the 26 years of its CDS, California has increased its drink container recycling rate from 52% to 80%.

Container deposit schemes that offer financial incentives are also effective at reducing litter (P Bragge and B Wright Australia 2015). After 1 year of implementing a scheme, New York reduced its drink container litter by 70% to 80%. Similarly, drink container litter was reduced by 69% to 83% in seven states that introduced CDSs with a financial incentive in the United States.

Drink container return rates vary with the size of the financial incentives offered in the CDS (Hog D et al 2015). In general, small financial incentives are less effective at encouraging drink container returns, whereas larger incentives result in higher return rates. However, this relationship is not linear, because high-value incentives generate smaller increases in return rates after a certain point (Figure 5), noting that other variables such as the location of collection infrastructure also play a role in this regard.

⁶ As the NSW scheme will focus on single-use or non-refillable drink containers, the results achieved by schemes focused on these container types are the best indicator of the scheme's potential impact.

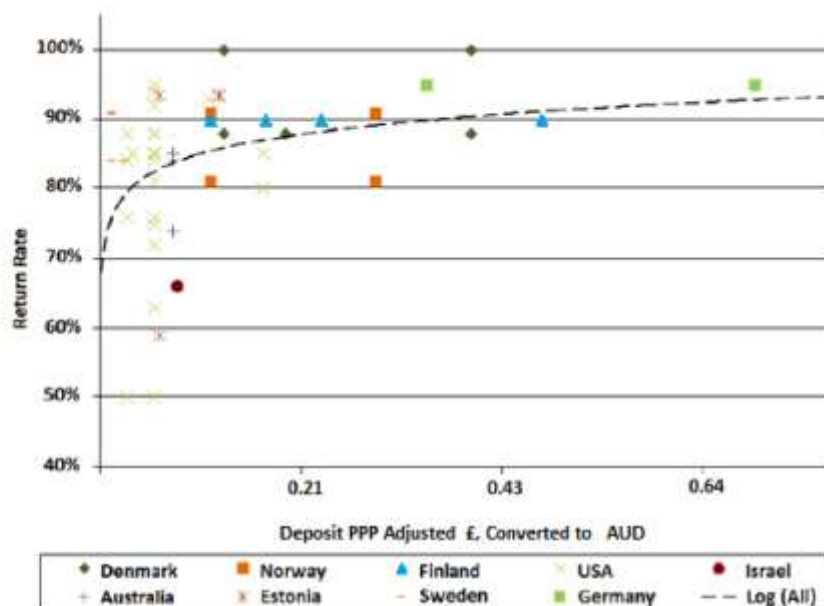


Figure 5: Return rates as a function of deposit, converted to AUD (Source: Eunomia Research & Consulting 2015. *A Scottish Deposit Refund System: Final Report to Zero Waste Scotland*, page 11)

The five trials examined in the literature review explored a range of financial and non-financial incentives, including donations, prizes and discount coupons. The trials demonstrated results that are consistent with higher value incentives generating higher return rates. One trial also found that scheme participants would prefer a financial incentive, with 80% of respondents indicating they would recycle more if a cash refund were offered (City of Sydney April 2014. Project Recycler – Reverse Vending Machines; unpublished).

Community responsiveness to the size of the financial incentive is also demonstrated by the South Australian scheme, which was introduced in 1977 with a 5-cent deposit. Over time, with the effects of inflation, the value of the deposit diminished, collection rates dropped and littering of drink containers increased. In 2008, South Australia increased the deposit to 10 cents, resulting in an immediate increase in collections and decrease in litter volume back to its former level.

The literature review also looked at the longevity of CDSs to determine whether the effectiveness of incentives continued over the long term or whether they experienced an initial spike of interest before losing relevance. The review found that the legislated schemes, which all had financial incentives, continued to be effective over time. Worldwide, CDSs have been in operation for an average of 25 years (between 3 and 43 years), with many in operation since the 1970s and 1980s (P Bragge and B Wright 2015). The evidence demonstrates that legislated, financial-based CDSs are not typically short-lived.

Non-financial incentives

The literature review found that there is limited evidence available to determine whether non-financial incentives in CDSs are effective.

Schemes that have relied exclusively on non-financial incentives have tended to be small in scale and have rarely survived for more than a few years. All of the non-legislative schemes examined in the literature review used non-financial incentives. Unfortunately, there was little

or no published information on their effectiveness against their stated objectives. The typically short duration of these schemes may be related to the fact that they were non-legislative schemes, rather than to the type of incentive they used.

The two non-financial schemes examined in the literature review were the 'Reimagine' program in Texas and the 'Dream Machine' program running in a number of states in the United States (P Bragge and B Wright Australia 2015). The review found that both of these schemes were industry funded and used non-financial incentives such as prizes, discount vouchers and donations to local schools to incentivise the community to return empty containers.

The Reimagine scheme ran for 4 years between 2010 and 2014 at a handful of sites in the Dallas/Fort Worth area in Texas. The scheme used reverse vending machines located in supermarket parking lots and collected an estimated 300,000 plastic bottles and aluminium cans each month. It's unclear why the scheme was discontinued.

The 'Dream Machine' scheme began in 2010 and is still running. The scheme has reportedly recycled 94 million cans over the 5 years it has been in operation and has a goal to increase the United States' national drink container recycling rate from 34% to 50% by 2018. However, as the scheme only operates in limited areas, the volumes recovered are reportedly less than one-fortieth of 1% of the drink containers purchased in the United States.

There is no published information on the effectiveness of either scheme at reducing drink container litter.

In NSW, the City of Sydney has trialled the use of non-financial incentives, dispensed through reverse vending machines. Over 16 months, and via four reverse vending machines in the CBD⁷, the City of Sydney has had over 104,000 drink containers returned through the system. Average monthly throughput has varied between 4300 and 8300 containers, with higher returns while the scheme was novel and during a high-profile marketing campaign period (the first 6 months; personal communication, Council of the City of Sydney). Research commissioned by the City of Sydney has shown that trial participants prefer rewards that are instant and flexible (if cash is not an option), and convenient to use. When drink containers were redeemed, 72% of participants opted for a prize draw or instant win, and 28% chose for a charitable donation to be made on their behalf (Figure 6).

⁷ Two machines were installed in June 2014, with two more to follow in June 2015.

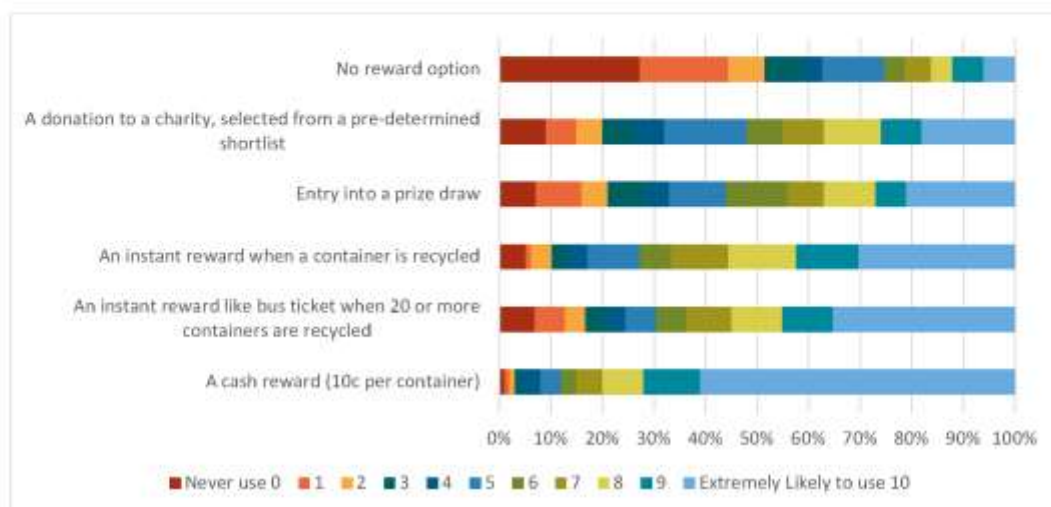


Figure 6: Types of incentives preferred by Sydney CBD CDS trial participants (Source: City of Sydney April 2014. Project Recycler – Reverse Vending Machines: unpublished)

Discussion

Literature on the effectiveness of CDSs is limited, particularly for voluntary schemes and those that use non-financial incentives. Although it's clear that financial incentives are effective at motivating people to return containers for recycling and reduce litter, there is a lack of definitive evidence to determine whether non-financial incentives would generate the same level of effectiveness.

Beyond the literature, anecdotal evidence provided by reverse vending machine operators indicates that machines that use financial incentives collect between 10 and 100 times more containers than those that operate only in non-financial incentive schemes (NSW EPA, personal communication with reverse vending machine operators). Although this evidence is not the result of a scientific trial and there are a range of other factors that influence recovery rates, this anecdotal evidence supports the conclusion that financial incentives are likely to be stronger than non-financial ones.

Risks of having a financial incentive

Increased costs

Compared with schemes based on non-financial incentives, financial incentive-based CDSs need more complex systems to manage deposits and pay refunds. Assuming that the financial incentive provides a strong incentive to return containers, it can add to the overall cost of managing the additional volumes of containers and the logistics for moving them around (National Environment Protection Council Service Corporation 2014).

Financial schemes also need structured, transparent and monitored governance systems to make sure they cannot be corrupted. These arrangements usually require third-party oversight, which further adds to the overall costs of scheme implementation.

Potential for market distortion

State-based container deposit systems that use financial incentives may lead to market distortion. As the deposit is applied only to drink containers sold in the state where the scheme operates, it can be attractive for retailers to purchase wholesale quantities of these products in non-participating states if the cost of transporting it interstate is lower than the

cost of paying the deposit into the scheme. This means that those drink containers will not have had the rightful deposit pre-paid into the scheme, yet could be redeemed by the consumer. If this happened on a large enough scale, it could lead to significant additional costs to manufacturers, with more deposits being redeemed than eligible containers sold in the state.

In addition to this, there is also the risk that people will import empty containers into NSW to redeem the financial deposit. If these containers have been purchased and consumed outside the state, then they will not have contributed the deposit into the scheme. This could similarly lead to significant additional costs to manufacturers.

This sort of activity is more likely with high-value financial incentives and can seriously affect the financial sustainability of a CDS. This is a particular risk for NSW, as it borders two very populous states, Victoria and Queensland.

These issues and strategies to address them are discussed further below in 'Governance'.

Reduced sales

Financial incentives can increase the cost of the product at the point of sale, even if the consumer can recoup the majority of that cost by redeeming the empty container. Depending on the size of the financial incentive, as well as the degree to which it is passed through to the consumer and the price elasticity of the product, implementing a financial incentive-based scheme can theoretically reduce sales of the products covered by the scheme, which may impact beverage manufacturing profitability, investment and employment. Evidence of this effect in other places has been mixed, indicating that there are a range of other factors influencing sales too.

Risks of having a non-financial incentive

Lack of financial sustainability

Non-financial incentive schemes often struggle to generate enough funds to cover the cost of the scheme. Because they do not rely on a financial deposit up front, they must generate funds in other ways, such as by using the surfaces and screen on reverse vending machines for advertising space and recovering the value of the materials collected. These strategies are often not enough to cover costs, and these schemes must rely instead on government subsidies or corporate funding through corporate social responsibility programs (personal communication, TOMRA Collection Solutions).

Relying on subsidies makes these programs susceptible to financial pressures and changing priorities. This reinforces the tendency for them to be small in scale and short lived. Separate from the literature review, the reverse vending machine industry identified an additional 16 voluntary schemes and trials implemented overseas that have relied on non-financial incentives. These initiatives have been limited in scale and achieved low levels of recovery; 10 of them are no longer operating. However, it may be possible to address these issues by mandating participation to ensure longevity and financial sustainability.

Advisory Committee recommendations

- The evidence in the literature shows that financial incentives in CDSs have a positive effect.
- There is not enough research evidence to assess whether non-financial incentives in container deposit recycling schemes have been effective.
- The evidence indicates that a financial incentive should be the starting position for a CDS.

- A secondary choice to donate any money received from the financial incentive at the time of the refund could be considered if it is technically feasible and does not affect the cost-effectiveness of the scheme.

Key questions

- What type of incentive do you think the CDS should have?
- Do you think the financial incentive should be consistent with the ones in South Australia and the Northern Territory?
- If you think the scheme should be based on a financial incentive, what format would you prefer the reward to be in (e.g. cash, credit or your choice)?
- If you think the scheme should offer a non-financial incentive, what sort of rewards do you think should be offered?
- Do you support the idea of providing a choice in the type of reward at the point of refund (e.g. cash or a charitable donation)?

Key design element 2: Interaction with kerbside recycling

Introduction

A key parameter set by the NSW Government for the new CDS is that it should complement, rather than compete with, the existing kerbside recycling system.

Many existing CDSs were introduced before kerbside recycling existed or in places where it was relatively immature. For example, the South Australian scheme was set up before kerbside recycling was established. A kerbside system has now been introduced, but most containers are still recovered through the CDS.

In NSW, the kerbside recycling system is well established and many drink containers are already recovered through the system. Introducing a CDS could divert a substantial number of these containers from the kerbside system into the new scheme; this could then increase costs because of the need to scale up the new scheme to handle these containers.

A certain amount of diversion is inevitable. A CDS, by its nature, provides an incentive for people to change their behaviour and try to redeem the reward. The incentive by itself does not distinguish between containers consumed at home and recovered via the kerbside versus those consumed away from home and potentially littered.

Because at-home consumption of drink containers is not seen as a major source of litter, the question of how the scheme should interact with the existing kerbside system is less about how to achieve the primary objective of reducing litter and more about the potential overall costs of the scheme, and how those costs are distributed among the key stakeholder groups.

The scheme can be specifically designed to encourage people to divert containers from the kerbside into the new scheme or to keep containers in the kerbside system. By adjusting key design elements such as the strength of the incentive, the accessibility and convenience of the collection infrastructure and the scope of the containers covered, as well as through community education programs, the scheme can be designed to deliver either outcome.

How the scheme should interact with the existing kerbside system is therefore a critical question: the answer to this question will determine many of the other design elements.

Evidence

The kerbside recycling system

The kerbside system is more than just the collection of waste and recycling bins from in front of people's homes. It also includes purpose-built materials-recovery facilities that have been set up to sort through and separate materials from mixed recycling streams. These facilities represent substantial capital investments in industrial infrastructure.

There are currently 48 identified materials-recovery facilities (MRFs) in NSW with a total estimated available capacity of 1,193,544 tonnes a year. These facilities process household, commercial and public-place recycling (Figure 7), and in 2014 they had a combined estimated throughput of 804,339 tonnes (KMH Environmental 2015).

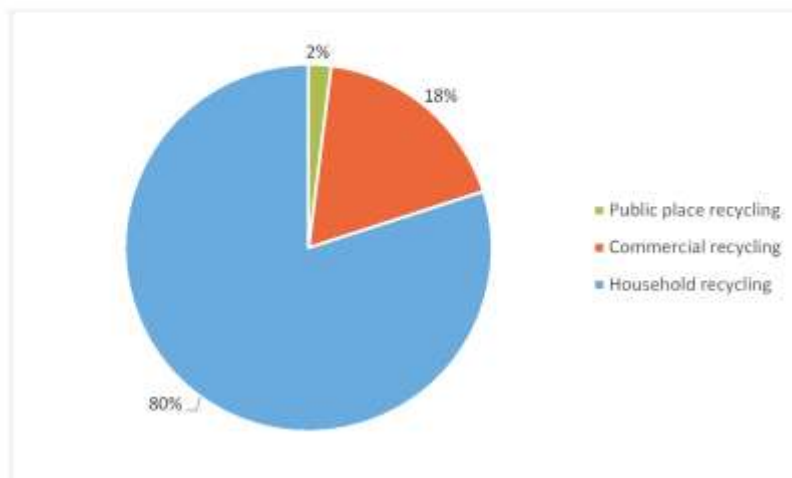


Figure 7: Sources of recycling processed by NSW materials-recovery facilities (Source: KMH Environmental 2015)

The kerbside recycling system also represents a financial balance between the cost savings associated with bulk collections versus the marginal materials losses from breakage and the marginally lower materials value from cross-contamination. When glass is broken in kerbside, it can become un-recyclable and can contaminate other materials in the bin. Containers are less likely to break when they are returned in a CDS. CDSs are therefore efficient and cost-effective systems for collecting recyclable materials from households.

Cost-effectiveness is important, because generally the value of the material recovered through the kerbside system does not cover the cost of collecting it. This is particularly true when global commodity prices fall and demand for materials dries up. Commodity prices offset some of the kerbside collection and processing costs, the bulk of which are covered by local government domestic waste management charges. These charges are paid directly by ratepayers and indirectly by non-ratepaying residents through their rent. For councils in regional areas, with lower density populations and long distances to recycling markets, providing a kerbside recycling service can put a substantial financial strain on the community - to the point where it becomes uneconomic to offer the service in remote areas.

Despite these constraints, the kerbside recycling system is well established in NSW, with 130 of the 152 councils in NSW providing a yellow-lidded bin for recyclable containers and with 93% of NSW households having access to the system. Currently, the kerbside system recovers 46.5% of all household waste.

The recovery rate of empty drink containers is even higher. Audits of household kerbside bins have found that NSW households with access to a recycling service already recover on average 79% of the drink containers consumed at home (NSW EPA 2014). This household-only rate is similar to the overall drink-container return rate of 79.5% in the South Australian CDS (http://www.epa.sa.gov.au/environmental_info/container_deposit).

Diversion from the kerbside

Introducing a CDS in NSW will affect the number of drink containers placed in the kerbside system. Introducing an incentive to return empty containers to designated collection points - no matter how weak the incentive is - will motivate some people to divert containers that

would otherwise go into the kerbside system. However, it's difficult to estimate the scale of the potential diversion.

In the national Packaging Impacts Decision Regulatory Impact Statement, which examined CDSs and other measures to increase the recovery of packaging and reduce packaging litter, the CDS options were designed to divert containers into a new CDS collection system. The analysis therefore assumed that the majority of containers would be rapidly diverted away from the kerbside into a new collection system. Only 7% of containers would remain in the kerbside system (National Environment Protection Council Service Corporation 2014).

In South Australia, 12% of all eligible containers recovered through the CDS come through the kerbside system (personal communication with Statewide Recycling, one of the supercollectors in the South Australian CDS). If we assume that, as in the Packaging Impacts Decision Regulatory Impact Statement, 70% of drink containers are consumed at home, this would equate to about 17% of the containers consumed at home being recovered through the kerbside system⁸. This is driven largely by socioeconomic factors: in wealthier council areas more containers come through the kerbside system, probably because the 10-cent deposit provides less of an incentive to change behaviour in these areas (personal communication with Statewide Recycling, one of the supercollectors in the South Australian CDS).

As indicated above, the South Australian scheme started before the introduction of kerbside recycling. Therefore, taking empty containers to a collection depot would have been the established behavioural norm when kerbside services were introduced. In NSW, this would be the other way around: the established norm is to use the kerbside system. We can therefore assume that, if all other design elements were the same, the number of containers remaining in the kerbside system would potentially be higher in NSW, at least for some time while new behaviours are being established.

Benefits of removing containers from the kerbside

A number of studies around Australia have examined the impacts of introducing a CDS on the kerbside system. This includes the national investigation of measures to reduce packaging impacts that culminated in the Packaging Impacts Decision Regulatory Impact Statement, as well as state-based studies in NSW, Tasmania, Victoria and Western Australia. All of these studies assumed that the scheme would have a 10-cent deposit and that the majority of containers would shift from the kerbside system to the new CDS collection infrastructure.

In almost all cases, the studies found that local governments and materials recovery facility operators would be better off under a CDS as long as they could redeem the deposits on the remaining containers in the kerbside system. Redeeming the deposit increased the overall value of the remaining drink containers in the kerbside system, and this value was greater than the revenue lost by the decrease in the amount of overall materials recovered.

In addition, a number of the studies have found that kerbside systems would also have fewer costs: there would be fewer truck journeys, because each truck would be able to service more households before it became full, and there might also be less cross-contamination, for example, fewer broken glass bottles would be mixed in with paper, leading to more efficient and effective paper sorting and recycling. However, if councils can redeem deposits only on containers that are fully intact, they may not be able to reduce their truck runs to the same

⁸ A sensitivity analysis will be done as part of a cost-benefit analysis to test the impacts of different assumptions of at-home and away-from-home consumption on the flow of drink containers through the waste stream.

extent, as they would need to keep kerbside recycling materials relatively uncompacted to avoid breaking glass bottles (Impact Environmental 2015).

The ability for councils to receive these benefits and pass them back to ratepayers and residents in the short term would depend on their current contracts for waste services. These vary between councils: some own and operate their own collection vehicles and materials recovery facilities, while others outsource these services under contract. These can be single contracts for all services or separate contracts for collection on the one hand and with the materials recovery facility operators on the other.

Under the current arrangements, ownership of the materials can shift as the materials move through the system. For example, while the container is being used, the householder owns it. When the householder puts the container in their bin and puts the bin out on the kerb for collection, ownership passes to the council (section 743 of the *Local Government Act 1993*) (Local Government NSW 2015). Once the bin is collected and the container is in the back of the truck, ownership either remains with the council, or may pass to the collection contractor (in 50% of cases). Ownership is passed on to the materials recovery facility operator when it is delivered to the facility in 62% of cases. The ownership of containers at each phase of this process will depend on the council contract.

If a CDS is introduced in NSW with a financial incentive and containers in kerbside are allowed to be redeemed, and the materials recovery facility is designated as a redemption point, then it would be the materials recovery facility operator under the current arrangements that would be able to redeem and keep the value of the deposit. Whether and how this is passed back to councils or other organisations providing containers to materials recovery facilities will vary depending on the terms of individual contracts.

At least 64% of council waste services contracts have *force majeure*⁹ clauses in their contracts that allow them to be renegotiated when there is a change in the law (Impact Environmental 2015). However, 29% of these types of contract include penalty provisions if changes to the law result in a contract variation (Impact Environmental 2015). Overall, 30% of contracts between councils and waste services contractors will expire in the next 2 years (before the CDS is implemented), whereas 31% will expire in more than 5 years (Impact Environmental 2015).

When councils are able to realise the benefits of redeeming drink containers collected through the kerbside, and MRFs agree to pass on redeemed deposits to councils, these benefits should flow back to ratepayers and residents. Under section 504 of the *Local Government Act 1993*, councils must not charge fees for domestic waste management services that 'exceed the reasonable cost to the council of providing those services' (*Local Government Act 1993*, section 504 – Domestic waste management charges (http://www.austlii.edu.au/au/legis/nsw/consol_act/lga1993182/s504.html)). Therefore, if the costs of providing kerbside recycling services are reduced, local councils will have to either reduce their domestic waste management charges or expand their range of waste services offered. If a council chooses to reduce the domestic waste management charge, ratepayers will directly benefit via reduced council rates. Non-ratepaying residents may also indirectly benefit if their rent is proportionally reduced (or if future rent increases are postponed). If councils choose to expand their range of waste services, all residents will benefit.

There is however a risk that scavenging from kerbside bins would limit the kerbside redemption available to councils, and therefore their ability to pass the value of the

⁹ 'Force majeure' is "a phrase used particularly in commercial contracts to describe events possibly affecting the contract and that are completely outside the parties' control". (A Dictionary of Law, Oxford, 2009)

redemption on to ratepayers and residents. According to South Australian supercollector representatives participating in the NSW CDS Working Groups, scavenging from household bins is not considered a problem in South Australia, although this does not mean it would not happen in NSW.

Costs of removing containers from the kerbside

The benefits discussed above are those related to particular stakeholder groups. They do not take into account the overall economic cost of the system or the impacts of distribution on other stakeholder groups, such as consumers and the beverage industry.

The cost-benefit analysis in the national Packaging Impacts Decision Regulatory Impact Statement found that the CDS options considered resulted in substantial overall economy-wide costs to the community, even if the distributional impacts indicated that councils, ratepayers and materials recovery facility operators might be financially better off (National Environment Protection Council Service Corporation 2014.)

We therefore need to look at the factors driving up the overall economic costs of the CDS options. A major cost driver is the additional handling and infrastructure costs associated with transferring containers from the kerbside system to the new scheme for only marginal benefits.

As noted above, the kerbside system is an efficient and cost-effective way of gathering bulk quantities of materials for recycling, including drink containers. However, the system has an impact on the quality of the materials collected. This is particularly true for glass, which is often broken when being thrown in the bin by the householder or during collection, transport and delivery to the materials recovery facility. Once it is broken it is hard to sort into different colours, resulting in a low-value mixed-colour material with only limited end-markets. Very small particles of glass ('glass fines') become mixed in with other small contaminants (dirt, crockery and other types of non-recyclable glass), limiting the material's use even further. This material often ends up being landfilled. Broken glass also causes wear and tear on the equipment at materials recovery facilities and can contaminate paper and cardboard, lowering the value of these materials.

CDSs avoid these problems by separating materials at the collection point before they are mixed. This gives cleaner, higher quality materials. Evidence from South Australia indicates that these materials sell for higher prices (personal communication with Statewide Recycling, one of the supercollectors in the South Australian CDS). However, these are marginal benefits compared to the costs associated with setting up a whole new collection and processing infrastructure. Even if the new system is highly automated by using reverse vending machines and high-speed counting machines, these costs still potentially outweigh the marginal benefits.

These comments relate only to drink containers that would be transferred from a kerbside recycling system to a new CDS. They do not apply to containers that are diverted from the litter stream or would otherwise be landfilled. The Packaging Impacts Decision Regulatory Impact Statement found that there would be larger benefits from diverting containers that would otherwise be littered or landfilled into a recycling stream through a CDS.

Discussion

Studies of the introduction of CDSs in Australia show that stakeholders directly involved in the kerbside recycling system (councils, materials recovery facility operators and possibly ratepayers) may still benefit from the introduction of a CDS, even if most of the containers are diverted from the kerbside to the CDS. There will be transitional costs involved in changing contract arrangements, but overall, as long as there is a large enough financial incentive and the containers remaining in the kerbside system can be redeemed, then there

should be enough money flowing into the system to offset the reduced volumes at the kerbside.

A number of materials recovery facilities may also benefit from participating in the CDS by acting as regional hubs where containers collected through designated collection points are consolidated, compacted and baled for transport to recycling markets. Many materials recovery facilities already have baling presses and glass beneficiation (i.e. glass sorting and preparation for recycling) infrastructure that could be used in the new scheme.

However, from an overall economic perspective, removing containers from the kerbside adds potential costs to the scheme for only small gains. From this perspective, keeping containers in the kerbside system will result in a scheme with lower overall economic costs. Consumers may still pay a deposit and handling fee for containers that they choose to leave in the kerbside bin.

Given that one of the overriding parameters set by the government is for the new scheme to be cost efficient, this points to the need to design the scheme to maximise the use of the kerbside system.

Keeping containers in the kerbside system would also increase the benefit to ratepayers, councils and materials recovery facility operators, assuming that the containers collected through the kerbside system could be redeemed for money and the deposits were passed back to councils from MRFs, as there would be even more value in the materials passing through the system. Under the Local Government Act, where the cost of the waste service is reduced due to deposits redeemed, the financial benefits of this would flow to ratepayers and residents through reduced domestic waste management charges or expanded waste services (see the *Local Government Act 1993* section 504 – Domestic waste management charges).

The question then becomes: should containers collected through the kerbside system be redeemable for money at all? These containers are already being captured in the kerbside system and therefore don't need to carry an incentive to encourage people to return them to a collection facility. Allowing a deposit to be redeemed on these containers has the effect of consumers cross-subsiding the kerbside system. Subsidising the kerbside system is not an objective of the CDS.

Therefore, it is worth considering whether it would be possible to set up a CDS that does not place a financial incentive on containers that would end up in the kerbside system. However, having a scheme in which a deposit applies only to containers that would be consumed away from home would be very difficult to implement. Assuming a deposit were paid at the point of purchase, in practice it would be impossible to know at the point of purchase which containers would be consumed at home and which would be consumed away from home.

If all containers carry a financial deposit, then the next question is: what happens to the deposit for those containers captured at the kerbside? If the scheme is set up so that industry holds the deposits until they are redeemed, then excluding containers collected in kerbside from being redeemable would mean that these funds would be retained by industry. If a large proportion of containers continue to be recovered through the kerbside, this could translate into a substantial windfall profit for the industry at the expense of consumers. Theoretically, competition between beverage companies may help to drive prices down so that some or all of those funds are returned to consumers. However, without a high level of transparency on prices and sales figures, it would be difficult for the community to know whether this was happening.

On the other hand, if containers in the kerbside are redeemable, then these funds would have the potential to flow back to consumers indirectly in their capacity as householders. Ultimately, people are both householders and consumers. If they choose to forego the deposit and place the container in the kerbside system, then the funds are likely to flow to the

council and either come back in the form of lower waste charges or improved waste services (potentially including local litter reduction services).

Furthermore, if the aim is to encourage people to continue to use the kerbside system, then removing the ability for councils to redeem the incentive could have the opposite effect. People may be more likely to forego the deposit and continue to use the kerbside system if they knew the deposit would still be captured and the funds used to offset council waste service fees or improve the waste services offered. Essentially, there would be not only an overall public benefit in keeping the costs of the CDS low, but also a potential private benefit to the individual. It may therefore be easier to convince people to continue to use the kerbside system for drink containers if people could see how their foregone deposits were being used for local community benefit.

Advisory Committee recommendations

- To complement the kerbside recycling system while delivering a cost-effective scheme, the scheme should be designed to encourage the community to continue to dispose of drink containers consumed at home via in the kerbside system.
- The outcomes of the cost-benefit analysis and the community consultations should be considered before deciding whether a refund should be applied to containers collected through the kerbside system.
- If a deposit is applied to containers collected at the kerbside, then the funds received by councils should be used to either offset waste service charges or improve those services.

Key questions

- Should the scheme be designed to keep containers consumed at home in the kerbside recycling system, or should it aim to divert them to the new CDS? Why? Why not?
- Should the scheme allow containers recovered through the kerbside recycling system to be redeemed under the CDS? Why? Why not? Also, by whom and how?
- If the scheme provides a financial incentive, and if councils are allowed to claim the incentive on containers collected through the kerbside system, should they be able to claim:
 - the full value of the incentive on each container? Why? Why not?
 - the same level of handling fee as received by collection-point operators under the CDS?
- If councils are able to claim a financial incentive for containers recovered through kerbside, should they be obliged to use those funds to offset waste service fees to ratepayers, or should they be able to spend the money as they choose? Why? Why not?

Key design element 3: Scope of containers

Introduction

The CDS will need a clear framework around the size, type and material composition of drink containers to be included in the scheme. The range of containers included in the scheme is referred to as the 'scope' of containers.

The scope of containers covered in the NSW scheme should first and foremost be determined by the objectives of the scheme. In this case, the primary objective of the NSW scheme is to reduce the volume of litter. The scope of containers should therefore reflect the types and sizes of containers consumed in away-from-home public places and found in the NSW litter stream. Consumption away from home, in public places, is the main source of drink container litter generation.

In determining the scope of containers for a NSW scheme, it is important to look at the scheme's secondary objective of complementing the kerbside recycling system. If the aim of the scheme is to minimise the number of containers diverted from kerbside, then we need to work out whether there is much of a difference between the types of drink containers consumed at home and those consumed away from home in public places. If there is a difference, then it may be beneficial to shift the scope of containers away from those consumed exclusively at home to help minimise the diversion of materials from the kerbside system.

The analysis should also consider the broader context that the NSW scheme will operate in - particularly its interaction with the existing schemes in South Australia and the Northern Territory and any other schemes that may be under consideration, such as in Queensland and the ACT. The beverage industry operates in a national market. Taking a consistent approach to the scope of containers could help to reduce community confusion and reduce industry costs associated with labelling and cross-border trade. However, the need for consistency should not undermine the scheme's ability to achieve its objectives cost-efficiently.

Evidence

Scope of containers in the South Australian and Northern Territory Schemes

The South Australian and Northern Territory schemes use similar scopes of containers. The South Australian scheme was introduced in 1977 to deal with drink container litter resulting from the introduction of steel single-use containers (EPA South Australia 2015). Over time, more container types were added to the scheme as new types of single-use containers were introduced into the market. The Northern Territory CDS was introduced in 2012 to reduce drink container litter and increase resource recovery (D West et al 2013). The Northern Territory adopted a scope of containers similar to that in South Australia (with the exception of aseptic packs or casks of water).

The current scope of containers for these schemes is shown in Table 3 (refer to the details of the South Australian scheme and the Northern Territory scheme (http://www.epa.sa.gov.au/environmental_info/container_deposit/faqs) (http://www.ntepa.nt.gov.au/__data/assets/pdf_file/0007/135754/factsheet_regulated_containers.pdf)).

Table 3. Scope of containers in South Australia and Northern Territory schemes (Source: [EPA South Australia](#) and [Northern Territory EPA](#))

Included 0-3 litres	A broad range of drinks in all container materials
Excluded 0-3 litres	Plain milk
Included 0-1 litres only	Pure fruit juices, flavoured milk (and aseptic packs / casks of water in Northern Territory)

At-home and away-from-home consumption

To understand whether there are any differences between drink containers that are consumed at home compared with in public places, the EPA commissioned a number of waste audits in metropolitan, regional and remote areas of NSW. Household kerbside bins were audited from 9 councils in the Sydney Metropolitan Area, and 2 councils in regional/remote NSW. The public-place bins analysis included local government litter and recycling bins, as well as litter bins at transport hubs and in privately owned public spaces, such as shopping centres. Audits also looked into containers found in stormwater drains and gross pollutant traps¹⁰ to work out the types of containers likely to end up in the marine litter environment.

These audits were designed to compare the sizes and types of containers consumed in NSW households and already recovered through kerbside services with those consumed in public places and at higher risk of being littered. The audits were done between July and October 2015 and represent a snapshot of consumption and disposal during the winter months. The amount of containers used in summer is likely to be higher. Furthermore, drink containers used in commercial settings, for example, office buildings were not audited. It was assumed that these containers were less likely to be littered, as was the case with containers used in homes. Further audits will be done at other times of the year to understand whether there are seasonal differences and, if so, how big they are.

Size of containers

All containers

Figure 8 shows the sizes of containers found in household kerbside bins, public bins, and gross pollutant traps or stormwater traps.

The audits found that 82.9% of the containers in household and public place bins and gross pollutant traps or stormwater traps were between 150 millilitres and 1 litre; 54.5% were between 150 and 500 millilitres and 28.4% between 500 millilitres and 1 litre.

Drink containers between 150 millilitres and 1 litre were the most common drink container in all streams, and this size of drink appeared at a much higher rate in public places (gross pollutant traps or stormwater traps and public-place bins combined) than in household bins. In the audit, 65.1% of all containers in public bins and 68.5% of all containers in gross pollutant traps or stormwater drains were between 150 millilitres and 1 litre, whereas only 49.5% of drink containers in household bins were between 150 millilitres and 1 litre.

¹⁰ Gross pollutant traps are large containers used to capture pollutants (litter and sediments) flowing from stormwater drains into waterways.

In contrast, there were higher percentages of drink containers between 1 and 3 litres in the household bins than there were in public place bins. In the audit, 10.1% of containers in household bins were between 1 and 1.5 litres, whereas only 3.6% of containers collected in public places were of this size; 8.8% of containers in household bins were between 1.5 and 3 litres, whereas only 1.2% of containers found in public places were this size.

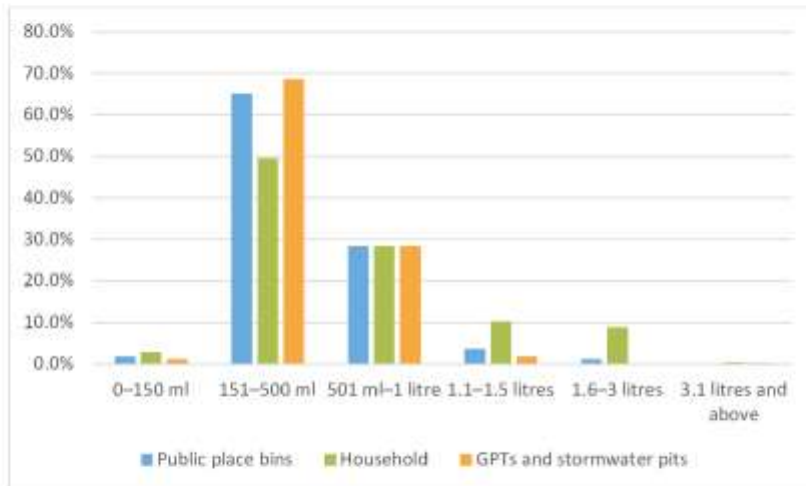


Figure 8: Containers in public place bins, household bins and gross pollutant traps (GPTs), by size (Source: A Prince Consulting 2015)

In Figure 9, the above figures were converted into total volumes of containers of each size. This gives an indication of the overall volume of containers consumed at home and away from home. The away-from-home containers are the ones that are more likely to be littered.

Figure 9 shows that containers over 1 litre represent 13.7% of the volume of all containers in public litter bins and 6.1% of the volume of all containers in gross pollutant traps and stormwater pits. Containers over 1 litre represent 45.9% of the volume of all containers in household bins.

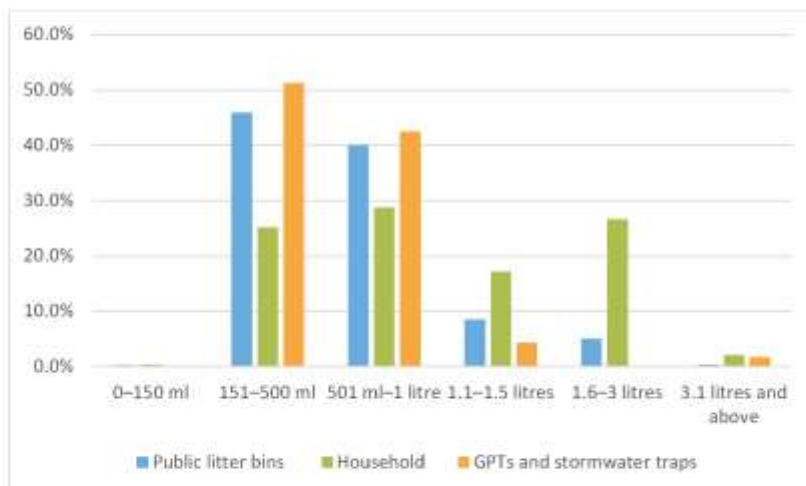


Figure 9: Containers in household bins, litter bins and gross pollutant traps (GPTs), by size – summed average volume of containers (Source: A Prince Consulting 2015)

The sizes of drink containers appearing in the different waste streams appeared relatively consistent across the state (Figure 10).

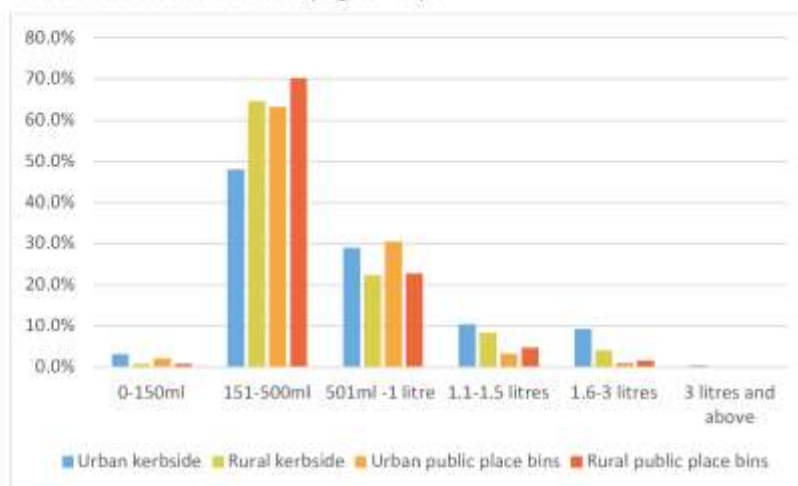


Figure 10: Size of containers in all bins in urban and rural/regional locations, by size. (Source: A Prince Consulting 2015)

The data collected on the size of containers in the waste stream indicates that although there is some overlap in the size of containers consumed in homes and in public places, substantially more containers over 1 litre are consumed at home than in public places.

Plain milk, wine, spirits and pure juice: the South Australian scope of containers

Plain milk in containers of all sizes and materials, wine and spirits in glass bottles, wine in bladders over 1 litre and pure juice and flavoured milk over 1 litre are all excluded from the South Australian and Northern Territory schemes. From a NSW perspective, the question is whether leaving them in or out of the scope of containers is likely to have a marked impact on litter reduction, and whether there is an appreciable difference in the overall cost of the system compared to the costs/savings of leaving them out. These issues are discussed more fully in the Discussion section.

Figure 11 shows plain milk, flavoured milk over 1 litre, wine and spirits containers as percentages of all containers found in both the household and public litter bin audits. Milk makes up 12.4% of containers found in household bins but only 3.9% of containers in public litter bins. Wine in bladders over 1 litre and wine in glass bottles makes up 8.3% of containers found in household bins, but only 0.8% of containers found in public litter bins. Spirits make up 0.7% of containers found in household bins and 0.1% of containers found in public litter bins. Flavoured milk makes up 1.3% of containers in household bins, and 1.8% of containers in public litter bins.

Pure juice is excluded from the South Australian and Northern Territory systems, however it was not included in this analysis as the pure juice data could not be separated from other juice data in the audit.

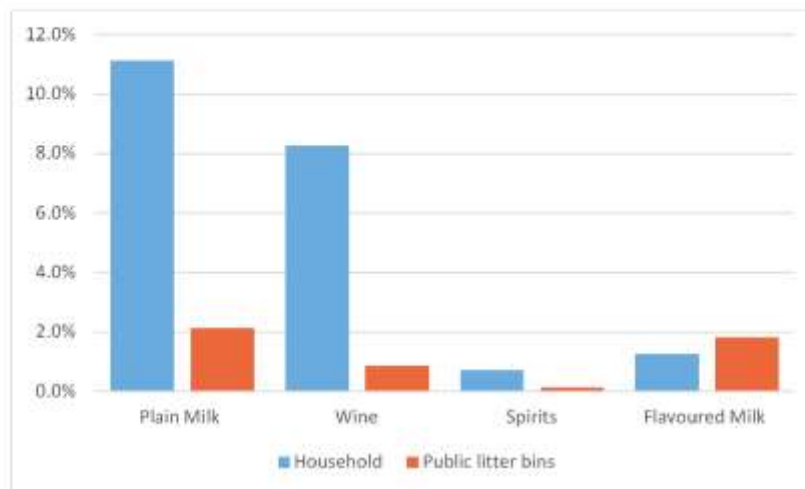


Figure 11. Milk, juice, wine (in glass bottles and in bladders over 1 litre) and spirits containers as percentages of total containers (Source: A Prince Consulting 2015)

An analysis of the National Litter Index data found that plain milk, flavoured milk over 1 litre and wine and spirits made up 9.25% of all container volume in NSW litter in 2014–2015. Plain milk containers made up 4.10%, wine and spirits made up 3.26%, and flavoured milk containers over 1 litre made up 1.89% of the volume of all containers.

Container material types

As demonstrated in Figure 12, the audit found some important differences between the material types of containers consumed at home and in public places. There were similar rates of steel and HDPE (high-density polyethylene) container use across the board, but much higher percentages of PET containers appeared in gross pollutant traps or stormwater traps and public-place bins than in household bins; 63.6% of containers in gross pollutant traps or stormwater traps and 40.2% of containers in public place bins were PET, whereas only 24.9% of containers in household bins were PET.

In contrast, there were much higher percentages of glass containers in household bins than in public-place bins and gross pollutant traps or stormwater traps: 37% of containers in household bins were glass, whereas only 13.7% of containers in public bins and 4.8% of containers in gross pollutant traps or stormwater traps were glass.

The difference between the percentages of aluminium containers in households and public places was less marked, with 29.5% of containers in public places and 17.8% of those in households being aluminium.

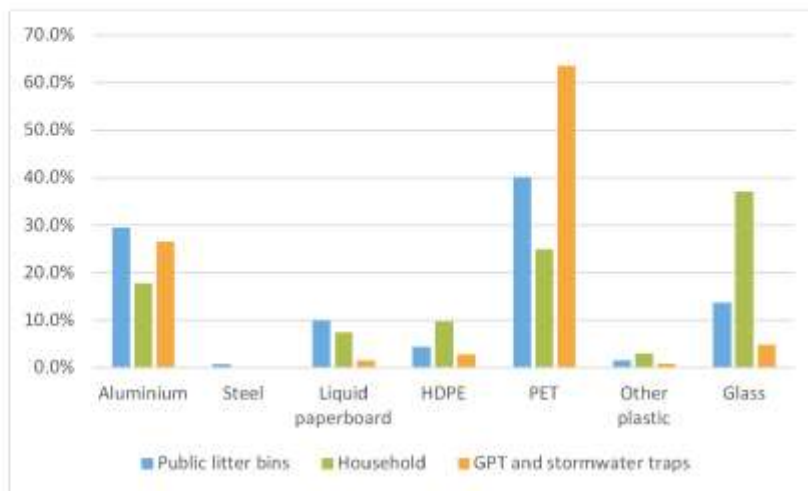


Figure 12: Containers in household bins, public place bins and gross pollutant traps or stormwater traps by material type. HDPE, high-density polyethylene, PET, polyethylene terephthalate. (Source: A Prince Consulting 2015)

There were, however, marked differences in the material types of drink containers consumed in Sydney and rural and regional NSW (Figure 13). More PET appeared in Sydney bins than in rural and regional NSW, both at home and in public places: 45.6% of containers found in Sydney bins were PET, whereas only 26% of containers in rural/regional public bins were PET. Liquid paperboard containers were found in public bins in Sydney at almost twice the rate as in public bins in rural/regional NSW. By contrast, glass and aluminium made up a larger percentage of drink containers in rural/regional public bins, with 10.1% of containers in public bins in Sydney and 23.5% of containers in public bins in rural/regional NSW being glass. Aluminium represented 38.4% of all containers in rural/regional public bins but only 26.2% of containers in Sydney public bins.

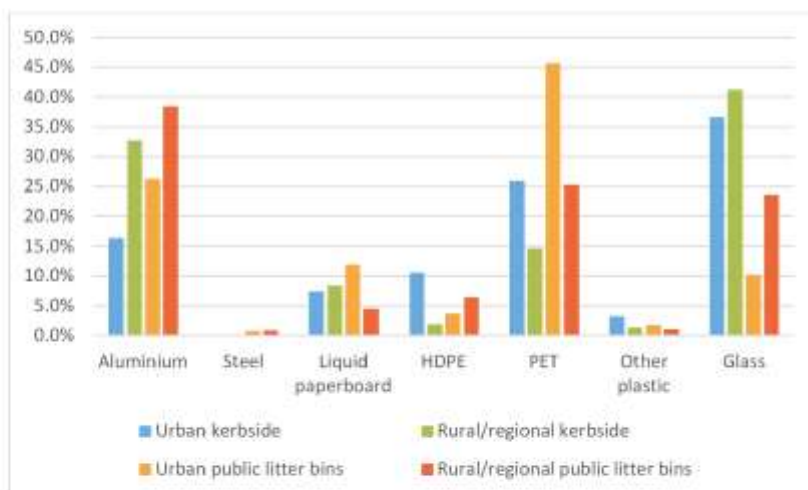


Figure 13: Types of containers in all bins in urban and rural/regional locations. HDPE, high-density polyethylene; PET, polyethylene terephthalate. (Source: A Prince Consulting 2015)

Types of drinks

The proportions of containers that were non-alcoholic drinks, with the exception of milk, were higher in public bins than in household bins (Figure 14). Flavoured water and soft drink containers, for example, made up 41.1% of containers in public bins but only 23.8% of containers in household bins. Alcoholic drinks and milk had markedly higher rates of consumption at home than in public places. Beer, for example, made up 25.3% of containers in household bins and 9% in public bins and plain milk made up 11.1% of containers in household bins and 2.1% in public bins.

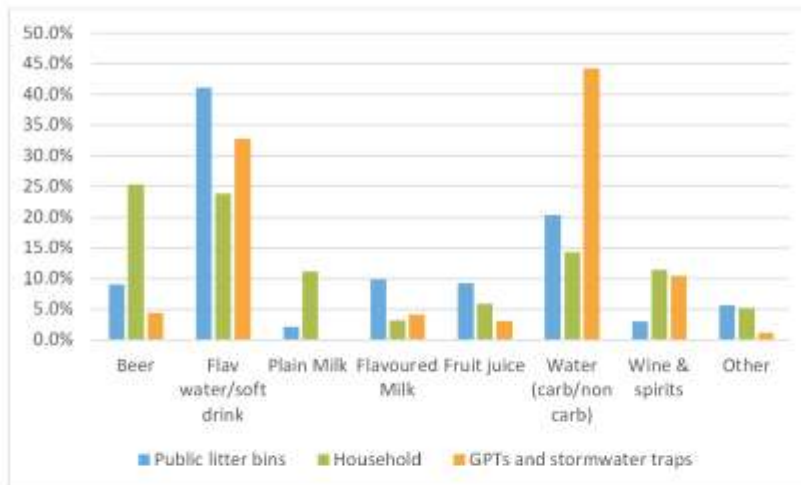


Figure 14: Containers household bins, public place bins and gross pollutant traps or stormwater traps by drink type (Source: A Prince Consulting 2015)

There are marked differences between the types of drinks consumed in rural/regional areas and those consumed in metropolitan areas (Figure 15). Percentages of beer containers in public and household bins are much higher in rural/regional areas than in urban areas. Percentages of wine and spirits containers in rural/regional public bins are much higher than in urban public bins. In contrast, there are much higher percentages of water containers in urban public and household bins than in rural/regional public bins. Note that this analysis does not include consumption in pubs, clubs and restaurants and other commercial locations. Also, milk appears at much higher percentages in urban household bins than in rural/regional household bins.

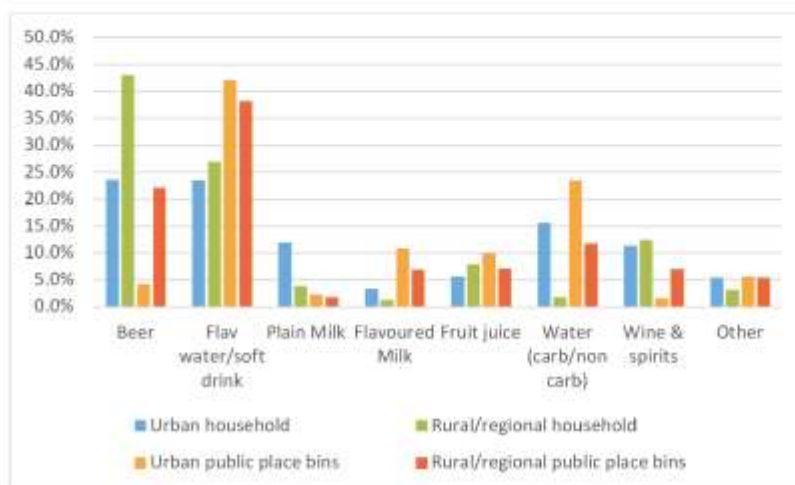


Figure 15: Type of drink containers in litter and household bins in urban and rural/regional areas (Source: A Prince Consulting 2015)

Discussion

Including all drink containers in the scheme

Including all drink containers in the NSW CDS would probably increase recycling rates for all container types; this is supported by evidence from other jurisdictions (P. Bragge and B. Wright 2015).

This option, however, could divert containers that are currently being recycled in the kerbside system into the CDS. If this happens, then collection infrastructure will need to be built and recycling infrastructure repurposed to accommodate this shift. The greater the diversion from existing systems into the new scheme, the more infrastructure that will need to be built or repurposed, adding to the overall cost of the scheme for a potentially marginal benefit.

Including all container types and sizes in the scope of containers used in NSW would also be inconsistent with the scope of containers in the South Australian and Northern Territory schemes. There are a number of potential impacts of this inconsistency:

- **Consumer confusion.** Consumers will need to read all labels to understand which containers are included and which containers are not. The reasons for having a different scope of containers to that in South Australia and the Northern Territory will need to be communicated to the NSW public.
- **Cost to the beverage industry.** As the same labels are used for all drink products consumed in Australia, labels on drinks will need to be adjusted to include different information about the different schemes within Australia. Different scopes also require different compliance and reporting requirements in different jurisdictions.

Including only commonly littered containers

Limiting the scope of containers to those between 150 millilitres and 1 litre will target the majority of containers consumed and discarded in away-from-home public places. It is these containers that have the highest potential to be littered. Limiting the scope of containers would also reduce the number of containers that would likely be diverted from the existing kerbside system. In addition, having a smaller scope of containers would reduce the overall cost of the scheme, as there would be fewer containers being handled.

Limiting the scope of containers to between 150 millilitres and 1 litre would not completely resolve the issue of diversion from the kerbside, as containers in this size range also currently appear in large quantities in kerbside bins. However, the limited scope would ensure that larger containers were not diverted from kerbside. Larger containers have higher rates of consumption at home than away from home.

The narrower scope would target the vast majority of containers consumed in public places. However, larger containers are also found in public-place bins and do contribute marginally to the volume of litter when they are littered. If these containers are left out of the scope, then they would probably continue to appear in the litter stream at the current rate. Further analysis is required to determine whether the cost savings from removing them from the scope of containers is greater or less than the benefits of having them within the scope.

Limiting the scope of containers to between 150 millilitres and 1 litre would also mean inconsistency between the NSW system and the scopes of containers in the South Australian and Northern Territory schemes.

Making the scope consistent with those in the South Australian and Northern Territory schemes

There are a number of benefits of adopting the container scopes currently used in the South Australian and Northern Territory schemes. First, a consistent scope of containers across all states with a container deposit system will lead to less confusion for consumers using the system. Second, consistent labelling across the states will reduce labelling costs for the beverage industry. Third, the risk of fraud and cross-border trade impacts between NSW and South Australia/Northern Territory for those containers outside the scope of the scheme will be reduced. These issues would remain and would need to be managed in the case of Victoria, the ACT and Queensland if they do not introduce similar schemes in future.

Matching the scope of containers included in the South Australian and Northern Territory scheme would also be cheaper than having an 'all container' scope, owing to reduced diversion of containers from the kerbside. Infrastructure setup costs would also be reduced. However, infrastructure costs with this option are likely to be higher than with the narrower 150 millilitre to 1 litre option, although economies of scale could reduce handling fees per container.

Not including containers under 150 millilitres

A number of stakeholders have suggested removing containers under 150 millilitres from the potential scope of containers for a NSW scheme. This size of container is not abundant in the litter stream and adds only a very small amount to litter volume. Feedback from the South Australian scheme indicates that these small containers are difficult to process. Furthermore, because the price of drinks in these small containers is relatively low, adding even a small refund could substantially affect the retail cost of the product.

Impacts of different scopes on observed litter

Figure 16 is based on a 2014–15 National Litter Index survey of the volume of drink containers and shows the percentages of drink containers (by volume and drink type) that would be captured under different scope of containers. Including all drink containers in the scope of the scheme would cover 100% of the observed container litter. Figure 16 indicates the South Australian scope would cover 86% of littered container volume, whereas focusing on containers under 1 litre would capture 76% of the litter volume based on the 2014–15 National Litter Index survey.

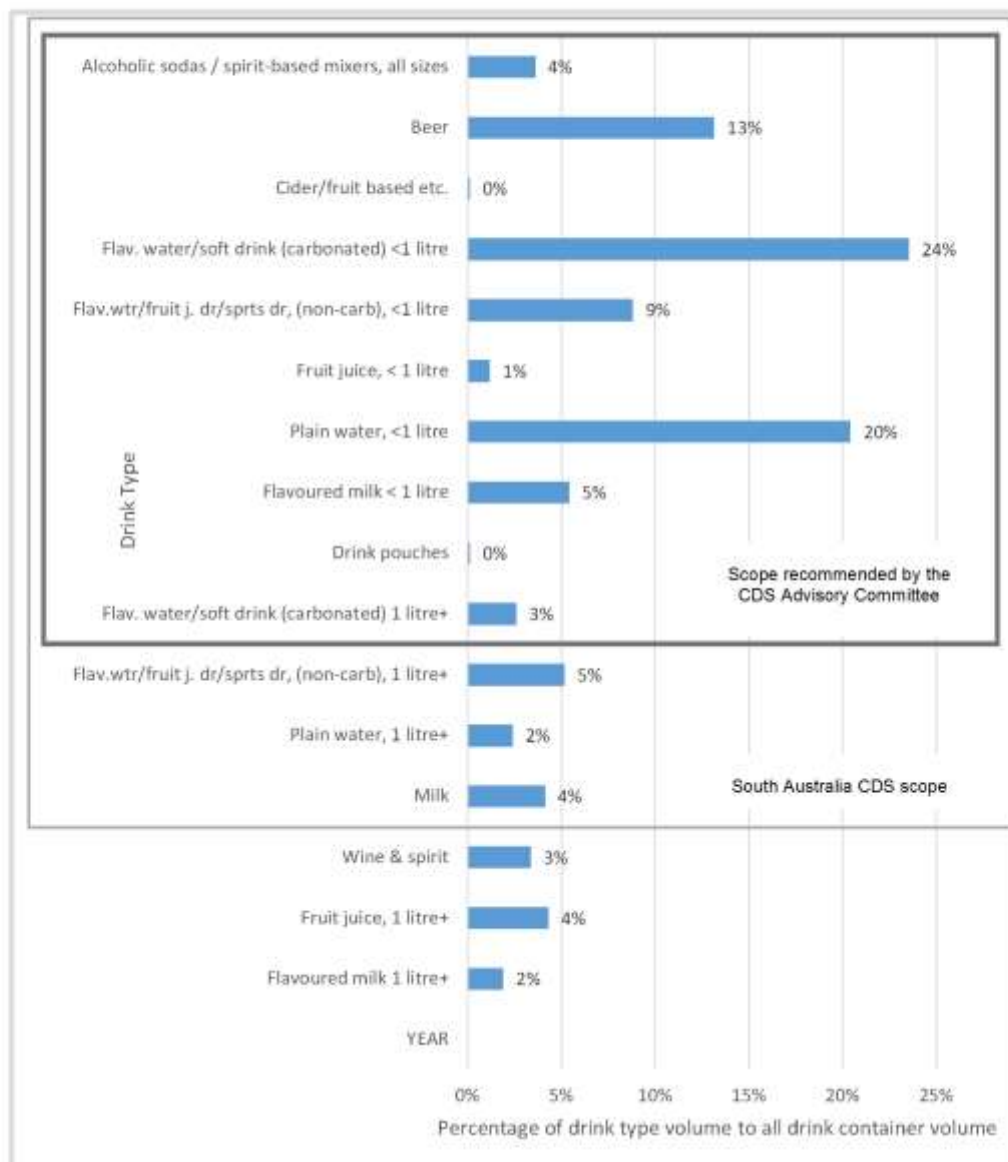


Figure 16: Percentages of drink containers, by volume and type of drink, that would be captured using different scopes of containers, as reported by the NSW National Litter Index 2014–15 (Source: KAB 2015)

The percentages within each of these scopes have fluctuated over time. In 2010–11 and again in 2012–13, the percentage of container volume in the '1 litre and less' scope was 81%. In 2014–15 and 2011–12, this scope covered 76% of container volume. In the years in between the percentages fluctuated between these two levels.

Advisory Committee recommendations

- The evidence on the sizes and types of containers used in public places and found in the NSW litter stream shows that the scope of containers for a NSW CDS targeting litter should include all containers from 150 millilitres to 1 litre, except for containers of plain milk and glass containers of wine or spirits.
- The NSW Government should consider the costs and benefits of expanding the scope of containers to harmonise with the South Australian and Northern Territory schemes. It should particularly consider the need to balance potential cost savings to industry, the need to reduce consumer confusion, and any additional resulting litter reductions against the potential impact on kerbside recycling.
- The NSW Government should also consider harmonising the scope of containers with those in other Australian states that are considering implementing a CDS, as long as doing this would not undermine the objectives of the scheme.

Key questions

- What should be included in the scope of containers in the NSW CDS, particularly if the target of this scheme is the reduction of litter?
- Should the NSW CDS have a container scope consistent with that of Northern Territory and South Australia? Should milk, wine and spirits be included or excluded from the scope of containers?

Key design element 4: Collection infrastructure

Introduction

The type and location of collection infrastructure and its interaction with the incentive is integral to the success of a CDS. For a scheme to work and achieve its objectives, the community must have access to designated collection sites in order to return empty drink containers and receive a reward.

The reward provides an incentive to take the containers to these sites. A large reward will encourage people to go out of their way to access the collection infrastructure. However, if the reward is smaller, the collection infrastructure will need to be both convenient and easy to use to ensure high levels of participation.

In designing the collection infrastructure for a NSW scheme, there are a number of issues that need to be considered. The collection infrastructure:

- must be accessible enough to allow people in urban, regional and remote areas to collect the reward for returning empty containers
- should focus particularly on containers that are used while away from home or picked up from the litter stream
- should not actively encourage the diversion of drink containers out of the existing kerbside recycling system

There are a variety of mechanisms for driving the roll-out of collection infrastructure to meet these aims. Some overseas schemes have used legislation to oblige key stakeholders to provide collection infrastructure at particular sites. Others have relied on incentives or left it up to the market to provide the necessary infrastructure. Whichever approach is used, an education program must be a key component to make sure that the community is aware of the available infrastructure and how to use it.

A further consideration is the use of collection technology, which can help increase convenience and reduce costs. Reverse vending machines are a well-developed form of collection technology that are used in many overseas schemes and are being trialled in a number of states in Australia. The NSW Government is interested in exploring how technology can help to deliver a cost-effective scheme here.

Evidence

Access to collection infrastructure

A key question for the NSW scheme is how it will provide access to collection infrastructure not only in metropolitan areas, where large numbers of containers are consumed, but also in regional and rural locations.

The objective of the scheme is to reduce the volume of litter, not just to recover empty containers. Litter is a universal issue affecting communities across NSW. Evidence from the National Litter Index indicates that litter is found at all types of locations, from beaches and parks to industrial sites and highways. Litter is perceived to be 'extremely' or 'very' important by most people in NSW, with the degree of community concern consistent across metropolitan, regional and rural areas (Anomaly/UM 2015).

To ensure the effectiveness of the scheme in reducing litter, it is crucial that people in all parts of the state have reasonable access to collection infrastructure.

Approaches to ensuring coverage

Overseas schemes and those in South Australia and the Northern Territory have used different approaches to make sure there is enough coverage of collection infrastructure. This includes setting mandatory requirements for key stakeholder groups to install infrastructure at specific locations, or providing incentives and letting the market decide.

There are two main types of return methods used by existing CDSs:

- return to retail
- return to depot.

Return-to-retail approach

The return-to-retail approach is commonly used in Europe. Most often it has been the retail sector that has been obligated to establish collection infrastructure, with a requirement to accept returns at point of sale. This approach grew out of traditional voluntary deposit schemes in the past for returning refillable bottles: the refillables could be returned to the shop when the consumer bought new ones. The truck delivering the full bottles to the shop would then pick up the empties and return them to the bottling plant on its return journey. In some overseas markets refillables are still used, and this approach offers an efficient means of maintaining a closed loop to keep the containers in the system.

With the phase-out of refillables and the move to single-use drink containers, this closed-loop system has almost entirely disappeared in Australia.

Even without the presence of refillables, the return-to-retail model offers substantial efficiencies, because retail locations - particularly supermarkets - offer a very convenient collection location. Because people shop at supermarkets on a regular basis, co-locating collection infrastructure at these sites would mean that householders would not need to make a separate journey to return their containers. They could combine returning containers with their regular shopping routines.

However, this in effect would make returning containers consumed in the home easy and convenient, which is likely to result in a substantial diversion of containers from the kerbside recycling system into the new CDS.

Return-to-depot approach

The return-to-depot approach is relatively common in North America and is used in South Australia and Northern Territory. A 'depot' can be a physical collection centre, a mobile event-based drop-off system, or a reverse vending machine. This approach requires the consumer to put in more effort, as the return infrastructure is characterised by a smaller number of drop-off opportunities in potentially less convenient locations than the return-to-retail approach. Although the consumer has to invest more time and effort, there is a greater aggregation of containers at the depot; this means that the logistics of collecting the containers and getting them to a recycler are simpler (D Hog et al. 2015).

Fixed depots have the capacity to receive and handle bulk loads of containers. Having depots may therefore give consumers the incentive to hold on to containers they may normally have disposed of through kerbside recycling, and to instead return them to a depot in bulk.

Incentives, together with letting the market decide

An alternative approach, which is used both overseas and in Australia, is for the scheme to offer an incentive to potential collection site operators and then let the market decide where the collection infrastructure should be sited. The most common incentive approach is for a handling fee to be charged on each container sold, and to be redeemed on each container

recovered. Market operators then decide whether a site will draw in sufficient containers to be financially viable at the particular handling fee rate.

A key concern with this approach is whether the market would supply infrastructure in areas outside metropolitan centres, where there are fewer containers available and where there are long distances to end-markets for recovered materials. Low population densities and 'tyranny of distance' issues are common reasons why recycling systems in rural and remote areas are not always viable.

The South Australian scheme has overcome this issue by separating the handling fee, which is paid to collectors, from the transport fee, which is paid by the supercollector. This allows collection operators to offer a collection service on a similar footing, regardless of where they are located. The issue of low quantities of containers is overcome by combining the collection service with other activities, such as a service station or the collection of other materials, like scrap metal or cardboard. This way, the operator can share overhead costs across a number of economic activities, as well as offering the community a variety of services to encourage participation.

This approach, combined with the 10-cents incentive, has resulted in a network of collection depots in South Australia that provide sufficient access and convenience to recover close to 80% of containers and keep container litter at a low level. Most South Australians reportedly live within 5 or 6 km of a collection depot (personal communication with Jeff Maguire, Statewide Recycling SA and NT). In Adelaide, although most of the collection depots are not centrally located, traffic problems have not restricted relatively easy access to the system. In contrast, population density and traffic issues in the Greater Sydney area may mean that a network of collection depots on the outskirts of town may not represent as convenient a solution for NSW.

Targeted incentives

An outcome of letting the market decide where the collection infrastructure should be located is that it may end up in locations that will encourage diversion from the household kerbside system. In South Australia, only about 17% of containers consumed in the home are recovered through the kerbside system. This is much lower than the current average of 79% of containers consumed at home being collected through the kerbside system in NSW.

An alternative is to take a more strategic approach by giving site owners incentives to either take on this service or host a service that is run by someone else. Such an approach could target, for example, shopping centres (e.g. in food courts), transport hubs, sporting and entertainment venues, and natural areas (e.g. beaches, parks) where drink containers are often consumed away from home. Recent social research shows there is strong public support for reverse vending machines to be located in public spaces like train and bus stations (70% support; City of Sydney 2014: Project Recycler – Reverse Vending Machines, unpublished). These types of sites would be convenient for people consuming drink containers away from home and on the go.

Although this approach would be more likely to see collection infrastructure set up at strategic locations, the additional incentives and the smaller-scale, distributed collection points would need additional logistics to aggregate containers for further transport and recycling. This may mean additional costs to aggregate containers at a central hub, compared with using a straight return-to-depot model. These additional costs would need to be balanced against the potential improved performance of the scheme in meeting its litter-reduction objectives.

Types of collection infrastructure

There are two primary ways of capturing drink containers as part of a container deposit system, namely by manual and automated collection. Many schemes around the world make use of both.

Manual drop-off centres and depots

In both South Australia and the Northern Territory, most collection depots are run manually. Organised in a 'hub and spoke' format, smaller depots collect containers in outlying areas and return them to a central hub for compacting and baling to reduce further transport costs. These larger hubs can also act as collection depots themselves.

Manual drop-off centres can include permanent sites such as depots, as well as mobile collection cages, which can be moved from site to site on an as-needs basis.

The common feature of manual drop-off locations is that they require staff or volunteers to accept containers and usually rely on manual sorting of containers by material type and (in some cases) by brand.

The advantages of using manual drop-off centres and depots include:

- Manual drop-off centres are able to handle bulk quantities from, for example, litter clean-up activities or charity-fundraising initiatives. In South Australia, the average number of containers taken to a depot is 210 per visit (Harrison Research 2012).
- More than 800 people are directly employed across the South Australian collection depot system (Hudson Howells 2005), supporting local economies.
- Manual drop-off centres can be diversified to provide local communities with the opportunity to recycle other, non-drink-container materials. Up to 30% of people that visit manual drop-off centres in South Australia usually or sometimes take 'other materials' when they return their drink containers (e.g. scrap metal and cardboard) (Harrison Research 2012).
- Manual facilities are relatively cheap to establish and can be incorporated into existing businesses. This is important for regional and rural areas, where accepting drink containers may be just one of many services offered at a facility.
- As facilities are usually staffed, these sites are less likely to be vandalised or have non-drink container materials dumped at them.

There are also disadvantages to using manual drop-off centres and depots:

- These facilities often have limited trading hours, making it less convenient for the community to return drink containers. In South Australia, one in four people are not satisfied with the opening hours of their local facility (Harrison Research 2012).
- Waiting times at manual drop-off centres can be considerable, as drink containers are sorted by hand into material type and, in some cases, by brand. The most common length of time taken from arrival at the depot to collection of a refund is up to 15 minutes in South Australia (Harrison Research 2012). However, some depots have overcome this by using high-speed sorting machines (a type of reverse vending machine) to help staff accelerate the sorting process.
- Manual depots can be costly to run, requiring staffing as well as occupational health and safety measures to be in place.
- These facilities can require substantial amounts of space and must be located in appropriately zoned areas, making it a challenge to establish new manual drop-off facilities in highly populated areas.
- Manual drop-off centres often require people to go out of their way to recycle drink containers; they are not usually integrated into litter-generation areas. They rely on the strength of the incentive to bring people to them.
- In South Australia, 88% of drink container returns come through CDS infrastructure, not the kerbside recycling system. A system that encourages people to drive their drink

containers to a manual collection facility on a periodic basis has the potential to draw heavily from the household kerbside system, rather than from away-from-home sources.

- Manual collection facilities are less likely to have effective fraud-prevention mechanisms in place, making it possible to 'reclaim' deposits on containers that have already been returned through the system or to feed in empty containers that were purchased in another state.

Reverse vending machines

The NSW Government would like to see modern technologies, such as reverse vending machines, as part of the new scheme. These machines accept empty drink containers and dispense physical (cash) or electronic rewards to the returner. The latter can be in the form of a credit note (exchangeable for cash), credit on a card (e.g. a store rewards card or transport card), or another type of incentive (e.g. prize draws, charitable donations). Regardless of whether the scheme is based on financial or non-financial incentives, reverse vending machines make it possible to offer consumers a choice in the type of reward they receive.

Reverse-vending machines are used extensively in some overseas schemes. In 2013, an estimated 40% of drink containers under CDSs worldwide were collected through reverse vending machines (Daedal Research 2015). There have been some trials of reverse vending machines in Australia, including in NSW and in South Australia and the Northern Territory, but to date they have not been taken up by the Australian schemes. However, high-speed counting machines have been introduced in both states where they are used in a few of the higher-volume depots and hubs.

There are three broad categories of reverse-vending machine (Rawtec 2015):

- **Stand-alone systems** are about the size of a typical vending machine (0.5 to 2.5 square metres plus access space) and are often used in convenience stores, supermarkets and shopping centres. These systems are best suited to receiving between one and three different types of materials. However, multiple stand-alone machines can be used in a single location to capture the full scope of materials included in a CDS.
- **Front-end with backroom systems** are between 3.5 and 16 square metres in size (plus access space) and are suited to numerous material streams. These systems comprise of a consumer-facing wall with a backroom fit-out complete with conveyors, compactors and storage bins. Front-end with backroom systems are often used in shopping centres and supermarkets, as these sites have high levels of foot traffic and consumer-facing walls. These systems can receive multiple types of materials.
- **High-speed counting machines** are between 80 and 100 square metres (plus access space) and are typically used at recycling depots for counting, sorting and compacting containers that have been collected through manual operations. These types of machines are able to count and sort bulk quantities of containers and are suited to multiple types of materials.

The advantages of using reverse vending machines are:

- These systems can be efficient and cost-effective to run, with little staffing and space required.
- Reverse vending machines can be sited in areas where litter is generated. South Australian research shows that six out of 10 people who do not return containers to a manual collection depot would use a reverse vending machine located at a shopping centre (Harrison Research 2012).

- If machines are located in areas that are integrated with people's existing routines, separate trips to return drink containers will not be required, thus reducing greenhouse gas emissions.
- Reverse vending machines can be used under flexible business models, with machines available for outright purchase or for lease. When machines are leased, a portion of the machine rental fees are based on the quantity of materials collected (Daedal Research 2015).
- These machines can process up to six containers a second (Daedal Research 2015), so waiting times are kept to a minimum.
- The design of the consumer-facing openings of reverse vending machines makes them effective at avoiding contamination from items that are not included under CDSs.
- Reverse vending machines are capable of reading barcodes and have integrated fraud-prevention measures to prevent the return of non-eligible drink containers (Daedal Research 2015). They can also report instantly on each transaction, allowing real-time monitoring of return rates.
- These machines typically crush or compact returned materials, keeping volumes as small as possible and ensuring efficient transport between the redemption point and the reprocessing facility (Daedal Research 2015).

There are also disadvantages to using reverse vending machines:

- These systems have very specific site requirements, such as access to power (some require three-phase power), protection from the elements, and security. In some areas, it can be challenging to find a suitable site that meets all the requirements and is easily accessible to the public (City of Sydney 2015).
- Although reverse vending machines can dispense cash, the ones that do so are susceptible to vandalism (Rawtec 2015). They are best suited to dispensing electronic rewards equivalent to the deposit, although these may be less preferred by people who predominantly rely on cash (e.g. younger people/children or people on fixed incomes).
- Consumer-facing reverse vending machines are not suitable for receiving bulk loads of drink containers collected from litter clean-up activities.
- Reverse vending machines have substantial start-up costs if they are bought outright.

Discussion

Use of reverse vending machines

The NSW Government has committed to using modern technology and has indicated a preference that the scheme will involve at least 800 reverse vending machines. This proposed use of modern technology is strongly driven by the desire for cost efficiency. The use of reverse vending machines is not an end in itself, and it would not make sense to require them to be used if this would result in higher overall costs for the scheme.

The evidence shows that reverse vending machines provide cost efficiencies that are likely to be best suited to densely populated areas, with their collections delivered to local hubs for aggregation (i.e. by a 'hub and spoke' system). These machines typically require:

- smaller amounts of space than do manual depots; this is important in areas where vacant land is scarce and expensive
- power and security, which are more easily accessible in built-up areas

- high volumes of containers to make them financially viable (see Table 4); this is more easily achieved in population centres.

Table 4: Numbers of containers needed for different types of reverse vending machines to be commercially viable (Source: Rawtec 2015)

Type of machine	No. of containers required each month
Stand-alone systems	10,000 to 80,000
Front-end with backroom systems	60,000 plus
High-speed counting machines	450,000 plus

Note: that these estimates are based on the machine installer receiving a handling fee of 4.5 cents per container and the machine's installation being driven by the handling fee only. They ignore other potential drivers and benefits (e.g. enhanced customer service, marketing opportunities and point-of-difference from competitors).

Smaller populations in regional and remote areas across NSW are less likely to have the throughput required to make reverse vending machines a sustainable option. In these areas, manual collection depots may be more suitable. These depots could be supported by a 'hub and spoke' solution, as in South Australia, where multiple smaller collection points feed into a few large 'hubs'. From there, containers can be consolidated and compacted or baled before being transported to a reprocessing facility.

Ultimately, the types of technologies a NSW scheme takes up should be determined by the cost efficiencies they can provide.

Sites for collection infrastructure

Offering incentives for the establishment of sites that attract containers used away from home but not containers consumed at home may prove difficult in practice. Making retailers host collection infrastructure would be highly likely to divert containers from the household kerbside system. However, leaving it up to the market to establish collection sites may end up with a similar result, because the market motivation is to maximise the number of containers moving through the system. Using a strategic approach to siting collection infrastructure may add additional costs without eliminating the risk of diverting kerbside containers.

Ultimately, using the incentive and the placement of collection infrastructure to manage potential collection flows may be too unwieldy to make such fine adjustments. If the scheme uses a financial incentive, then there will be substantial costs involved in changing it once it is set up. Similarly, adjusting the collection network is also likely to be costly. Moving the location of established infrastructure is likely to cause confusion in the community; extensive education may be needed to re-establish behavioural norms.

A more manageable approach would be to use education as the main vehicle to keep containers in the kerbside system once the scheme is set up. Efforts should go into establishing a collection network that focuses on recovering containers consumed away from home. However, once the scheme is established, ongoing education programs can be used to reinforce the message that it is acceptable (and in fact beneficial) for people to continue to use the kerbside recycling system.

Advisory Committee recommendations

- Because all areas in NSW experience litter, the NSW CDS should have state-wide coverage.

- Collection infrastructure should be cost effective and suited to the local area, rather than technology specific.
- The location of collection infrastructure should focus on containers used away from home and should minimise the diversion of containers from the kerbside recycling system.

Key questions

- Should the scheme provide universal access for all NSW residents?
- Where should collection points be located to best achieve the litter reduction target and to minimise the transfer of containers out of the kerbside system?
- How can the scheme give incentives for the take-up of collection infrastructure at sites that focus on away-from-home consumption?
- How can modern technology be used to deliver a cost-effective scheme?

Key design element 5: Governance and the role of government

Introduction

The way a CDS is organised and administered, and the checks and balances that are put in place to drive and verify its performance, are referred to as the scheme's 'governance' arrangements.

These arrangements cover a range of functions that can be performed by a number of different bodies, including various parts of government, industry and other stakeholders. These functions include setting the deposit level; establishing labelling requirements; managing financial flows (including reconciling deposits and refunds); coordinating system infrastructure and logistics; delivering education and communication campaigns; and monitoring return rates.

Existing CDSs in Australia and overseas use many different approaches to govern their schemes. Some schemes are organised and run by government. Others are run by industry as extended producer responsibility schemes, operating under legislation.

Schemes can also be centralised, with a single body coordinating all parts of the scheme, or decentralised, with multiple organisations delivering parts of the scheme.

All of these arrangements can be effective at achieving public policy objectives. However, all approaches can also create risks that can have adverse outcomes if appropriate checks and balances are not put in place to manage them. Lack of controls can mean that there is an increased risk that the scheme will fail to deliver on its objectives. Too much control can add to the cost and make the scheme inefficient.

The aim for the NSW scheme is to set up governance arrangements that will give the various scheme stakeholders the flexibility to minimise their costs, at the same time as making sure that there are enough controls in place to maximise the public policy outcomes.

Evidence and discussion

The following discussion relates primarily to container deposit schemes that use a financial incentive. A number of the issues raised would be less pronounced under a scheme using non-financial incentives. Schemes that also rely on non-incentive-based programs, such as the Thirst for Good proposal discussed in the CDS Models chapter, would have different risks and issues. These are discussed in the CDS Models chapter.

Government schemes

In the United States, a number of CDSs are run by state governments. In these schemes, it is the state that collects and holds the deposit and distributes the refunds when empty containers are returned to approved collection sites. The beverage industry has little involvement in the scheme.

Industry schemes

An alternative approach is to give industry the responsibility for organising the scheme. Beverage companies can then choose to take on that responsibility on an individual company basis or allocate that responsibility to an independent body to do it on their behalf. This body could be a for-profit business that is contracted to provide a particular service or a not-for-profit organisation set up specifically to deliver the scheme. Industry-organised

schemes are common in Europe, and both the South Australian and Northern Territory schemes use this approach.

Giving industry the responsibility for organising the scheme gives them the ability to minimise scheme costs. Generally, industry has a strong incentive to minimise the costs of the scheme because beverage companies must either absorb the costs and reduce their profit margins or pass the costs on to consumers, thus affecting consumer purchasing decisions. Depending on the price elasticity of particular drink markets, price increases have the potential to cause consumers to buy less drinks or move to alternative products. Either way, the additional costs of the scheme can affect companies' bottom lines. It's therefore in the interests of the beverage industry to keep the costs of the scheme as low as possible.

However, in schemes that allow multiple coordination bodies, individual companies may not be able to gain agreement across the total beverage industry to establish a single industry body to coordinate the scheme. This can lead to an overall scheme architecture that restricts the ability of the industry as a whole to realise cost savings. The South Australia and Northern Territory schemes are a case in point. Individual companies or small groups of companies have sought to set up supercollectors to manage and control their own costs and risks but, in doing so, they have created redundant organisational costs and additional sorting requirements to allocate costs between different supercollectors. These inefficiencies are not because some of the supercollectors are run by beverage companies, but a result of the multiple supercollector structure.

In South Australia, through collaborative practises introduced over time, the industry has managed to rationalise the number of supercollectors from five to three and reduced the number of sorts required by collection depots down to nine. This has helped reduce the costs of the scheme, but inefficiencies still remain. In the Northern Territory, this rationalisation has not occurred despite a similar legislative framework. In the Northern Territory, there are five supercollectors and collection depots are required to make up to 29 sorts. This has significant impacts on handling fees, with some depots claiming up to 18.2 cents per container in handling fees (in addition to the 10 cent deposit). In South Australia, handling fees are around 3 to 4 cents per container.

Keeping costs low is also in the interests of the overall community, as long as the objectives of the scheme are being met. A risk here is that, if left unchecked, cost minimisation could undermine the effectiveness of the scheme. For example, costs could be kept low by minimising the number of containers collected. This could be achieved by making the incentive so weak that no one is motivated to return containers, or by under-investing in the collection network to make it difficult for people to return containers.

Costs could also be kept down by pushing risks on to other stakeholder groups, forcing them to cover the costs of any unexpected events. 'Cost-shifting' is a concern often raised by local government, but it can go the other way as well. Schemes that place financial responsibility onto industry, but do not give them ability to control costs can result in costs being driven up by other stakeholders and the industry having little recourse but to pay them. This is currently evident in the Northern Territory system.

It is therefore of key importance for the governance arrangements to mitigate against these issues, while still giving industry the ability to minimise costs where appropriate. To do this, the government may choose to maintain control over some aspects of the scheme or to set requirements that allow the industry to realise scheme wide efficiencies, while still delivering public policy outcomes. For example, in many existing schemes the government maintains control over the setting of the deposit amount. Government can also set minimum collection targets or ensure there is a competitive market for collection services by maintaining control over the setting of reasonable handling fees. If fees are independently set, then the market can invest in collection infrastructure with the confidence they will get a reasonable return on

investment, while at the same time protecting the industry from having to pay very high handling cost claims.

Setting monitoring and reporting requirements are also important to make sure that the scheme is run in a transparent manner, allowing public scrutiny and ensuring community confidence in the efficacy of the overall scheme.

Governments can also choose to have direct involvement in the running of the scheme by having a government representative or representatives on the board of the organisation (or organisations) coordinating the scheme. The government may also choose to specify that the board include a range of other stakeholders or skill sets. The effect is that the governing body of an industry-organised scheme can be more or less independent of the industry, but the scheme is largely funded by the industry and the industry still has a say in how it is run. The involvement of a stakeholder advisory group may also make sure that the views of other stakeholders contribute to the decision-making process.

Single or competing governance organisations

If the scheme is to be organised and run by industry, then a key question is whether there should be a single organisation running the scheme or multiple organisations competing against each other.

A decentralised, competitive approach is used in South Australia and Northern Territory. In both of these schemes, there are 'supercollectors' that take on and fulfil the responsibilities of their respective member companies. The supercollectors do this by running parallel schemes (using common container collection depots) and then billing members for their share of the redeemed containers.

In theory, this has the potential to drive down costs, as supercollectors compete to attract members. However, in practice the supercollectors are often wholly owned by individual beverage companies that have vertically integrated to control their own costs. Therefore, there tends to be little movement of beverage companies between supercollectors. Furthermore, the cost structures of supercollectors are not very different from each other, so there is little incentive for companies to move between supercollectors.

Having multiple organisations running parallel systems also means they would need to set-up separate collection sites that accept only the containers of their respective member companies, or collection sites that must sort containers by brand so that the companies could be billed separately. The latter is the approach used in South Australia and the Northern Territory.

In South Australia, there are three supercollectors. Over time, through negotiation and convention, the number of material and brand-owner categories that containers must be sorted into has been reduced to nine. In the Northern Territory, where there are five supercollectors and the scheme is still relatively new, collection depots are required to make up to 28 'splits' (i.e. category sorts) of containers.

This has marked knock-on effects for transport and logistics. For example, some supercollectors in the Northern Territory accept only whole containers from collection depots. This greatly reduces the number of drink containers per truckload (8000 whole containers compared with 45,000 crushed containers) and makes transport less efficient (D West et al. 2013). The SA and NT systems also lack transparency in regard to the various commercial arrangements and allocation of unredeemed deposits.

By comparison, if a single organisation were running a NSW scheme, only eight splits would be needed. These would be purely materials-based: aluminium, PET, HDPE, liquid paperboard, steel, clear glass, brown glass and green glass. This then leads to more efficient transport and logistics arrangements.

Having a single organisation running the scheme also makes it easier to ensure transparency and accountability for the whole scheme. This would mean there would be a single source of information for performance monitoring and reporting. This could also help reduce costs to the state government for coordinating the collection and reporting of this information compared to gathering this information from multiple organisations. A single coordinating organisation would also ensure consistent messaging for community education and scheme promotion.

Role of government

There is a clear role for government under any legislated CDS, regardless of the governance arrangements adopted. For an industry-organised scheme under an extended producer-responsibility approach, state government regulation provides an independent way to make sure that the scheme is well managed, equitable, accountable, and not susceptible to fraud. Key functions for state government would include preventing free riders from undermining the scheme and controlling cross-border flow of containers that have not had a deposit collected on them.

Preventing free riding

Where schemes place additional costs on industry, some companies may try to avoid these costs by using deceptive or dishonest practices. For example, under a scheme with a financial incentive, a drink manufacturer may try to avoid declaring that its products are on the market so that they do not have to collect the deposit or pay handling fees. At the same time, when their containers are returned and redeemed, other manufacturers would be covering these costs. By remaining 'outside' the system, these manufacturers would have lower costs than their competitors' and therefore could gain a market advantage.

Without mandatory requirements, an industry-run scheme would have little or no power to force companies to participate, and there would be an ever-present incentive to gain a financial benefit by not participating. Therefore, capturing free-riders and maintaining a level playing field in the market is a key role for the government. The government would need to oblige all manufacturers to participate in the scheme.

In the South Australian scheme, it is an offence to supply a drink container for sale, or to sell a drink in a container for consumption, without the approval of the regulatory authority (the South Australian EPA). The South Australian EPA regularly audits retailers to confirm that the products on their shelves are registered as part of the scheme. If a product is found that is not registered, it is confiscated at a loss to the retailer. This provides an incentive to retailers to make sure that all the brands they stock are registered with the scheme. The NSW Government could take a similar approach to tackling any potential free riders.

Once in the scheme, drink manufacturers and importers may also seek to reduce their costs by under-reporting their sales figures. This is particularly an issue in schemes that distribute the costs of the scheme to manufacturers on the basis of their market shares. By under-reporting, a manufacturer could appear to have a smaller share of the drinks market and would thus have fewer scheme-related costs than its competitors. This situation could also lead to the scheme falsely appearing to capture a larger proportion of the drink containers sold than are actually put on the market.

Government compliance officers may find it difficult to recognise this type of free-rider activity. Audits of retail shelves are effective if a product is not registered at all. However, if the product is registered, then the compliance officers will not be able to tell whether or not all of the product on the shelves has been reported to the scheme. In this case, under-reported sales would be easier to capture by the scheme coordinator, who would most likely have a contractual agreement with the manufacturer to be part of the scheme. Part of that agreement would need to be a right for the scheme coordinator to audit the sales figures of the manufacturer, with penalties for incorrect reporting. The scheme coordinator would need

to back this up with a regular audit regime. Continued failure to accurately report sales could be dealt with by expelling the manufacturer from the scheme; this would then place them outside the scheme, where they would be picked up by the government's compliance regime.

Cross-border arbitrage: full drink containers

As indicated in the section on 'Key design element 1: Incentives', having a financial incentive may lead to cross-border arbitrage issues. Arbitrage refers to taking financial advantage of the different prices charged in different markets. The financial incentive under a CDS can create a cost differential between a product sold in NSW and the same product sold outside NSW. This can make it attractive for people to purchase the product outside NSW and bring it across the border for personal use or for resale. Although there will always be a small percentage of containers flowing in and out of the state with tourists and consumers living on the border, this can become a more serious issue for the scheme if commercial quantities are trucked across the border for resale without the deposit, as there is no deposit available to pay back when these containers are then returned for redemption.

The potential scale of this issue depends on the distribution model that manufacturers use. If manufacturers sell directly to retailers, they will have a record of how much of their product is sold in NSW, and the scheme will pick this up in their sales audits. If sales to retailers shift markedly and without explanation, then the scheme will be able to investigate and alert the government for follow-up with compliance checks.

This is potentially more of an issue when manufacturers sell to wholesalers outside of NSW, who then distribute to retailers within NSW. In this case, the manufacturer does not have a direct relationship with the retailers and therefore would not have an exact record of NSW sales.

This situation is not that different from that of overseas manufacturers selling products into NSW. In the case of imported products, it would be the local importer that would have to be the liable party. In the case of wholesaling, it would be the local retailers bringing the product into NSW that would be liable.

The cross-border issue may also resolve itself if neighbouring states also establish similar CDSs. At this stage, Queensland is looking into the possibility of introducing a CDS, and has indicated its preference for a model by which a deposit is paid at the point of sale, and the Australian Capital Territory is watching the NSW process. If schemes are introduced in these two places then NSW would seek to harmonise with them as far as possible. NSW would then border only one non-scheme state, namely Victoria.

Cross-border arbitrage: empty drink containers

Another potential risk is that people will import empty containers into NSW to redeem the financial deposit. If these containers have been purchased and consumed outside the state, they would not have contributed the deposit into the scheme. This kind of activity is more likely to occur with higher value financial incentives, and can, in this scenario, seriously affect the financial sustainability of a CDS.

The size of this problem depends on the marginal returns involved. If the cost to transport the drink containers is low (e.g. if they are crushed and transported in bulk quantities) and the benefit is high, then the problem could be substantial.

In NSW, this issue could be managed by making the marginal returns for this sort of activity as small as possible. This could be done by first, making this activity illegal, with substantial fines for those caught transporting or receiving the containers. This creates a financial risk that there will be no financial benefit - but instead substantial penalties - if those involved are caught. Second, administrative requirements could be put in place for collection sites to accept bulk quantities, for example bulk drink containers could be required to be whole and uncrushed. This substantially reduces the number of containers that can fit in the back of a truck, making it less attractive and more expensive to defraud the scheme in this way on a

large scale. Using the bar code on drink containers is another proposed way of limiting redemptions for containers purchased outside NSW. However, bar codes are the same everywhere in Australia and are not differentiated by state.

Whichever mechanisms are adopted, exemptions to these mechanisms could be put in place for receiving bulk quantities of crushed containers from legitimate sources, such as containers collected through kerbside recycling services (if they are eligible for redemption under the NSW scheme).

Key questions

- What role should the government (state/local) have in the scheme?
- What role should the beverage industry have in a Refund CDS?
- Should a Refund CDS be run by a single organisation or multiple organisations?
- How should the scheme deal with cross-border arbitrage risks?

CDS models

Introduction

This section describes two alternative models for reducing the volume of litter in NSW to help meet the Premier's target to reduce the volume of litter by 40% by 2020. These models have been proposed by members of the CDS Advisory Committee.

After reviewing the data, the analysis of the key design elements, and feedback from the Container Deposit Scheme Working Groups, the Advisory Committee members were invited to propose models for a NSW CDS. Committee members representing the beverage industry, local government and environment groups separately proposed Refund CDS models, by which a deposit and handling fee is paid at the point of sale and a refund provided when the empty container is returned to a collection point.

All three models were very similar in terms of most of the key design elements. The Advisory Committee therefore agreed that these models should be combined into a single option.

This model is detailed in 'Option 1' below.

The beverage industry representative also put forward a second model, proposed by the major beverage companies, called Thirst for Good, which aims to achieve litter reductions at a lower cost than a Refund CDS by building on existing litter reduction initiatives already being run by councils and charities.

The Thirst for Good model is described in 'Option 2' below.

It should be noted that both models will have costs and benefits. The scale of these costs and benefits will be assessed once the models are refined following the feedback from this Discussion Paper.

Option 1: Refund CDS

This option is an amalgamation of the three Refund CDS models proposed separately by three Advisory Committee members, including the beverage industry representative. Although the members developed their models independently, the proposed models were very similar. This option also has a number of similarities with the South Australian and Northern Territory schemes, but also some key differences.

This option proposes a NSW Refund CDS model that is based on a financial incentive of 10 cents, similar to that in the South Australian and Northern Territory schemes. Under this model, a consumer would pay an additional 10 cents on the price of a drink and receive it back if and when the empty container is returned to a designated collection site. Matching the South Australian incentive level would help to manage the risk of cross-border arbitrage between NSW and South Australia.

There would be several options for the community to return empty drink containers:

- They could redeem the container through a reverse vending machine. The machine would read the number of containers inserted and provide a docket, which would be redeemable for cash. Reverse vending machines could also be linked to other electronic payment systems, such as transport cards, loyalty cards or credit cards. Reverse vending machines would probably be located in urban areas, where there is a high level of away-from-home consumption. (If it is technically and practically feasible and will not affect the cost-effectiveness of the scheme, there could be an option for container returners to donate their 10 cents to charity at the point of redemption.)

- They could take the container to a local collection depot.
- They could continue to put containers in their household kerbside recycling system. The containers would be captured at the materials recovery facility (MRF) where recyclable materials collected through kerbside are sorted for recycling. If these containers are eligible for a refund, then the refund could potentially offset the cost of council waste services. These waste services costs are paid directly by home owners through their council rates and indirectly by renters through their rent.
- They could give their containers to a local school or charity, which would take them to a collection point to claim the refund.

The collection network would provide state-wide coverage.

To keep the cost of the scheme low, it would build on existing infrastructure where possible and encourage households to continue to use the existing kerbside recycling system. The scheme would use modern, best-practice technologies to minimise handling costs and reduce the risk of fraud (from claiming more than one refund on a single container) through the use of reverse vending machines and automated collection depots, where cost-effective.

A 'hub and spoke' solution would be used in regional and remote NSW. Multiple smaller collection depots in outlying areas would feed into larger regional collection 'hubs' where containers would be sorted, compacted and baled to save transportation costs, and then transported to a recycling facility. Existing infrastructure, such as MRFs could be used as hubs.

Retailers would not be obliged to take back containers, although they could choose to host a collection depot or a reverse vending machine if they wanted.

The use of reverse vending machine technology would not be mandatory. Instead, the choice of whether to invest in reverse vending machines or collection depots would be left to the market. Focusing on capturing containers used away from home would help determine the best place for investing in infrastructure.

Similar to the South Australian and Northern Territory schemes, this model would be based on an extended producer-responsibility approach. Individual drink manufacturers and importers would be obliged to meet specific container management requirements and would be able to fulfil these responsibilities through a producer responsibility organisation. However, unlike in South Australia and the Northern Territory, which allow multiple supercollectors to provide that service, a single organisation would run the scheme and would act as the clearing house for deposits. This would allow the collected containers to be sorted by material type only, rather than by brand, thus minimising the amount of handling required and reducing costs.

The main difference between the three container deposit models proposed by the Advisory Group members was in the type of organisation that would run the scheme. The local government and environment group models recommended that the scheme be run by a not-for-profit independent body with stakeholders involved in the decision-making process. This arrangement aims to minimise the risk of the beverage industry pursuing cost minimisation at the expense of public policy objectives and potentially undermining community confidence. The beverage industry recommended the scheme be run by a predominantly industry-controlled organisation to allow it to maximise cost efficiencies and reduce the costs paid by consumers.

All agreed that the drink manufacturers would hold the deposit until it was redeemed, so that there would be no pool of unredeemed deposits to manage. The scheme would essentially be a pay-as-you-go operation, with manufacturers asked to pay only for the number of containers returned for a refund (plus handling and administration costs, minus the sale value of the materials). This is similar to the South Australian and Northern Territory models.

All three models proposed the scope of containers to be covered by the scheme should be 150 millilitres to 3 litres. However, on reviewing the evidence of the types of containers predominantly in the litter stream, the Advisory Committee subsequently recommended:

1. The proposed scheme should cover 150 millilitres to 1 litre, with similar exemptions for milk, wine, spirits and juice as applied in South Australia.
2. The broader scope to 3 litres should be tested in a cost benefit analysis before a final decision on the scope of containers covered by the scheme is made.

In summary, the Refund CDS option relies on both preventive and reactive approaches to reduce the number of containers in the litter stream. The use of a reward for returning empty containers to a collection point provides an incentive to potential litterers to hold on to the container and return it to receive the reward. This prevents the container becoming litter in the first place. The reward also provides a reactive incentive for others to pick up and return containers if they do end up in the litter stream before they are broken up and further dispersed.

Based on the demonstrated effectiveness of similar Refund CDSs in Australia and overseas, the EPA estimate that this model would capture the majority of containers consumed in NSW and therefore significantly reduce the number of drink containers entering the NSW litter stream. Many of these schemes have been running for over thirty years and consistently delivered these types of results. There is therefore a high level of certainty that a NSW CDS would have a similar outcome.

Option 2: Alternative industry proposal - Thirst for Good

In addition to submitting a Refund CDS model, the Australian Food and Grocery Council member of the Advisory Committee submitted an alternative model, which was developed by the major beverage companies. This model stems from a strong concern by the beverage industry about the potential costs involved in implementing a Refund CDS. These costs would predominantly fall on consumers and would therefore potentially affect the sale of drinks. The beverage industry proposal aims to reduce the volume of litter in NSW at substantially less cost than a Refund CDS.

The industry proposal, called Thirst for Good, would build on existing infrastructure and current levels of investment in litter management, rather than replacing it. The aim would be to add infrastructure and resources where there is currently an under-investment, such as along highways, where the National Litter Index indicates the largest amount of drink container litter volume is found, and other litter hot spots.

The Thirst for Good proposal would be a \$15-million annual investment by the beverage industry in a suite of programs aimed specifically at reducing litter across the state. It employs both preventive and reactive approaches to reducing litter and includes some programs that involve both financial and non-financial incentives to encourage the community to return empty containers. It also includes straight litter clean-up programs.

There are five programs within the Thirst for Good proposal:

- community cash for containers
- litter collectors
- litter bins
- reverse vending machines
- community education

Community cash for containers

The aim of this part of the proposal is to give community groups an incentive to collect drink containers.

The beverage industry would provide all 152 NSW local councils with a single trailer with a collection cage. The councils would then organise to lend the trailers to local community groups to collect empty containers. Once the cage is full (estimated at about 6000 containers per cage), it would be returned to the council and the community group would receive a \$300 reward. The council would then take the containers to a local MRF or recycler to sell the materials to offset the council's administration costs for coordinating the use of the trailer. Trailers and cages would be leased by the industry, with maintenance and servicing costs included. Theoretically, a different community group could get to use the trailer each week to fill up over a weekend.

Essentially, this program would be using the \$300 payment as an incentive to attract community groups into the program.

The main requirements of the program are that only drink containers are collected and the \$300 is payable when the cage is full. Decisions about which community groups would be eligible and which groups would get the trailer at which times would be up to the individual council to decide.

Litter collectors

This part of the initiative is aimed directly at picking up litter along highways and in other locations that are not currently serviced by local governments or other private and public landholders. One hundred litter collectors would be hired by the industry from a labour hire agency, trained, and given all necessary personal protective gear. They would then be sent out in pairs, with a utility vehicle and all necessary equipment, to pick up litter along regional highways. The hire agency would manage them.

This program would aim to clean up all types of litter along highways, not just drink containers. According to the National Litter Index, highways have the highest volume of litter in NSW, with drink containers making up 48% of this volume.

Litter bins

The industry proposes to donate 2,000 new litter bins to local councils for use in litter hotspots where litter bins are not currently located. The industry would also provide funding for the maintenance and emptying of these bins. The industry would work with councils to identify appropriate locations. The aim would be to add to the number of bins in a council area, rather than replace existing council bins. These bins would therefore be in addition to the more than 53,350 litter bins currently in use by councils across NSW. This equates to an additional 3.75% bins state-wide, or 13 extra bins per council.

Similar to the litter collectors program, the litter bins would capture all types of litter, not just drink containers.

The use of litter bins is an important part of managing litter in public places. However, there is no direct correlation between the number of bins placed in public places and the amount of litter reduced. As indicated in the 1997 report *Understanding Littering Behaviour: A Review of the Literature* (Beverage Industry Environment Council 1997), 'there is no conclusive evidence that a paucity of bins will lead to littering' and 'simply increasing the number of bins does not always in itself diminish litter'. The effectiveness of additional bins is influenced by a

range of factors, such as placement, the presence of supporting signage, and education, among other factors. Industry would need to work with councils to ensure that these issues are addressed and that new litter bins would be placed in locations that maximise the collection of additional litter.

Reverse vending machines

The industry would roll out 100 reverse vending machines. These would go in areas with high away-from-home consumption rates. The machines would offer a non-financial incentive to encourage consumers to return empty containers to them. This could include, for example, a chance to win prizes such as tickets to the National Rugby League grand final or movie tickets. The beverage industry would engage with councils and community groups to identify litter hotspots that would benefit from this type of infrastructure. The industry would cover all costs associated with the machines, including leasing, maintenance, cleaning and repair costs, as well as the collection and transport of materials.

The rollout of 100 reverse vending machines would have a similar preventive and reactive effect as the Refund CDS option, which is also modelled on the use of reverse vending machines. As with the Refund CDS option, containers collected through these reverse vending machines would not be exclusively littered containers or containers that would otherwise have been littered. Instead, a proportion would be containers that would otherwise have ended up in existing litter bins or in the household kerbside system.

Community education

The beverage industry would develop and implement a community education program to support the various Thirst for Good programs. This would include, for example, education on how the community cash for containers program would work and how community groups could get involved; information on how the litter collectors program would work and its key outcomes; encouragement to use the new litter bins; and information on how the reverse vending machines would work, where they could be found, and the types of containers that they would accept. It would also need to develop culturally and linguistically appropriate communications strategies and resources to successfully reach people from different cultural and language backgrounds.

Community education campaigns can be effective preventive approaches to reducing litter. Campaigns that target specific littering behaviours can help to raise the 'social cost' of littering by helping people understand the true environmental cost of littering. Education campaigns also change social attitudes towards littering and can create social pressure on those people that do not change their behaviour (a form of social or psychological cost).

The effectiveness of the Thirst for Good community education program would depend to a large extent on how the other Thirst for Good programs are designed and implemented, how well they target littered containers, and how the education program is sustained over time.

Key questions

- Do you support the introduction of a container deposit scheme in NSW?
- If so, what type of container deposit scheme do you support?
- Do you support a Refund CDS?
- Do you support Thirst for Good?

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26 February 2016

Mr Barry Buffier
Chair and CEO
NSW Environment Protection Authority
PO Box A290
SYDNEY SOUTH NSW 1232

Dear Mr Buffier

SHOROC is a partnership of Manly, Mosman, Pittwater and Warringah councils led by a Board of the council Mayors and General Managers. We represent a population of 280,000 residents who contribute over \$20 billion annually to the NSW economy, and a region of over 288km².

I write on behalf of the four SHOROC councils to provide a submission to the NSW Government's NSW Container Deposit Scheme Discussion Paper.

SHOROC gives in principle support for *Option 1: Refund CDS* predicated on cost neutrality for councils and the provision of specific details to councils regarding the preferred Scheme's design elements and impacts. Please find attached a copy of SHOROC's submission that provides responses to the questions posed in the discussion paper.

SHOROC expects *Option 1: Refund CDS* to significantly reduce drink container litter in our region compared to the alternative industry proposal, *Option 2: Thirst for Good*. Option 1 also aligns to our councils' long held advocacy positions for an extended producer responsibility based container deposit scheme. This position is also reflected in the priorities and actions of SHOROC's *Shaping Our Future* strategy and Regional Waste Strategy, *Too Good to Waste*.

SHOROC has welcomed the opportunity of being a member of the NSW EPA's Container Deposit Scheme Community and Local Government Working Group. We would welcome further opportunity through this group to provide input regarding the specific details of the design elements and impacts of the Scheme, particularly the impact on kerbside recycling, based on the results of the cost benefit analysis currently underway.

For further information please contact Ms Liz Quinlan, SHOROC's Regional Waste Coordinator, on (02) 9905 0023 or liz.quinlan@shoroc.com.

Yours sincerely

Dominic Johnson
Executive Director

Shore Regional Organisation of Councils – a partnership of Manly, Mosman, Pittwater & Warringah Councils



Submission

NSW Container Deposit Scheme: Discussion Paper

February 2016

Shore Regional Organisation of Councils – a partnership of Manly, Mosman, Pittwater & Warringah Councils

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1. SHOROC's policy position for a NSW Container Deposit Scheme

SHOROC is a partnership of Manly, Mosman, Pittwater and Warringah councils established in 1996 and led by a Board of the council Mayors and General Managers. Legally constituted as an Incorporated Association we collectively represent a population of 280,000 residents who contribute over \$20 billion annually to the NSW economy. Our region covers an area of approximately 288km² in north east Sydney and is characterised by its outstanding natural environment and vibrant communities.

Manly, Mosman, Pittwater and Warringah councils have long advocated for a responsible Container Deposit Scheme (CDS). This is reflected in SHOROC's strategy, *Shaping Our Future*, which includes an action plan for creating a more sustainable SHOROC region together with an action to lobby for the introduction of a container deposit legislation scheme. SHOROC's Regional Waste Strategy, *Too Good to Waste*, also has as a priority to advocate for greater producer responsibility and includes an action to Work with state and federal governments to advocate that producers of products take greater responsibility for managing the environmental impact of their products throughout their life cycle.

2. Preferred NSW CDS model

SHOROC gives in principle support for *Option 1: Refund CDS* predicated on cost neutrality for councils and the provision of specific details to councils regarding the preferred Scheme's design elements and impacts. Option 1 aligns to our councils' long held advocacy positions for an extended producer responsibility based container deposit scheme. This position is reflected in the priorities and actions of SHOROC's *Shaping Our Future* strategy and regional waste strategy, *Too Good to Waste*.

Option 1 is expected to significantly reduce drink container litter in our region compared to the alternative industry proposal, *Option 2: Thirst for Good* and is the option most in line with the NSW Government's own objectives for a scheme. Option 2 focuses on clean up and does not incentivise container litter behaviour change, is likely to be an administrative burden on councils and does not align to other Australian CDSs. It is unlikely to reduce the container litter stream compared to Option 1.

3. Comments on key design elements of the scheme

a. Incentives

What type of incentive do you think the CDS should have?

A financial incentive, set at a level that encourages drink container litter collection, provides the strongest incentive to clean up drink container litter as a cash 'value' is attributed to the container after its use. The collector would then have the choice of assigning this 'value' to a social enterprise or community group by donating the container prior to redemption, or donating the financial deposit after redemption.

Do you think the financial incentive should be consistent with the ones in South Australia and the Northern Territory?

A financial incentive consistent with ones in South Australia and the Northern Territory will reduce cross boarder issues, and provide a basis for a national system in the future. However the financial incentive should be consistent only if it provides a strong enough incentive to clean up drink container litter in NSW. Whether 10 cents is a strong enough incentive needs to be tested for the introduction of the scheme and modelled to determine whether it would remain a strong incentive through time.

If you think the scheme should be based on a financial incentive, what format would you prefer the reward to be in (e.g. cash, credit or your choice)?

A financial incentive rewarded in non-cash format, such as an electronic transfer to an electronic card, would discourage theft and vandalism and enable a choice as to how the refund is spent. However consideration should be given to how young children unfamiliar with electronic cards can access the reward.

If you think the scheme should offer a non-financial incentive, what sort of rewards do you think should be offered?

Non-financial incentives are not strong enough to incentivise litter clean up and a choice of non-financial incentives complicates the scheme with additional administrative burden.

Do you support the idea of providing a choice in the type of reward at the point of refund (e.g. cash or a charitable donation)?

A choice in the type of reward adds complexity, confusion and administrative cost as well as being logistically difficult. Consumers are likely to have the choice of donating their containers to community or charity groups who can then redeem the reward, or donating the financial deposit after redemption.

b. Interaction with kerbside recycling

Should the scheme be designed to keep containers consumed at home in the kerbside recycling system, or should it aim to divert them to the new CDS? Why? Why not?

The scheme should be designed to reduce drink container litter and minimise negative impacts on the kerbside system. The type and extent of impact of a refund CDS on the kerbside system is not known so further cost benefit work and modelling is required before this can be answered.

Depending on the extent of drink container removal from the kerbside system, freed recycling space may present an opportunity for: contract savings, reduction in recycling bin sizes or frequency of collection, the collection of other recyclable materials such as soft plastics, or a reduction in glass fines contamination. However freed recycling space if not managed well may present the opportunity for contamination by residents with full garbage bins.

Potential pilfering and associated littering from kerbside recycling bins is a concern for councils and needs careful consideration.

Should the scheme allow containers recovered through the kerbside recycling system to be redeemed under the CDS? Why? Why not? Also, by whom and how?

Eligible drink containers recovered through the kerbside system should be redeemed. Councils currently bear the cost of recovering drink containers for recycling and for cleaning up drink container litter. Under an extended producer responsibility CDS the community is likely to expect any drink containers in kerbside recycling bins to be redeemed to offset council programs such as waste services or environmental programs.

The paper notes that in almost all study cases, councils and MRF operators were better off under a refund CDS as long as deposits could be redeemed on the remaining containers in the kerbside system. However for the term of the current council waste contracts this will depend on "Change in law" clauses and penalties, how risk is apportioned in contracts, as well as transitional costs (eg MRF sorting/counting infrastructure). Government assistance and advice should be provided regarding changes to current council waste contracts.

Due to the length of council waste contracts, CDS should be viewed as a case for extenuating circumstances under the LG Act so current waste contracts can be extended until the details of the CDS is known.

Who redeems containers recovered through the kerbside recycling system depends on how this is done. The refund could be redeemed by the MRF who is also likely to receive a handling fee for undertaking this service. This refund could be passed to the council to offset council programs such as waste services and environmental programs.

*If the scheme provides a financial incentive, and if councils are allowed to claim the incentive on containers collected through the kerbside system, should they be able to claim:
the full value of the incentive on each container? Why? Why not?
the same level of handling fee as received by collection-point operators under the CDS?*

The MRF owner could be able to claim the deposit plus handling fee and be obligated to pass the refund to councils for council programs such as waste services and environmental programs, as the value of the council supplied product will be increased (by the deposit plus handling fee plus administrative charge for running the scheme). Where councils own the MRF they should retain the handling fee.

The handling fee needs to provide an incentive to the MFR to participate in the scheme and efficiently count and sort the material for the super-collector. It is likely that a range of technology and estimation methods based on audits will be required depending on the MFR's age. Transitional arrangements need to be put in place to ensure councils' collection and processing contracts are not disadvantaged by the introduction of the CDS in the early years of the scheme.

If councils are able to claim a financial incentive for containers recovered through kerbside, should they be obliged to use those funds to offset waste service fees to ratepayers, or should they be able to spend the money as they choose? Why? Why not?

Where councils receive a financial incentive for containers recovered through kerbside they should be obliged to offset this against council programs eg waste services or environmental programs as councils currently bear the cost of recovering drink containers for recycling and for cleaning up drink container litter.

c. Scope of containers

What should be included in the scope of containers in the NSW CDS, particularly if the target of this scheme is the reduction of litter?

In theory the most common size range and type of containers littered should be considered in the scope. According to the National Litter Index data presented in the discussion paper this is the size range 150ml to 1L, covering about 76% of container litter volume for redemption. Matching the South Australian and Northern Territory scope would see 86% of drink container litter volume covered. There are benefits and challenges to both size ranges as articulated in the discussion paper. Additional benefits of extending the range to include all drink containers is that public education will be less confusing and potentially sorting at MFRs simpler. However the wider the scope, the more containers will be removed from the kerbside system.

The issue of whether lids should be on or off also needs to be determined. MRFs have different rules regarding this. Councils are concerned that if lids are not included there is likely to be increased littering of lids around collection points and that lids will remain in the litter stream once the container is removed. Obligations should be placed on collection points to clean up litter in the vicinity, whether lids, the contents of containers, or out of scope containers.

Should the NSW CDS have a container scope consistent with that of Northern Territory and South Australia? Should milk, wine and spirits be included or excluded from the scope of containers?

As a first priority, NSW CDS should concentrate on the scope of containers that end up as litter, and a scope that complements the kerbside system, with a lower priority of ensuring that the scope is consistent with

South Australia's and Northern Territory's container scope. Consistency with the proposed Queensland scheme is probably more relevant to NSW given the number of urban centres close to the border in both states.

Whether wine and spirits are included needs to be considered from litter and impact on kerbside objectives, as well as from a secondary resource recovery objective as broken glass is a major contaminant in recycling bins. This should be weighed against the need for scheme consistency with other CDSs. Plain milk is often viewed as an essential food item and therefore probably should be excluded from a refund CDS. The CDS legislation needs to be flexible to cover future changes and trends in markets, container sizes and material types.

d. Collection infrastructure

Should the scheme provide universal access for all NSW residents?

The scheme should endeavor to provide access for all NSW residents, with disparities in transport costs adjusted by the super collector's administration fee rather than the onus placed on collection points.

Where should collection points be located to best achieve the litter reduction target and to minimise the transfer of containers out of the kerbside system?

Collection points are best located on private premises/land unless agreed to by councils and in locations that people regularly visit. In many metropolitan areas collection points at council depots or even EPA funded Community Recycling Centres are likely to be impractical due to space and traffic limitations. It is also likely to be often impractical to locate collection points at the source of drink container litter so the incentive must be great enough to encourage public clean up and transport to a network of local, small bulking up collection points conveniently located, preferably with extended hours. This should minimise the need for many individual journeys to more distant, larger collection points such as MRFs and transfer stations. Consistency in the type of local collection points is also desirable so people intuitively know where to take containers to when travelling outside their neighborhoods.

The location of reverse vending machines (RVMs) should be left to market forces. Smaller RVMs are best suited to privately managed locations and less suited to highly littered areas controlled by councils such as parks and beach reserves. Larger RVMs may be better suited to transfer stations and MRFs.

How can the scheme give incentives for the take-up of collection infrastructure at sites that focus on away-from-home consumption?

There is a role for the super-collector to provide community groups (surf clubs, scouts, environment groups) with access to appropriately designed small scale infrastructure that can easily be transported (could also be used to count/measure) to a larger collection point. At this scale these groups would redeem the deposit as the incentive, but not the handling fee.

Small scale appropriately designed retail infrastructure could be made available to retail outlets. These could include advertising revenue opportunities and encourage consumers to enter the store to return containers for a discount on store purchases.

The level of handling fee and how it is structured will be pivotal in the take up of collection infrastructure and the setting of this fee by IPART should be considered.

Establishing the infrastructure for the scheme may require incentives in the form of infrastructure grants to a range of potential strategic collection points across NSW.

How can modern technology be used to deliver a cost-effective scheme?

In establishing the scheme there is a need to benchmark and trial modern technology in various pilots, particularly in highly populated urban areas. However it will be even more important in the short term to develop proven, robust, less technological solutions as the business case for retrofitting existing infrastructure (often with a life span of 20-30 years) with modern technology or installing high tech reverse vending machines may not be strong.

e. Governance and the role of government

What role should the government (state/local) have in the scheme?

Councils will have a key role in educating their communities about the scheme (with education funded by the scheme) and in encouraging community groups to take advantage of the refund to clean up litter hot spots. Some council infrastructure are also likely to act as collection points, particularly in rural areas. Councils may also have planning, regulatory and enforcement roles in regards to the location and operation of collection infrastructure. Any role that councils play should be cost neutral for councils.

The NSW Government is likely to be the legislator and regulator of the scheme and needs to ensure that the scheme is flexible, yet well governed and regulated and responsive to changes in the economic, social and environmental situation relevant to the scheme. The NSW Government should also have monitoring, evaluation and probity roles to ensure the scheme is well run, meets its objectives, and does not result in a profit to the beverage industry through unredeemed deposits and excessive administrative charges.

What role should the beverage industry have in a Refund CDS?

The beverage industry, as the producer of the litter, should be responsible for operating the scheme and provide funding to state or local governments where they assist in the scheme.

Should a Refund CDS be run by a single organisation or multiple organisations?

The scheme is best run by a single coordinating organisation with strong governance through a board of stakeholders rather than competing organisations.

How should the scheme deal with cross-border arbitrage risks?

Consistency with other Australian CDSs should be made where appropriate as long as by doing so the integrity of the NSW scheme is not undermined. Consistency with the proposed Queensland CDS is probably more relevant to NSW given the number of urban centres close to the border in both states. Consideration should be given to some form of accord across Australian states and territories with a refund CDS to align scheme components, particularly deposits, where practical.

4. General comments

- ☐ Communications and education will be pivotal to the success of the CDS. Consideration should be given now to how this will be undertaken as part of scheme development.
- ☐ The industry has indicated that existing drink containers in the environment would be eligible for redemption when the scheme starts. Leveraging the collection of other littered items at the same time as old drink containers, such as a bounty on kg litter collected, should be given consideration.
- ☐ WARR targets for recycling of municipal solid waste need to be adjusted to reflect CDS.

- ☐ Resource recovery objectives should be included to protect against the landfilling of drink containers if the bottom falls out of the market. The super-collector should then be obligated to carry out resource recovery to guard against incorrect disposal eg landfilling.
- ☐ There is heavy referencing to the South Australian CDS model that was introduced prior to kerbside recycling. This scheme is likely to have a different culture and behaviour compared to the NSW scheme, particularly in metropolitan areas where drink containers have been collected through the kerbside system for many years. Further work is needed to determine the impact of a refund CDS specific to NSW conditions.
- ☐ It should be noted that whilst the volume of litter is likely to reduce under a CDS, no significant drop in council litter clean up costs is likely due to the need to clean up other littered items.
- ☐ The research underpinning the options presented in the discussion paper should be released.
- ☐ The litter data used in the paper is based on the National Litter Index. This index has limitations and does not take into account marine litter or waterway litter. More robust drink container litter measurement will be required to measure the effectiveness of the scheme.
- ☐ Compensation for loss should be made available to collection point operators and councils if the scheme is withdrawn or substantially modified after introduction.

C9.4	Submission to the OLG - Proposed Phase 1 Amendments to the Local Government Act
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Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To provide leadership through ethical, accountable and legislative decision-making processes
- To ensure effective and cooperative management by providing equitable and transparent business processes
- To facilitate timely, legible and accurate information to the public
- To ensure Council's future financial sustainability
- To be a leader in sustainable management (social, economic, environmental, leadership)

DELIVERY PROGRAM ACTION:

- To effectively manage Council's corporate governance responsibilities
 - To ensure Council's financial sustainability
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

The Office of Local Government (OLG) have commenced a consultative process in relation to proposed amendments to the Local Government Act and have invited Council's to make a submission to the Local Government Acts Taskforce's findings as contained in an Explanatory Paper entitled "Towards New Local Government Legislation – Explanatory Paper: Proposed Phase 1 Amendments.

After consultation with the Senior Management Team the majority of the proposed amendments are considered rather innocuous and are generally supported.

Pittwater Council's draft submission is attached and any comment to enhance the submission would be welcome.

Submissions close on 15 March 2016.

2.0 RECOMMENDATION

That Council review the draft submission on Phase 1 of the Proposed amendments to the Local Government Act, and if required amend the submission prior to submitting it to the Office of Local Government for consideration by 15 March 2016.

3.0 BACKGROUND

3.1 PURPOSE

The purpose of this report is to:

- Provide Council with a copy of the Explanatory Paper entitled “Towards New Local Government Legislation – Explanatory Paper: Proposed Phase 1 Amendments.
- Provide Council with a copy of Pittwater Council’s draft submission in response to the explanatory paper.

3.2 BACKGROUND

In August, 2011, Council representatives from throughout NSW met in Dubbo for a seminar called Destination 2036. It was generally recognised that it was inevitable that change would occur during the next quarter of a century and that Council’s needed to embrace that change and plan for the future in a holistic and strategic way.

It was the commencement of a journey towards a stronger, more sustainable local government. An Action Plan was developed and it led to the appointment of the NSW Independent Local Government Review Panel and the Local Government Acts Taskforce.

The NSW Independent Local Government Review Panel was tasked with looking at ways to strengthen the effectiveness of local government in NSW. The Review included three rounds of consultation, as well as extensive research into Council finances, service delivery, local government boundaries and local decision-making models.

The Panel finalised its Report in October 2013 and the Report had many recommendations where the Local Government Act should be amended to make local government in NSW more sustainable and fit-for-purpose into the mid-21st Century.

The Local Government Acts Taskforce was tasked to develop new modern legislation that meets the needs of the community and the Local Government sector. It had to consult with key stakeholders and take into account the recommendations of the Independent Local Government Review Panel that were adopted by Government. The Taskforce also finalised its Report in October 2013.

The Minister for Local Government, The Hon Paul Toole MP advised that Phase 1 of the reform program focuses on changes to the governance and strategic business planning processes of Councils and that later phases will focus on how Councils raise revenue and how they exercise their regulatory functions as well as a program of restructuring and updating the local government legislation.

The Office of Local Government issued a Fit for the Future Paper entitled “Towards New Local Government Legislation Explanatory Paper: proposed Phase 1 amendments” and a copy of this Paper is attached (Attachment 1)

In the Paper Overview, it is stated that Phase 1 is designed to:

- embed strategic business planning principles across the range of Council functions and practices;
- promote independent and sustainable Councils engaged with and accountable to their local communities that have the capacity to deliver on local and regional needs; and
- support a culture of continuous improvement in Councils to ensure the effective and efficient delivery of the strategic goals agreed to with their local communities.

The Paper then has eight (8) headings:

1. Guiding Principles for the Act and Local Government
2. Structural Framework of Local Government
3. The Governing Body of Councils
4. Elections
5. Council's Workforce
6. Ethical Standards
7. Council's Strategic Framework and
8. Council Performance

Each heading has between one (1) and eleven (11) subsections.

Council's submission, as reviewed by SMT, is attached (Refer **Attachment 2**) for comment prior to referring to the OLG by the due date.

3.3 POLICY IMPLICATIONS

The main (NSW Government) policy implications relate to the key areas addressed in the explanatory paper as follows:-

- Guiding Principles for the Act and Local Government
- Structural Framework of Local Government
- The Governing Body of Councils
- Elections
- Council's Workforce
- Ethical Standards
- Council's Strategic Framework and Council Performance

3.4 RELATED LEGISLATION

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Crown Lands Act

3.5 FINANCIAL ISSUES

3.5.1 Budget

- There are no budgetary impacts from this report however there may be subject to the detail relating to any future amendment to the Local Government Act.

4.0 KEY ISSUES

- 4.1 This is the first phase of the reform program and is focussed mainly on the governance and strategic business planning processes of Councils.
- 4.2 Later focus will be on how councils raise revenue and how they exercise their regulatory functions.
- 4.3 Council is required to submit its submission by 15 March 2016

5.0 ATTACHMENTS / TABLED DOCUMENTS

Attachment 1 – Explanatory Paper entitled “Towards New Local Government Legislation – Explanatory Paper: Proposed Phase 1 Amendments

Attachment 2 – Pittwater Council’s draft submission

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

Risk Management

- Council’s submission to the OLG aims to provide comment generally in support of the proposed amendments to the Local Government Act. Any amendments which will strengthen the way Council operates is supported.

6.2 ENVIRONMENT

Environmental Impact

- This report has no environmental impact.

6.3 SOCIAL

Strengthening local community

- This report has no social impact

6.4 ECONOMIC

Economic Development

- This report has no impact on economic development

Report prepared by

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MANAGER, ADMINISTRATION & GOVERNANCE

Fit for the Future



Towards New Local Government Legislation Explanatory Paper: proposed Phase 1 amendments

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Foreword



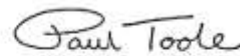
The journey towards stronger, more sustainable local government began in late 2011. Councils from throughout NSW came together for Destination 2036 to discuss their long-term future. The gathering considered how communities, economies and technologies might change over the next 25

years and how the local government sector might change to meet these challenges. This led to the appointment of the *Independent Local Government Review Panel* (the Panel) and *Local Government Acts Taskforce* (the Taskforce).

While the fundamentals of the *Local Government Act 1993* remain sound, both the Panel and the Taskforce recommended change. The Government's response to the Taskforce and Panel reports was released in 2014 and supported many important recommendations that had been made for legislative reform – including the development of modern, principles-based local government legislation.

The proposed phase 1 reforms are the first step in the process of modernising the Local Government Act, to ensure that it meets the future needs of councils and communities. Phase 1 of the reform program focuses mainly on changes to the governance and strategic business planning processes of councils. Later phases will focus on how councils raise revenue and how they exercise their regulatory functions, as well as a program of restructuring and updating the local government legislation.

I would like to invite councils and communities to provide your input and co-operation on this critical phase of the Fit for the Future reforms and I look forward to working with you as we continue the process of reform.



The Hon. Paul Toole
Minister for Local Government

Overview

We are seeking your feedback

The Office of Local Government is seeking input on important proposals by the NSW Government for legislative reform. The views of councils and their communities, and other stakeholders, are now being sought on phase 1 of the development of new Local Government legislation.

Phase 1 is designed to:

- embed strategic business planning principles across the range of council functions and practices;
- promote independent and sustainable councils engaged with and accountable to their local communities that have the capacity to deliver on local and regional needs; and
- support a culture of continuous improvement in councils to ensure the effective and efficient delivery of the strategic goals agreed to with their local communities.

How to give your feedback

Each of the amendments that is being proposed for phase 1 is described briefly in this explanatory paper and a cross-reference to any relevant recommendation of the Panel and/or the Taskforce is given. Most of these proposals have been the subject of stakeholder consultation in developing the Government's response to the Panel and Taskforce reports, so the paper is as streamlined as possible. The aim of this consultation is to use feedback received about the phase 1 amendments to inform the legislative drafting process.

The first stage of consultation is therefore an invitation to provide your feedback on each of these proposals through an online survey on the Fit for the Future website at

www.fitforthefuture.nsw.gov.au There will also be a link through the NSW Government's Have Your Say website at www.haveyoursay.nsw.gov.au

Following consultation, it is anticipated that amending legislation could be introduced into and passed by the NSW Parliament in 2016.

1. Guiding principles for the Act and local government

1.1 Purposes of the Local Government Act

Proposed Amendment

The purposes of the *Local Government Act 1993* should be:

- to establish a legal framework for the NSW system of local government, in accordance with section 51 of the *Constitution Act 1902* (NSW);
- to describe the nature and extent of the responsibilities and powers of local government; and
- to create a system of local government that is democratically elected, engages with and is accountable to the community, is sustainable, flexible, effective and maximises value for money.

Current provision:

Section 7

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.1.1 Purposes of the Local Government Act

Background

The current purposes of the Act will be updated and streamlined by the proposal.

1.2 Role of local government

Proposed Amendment

The council charter in section 8 should be replaced by provisions that:

- describe the role of local government; and
- establish guiding principles for local government.

The role of local government should be to enable local communities to be healthy and prosperous by:

- providing strong and effective elected representation, leadership, planning and decision making;
- working cooperatively with other bodies, including other levels of government, to pursue better community outcomes;
- effective stewardship of lands and other assets to affordably meet current and future needs;
- endeavouring to provide the best possible value for money for residents and ratepayers;
- strategically planning for and securing effective and efficient services, including regulatory services, to meet the diverse needs of members of local communities; and
- following the guiding principles of local government.

Current provision:

Section 8

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.1.2 Role and Guiding Principles of Local Government

Background:

The Taskforce's proposed role of local government was similar but has been modified in this proposal to:

- more closely reflect the vision for Local Government in NSW agreed to at Destination 2036, including a focus on achieving outcomes and working together within and outside local government;
- adopt clear and simple language and remove duplication;
- reflect the role of councils in enabling outcomes and shaping its local government area through external relationships; and
- focus on the context in which councils operate, rather than prescribe outcomes.

1.3 The guiding principles of local government

Proposed amendment:

The council charter in section 8 should be replaced by provisions that:

- describe the role of local government; and
- establish guiding principles for local government.

The new guiding principles to be observed in local government should enable councils to:

- actively engage local communities, including through integrated planning & reporting;
- be transparent and accountable;
- recognise diverse needs and interests;
- have regard to social justice principles;
- have regard to the long term and cumulative effects of its actions on future generations;
- foster ecologically sustainable development;
- effectively manage risk;
- have regard to long term sustainability;
- work with others to secure services that are appropriate to meet local needs;
- foster continuous improvement and innovation;
- act fairly, ethically and without bias in the public interest; and
- endeavour to involve and support its staff.

Current provisions:

Section 8

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.1.2 Role and Guiding Principles of Local Government

Background:

The Taskforce's proposed role of local government was similar but has been modified in this proposal to:

- more closely reflect the vision for Local Government in NSW agreed to at Destination 2036, including a focus on achieving outcomes and working together within and outside local government;
- adopt clear and simple language and remove duplication;
- reflect the role of councils in enabling outcomes and shaping its local government area through external relationships; and
- focus on the context in which councils operate, rather than prescribe outcomes.

2. Structural framework of local government

2.1 The role of the governing body

Proposed Amendment

It is proposed to replace the current prescribed role of the governing body under section 223 which is focussed only on the board-like function of the body. The governing body is the elected representatives of the council (the councillors).

It is proposed to use the Panel's more expansive list as a basis for describing the functions of the governing body:

- to provide effective civic leadership to the community;
- to consult regularly with community organisations and other key stakeholders and keep them informed of council's activities and decisions;
- to direct and control the affairs of the council in consultation with the general manager and in accordance with the Act;
- to ensure as far as possible the financial sustainability of the council;
- to determine and adopt the community strategic plan, delivery program and other strategic plans and policies;
- to determine and adopt a rating and revenue policy and operational plans that ensure the optimum allocation of the council's resources to implement the community strategic plan and for the benefit of the area;
- to make decisions in accordance with those plans and policies;
- to make decisions necessary for the proper exercise of the council's regulatory functions;
- to keep under review the performance of the council and its delivery of services;
- to determine the process for appointment of the general manager and monitor his/her performance; and
- to ensure that the council acts honestly, efficiently and appropriately in carrying out its statutory responsibilities.

Current provision:

Section 223

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 26 Political Leadership and Good Governance (Box 19)

T: 3.1.4 Roles and Responsibilities of Council Officials

T: 3.3.18(7)d Other Matters

Background:

The proposed amendments are intended to:

- provide greater clarity to the roles of councillors by describing their collective role as members of the governing body, as distinct from their individual role as elected representatives; and
- embed strategic principles and practices within the prescribed role of the governing body.

2.2 The number of councillors

Proposed Amendment:

Section 224 prescribes the numbers of councillors a council may have (between 5 and 15) and the manner in which that number is to be determined.

It is proposed to amend section 224 to require that councils must have an odd number of councillors and mayor.

Current provisions:

Section 224 and 224A

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 26 Political Leadership and Good Governance (Box 22)

Background:

The proposed amendment would give effect to the Government's response to the Panel's recommendation that councils comprise an odd number of councillors. This change will reduce the risk of the mayoralty being determined by lot and decisions being made on the casting vote of the mayor.

2.3 Rural councils

Proposed Amendment

It is proposed to allow for small rural councils to apply to the Minister for Local Government for one-off approval to:

- reduce councillor numbers and abolish wards without the need for a constitutional referendum;
- omit the current restriction that prevents councils from making an application for a decrease in the number of councillors that would result in the number of councillors for each ward being fewer than 3; and
- reduce the number of council meetings to be held in a year to below the minimum of 10 currently required under section 365.

Current provisions:

Sections 224A and 365

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 12 Rural Councils (Box 33)

Background:

The Panel recommended that consideration be given to supporting the streamlining of some small rural councils' governance arrangements to allow efficiencies and savings. These councils are in rural-remote areas with small populations. It is proposed to provide a one-off voluntary process to allow the Minister to approve small rural council proposals to abolish wards, change councillor numbers and allow numbers of meetings that are less than the thresholds set out in the Act where proposed by some small rural councils in their Fit for the Future submissions.

This proposal is intended to facilitate a flexible response to the needs and circumstances of different regions.

3. The governing body of councils

3.1 The role of the mayor

Proposed Amendment

It is proposed to describe the role of the mayor differently.

The mayor should have all the prescribed responsibilities of a councillor in addition to the following additional responsibilities:

- to be the leader of the council and the community of the local government area, and advance community cohesion;
- to promote civic awareness and, in conjunction with the general manager, ensure adequate opportunities and mechanisms for engagement between the council and the local community;
- to be the principal member and spokesperson of the governing body and to preside at its meetings;
- to ensure that the business of meetings of the governing body is conducted efficiently, effectively and properly in accordance with provisions of the Act;
- to lead the councillors in the exercise of their responsibilities and in ensuring good governance;
- to ensure the timely development of the governing body's strategic plans and policies, and to promote their effective and consistent implementation, including by promoting partnerships between the council and key stakeholders;
- to exercise, in cases of necessity, the policy-making functions of the governing body between meetings of the council;
- to represent the governing body on regional organisations and in inter-government forums at regional, State and federal levels;
- to advise, manage and provide strategic direction to the general manager in accordance with the council's strategic plans and policies;
- to lead performance appraisals of the general manager;
- to carry out the civic and ceremonial functions of the mayoral office; and
- to exercise such other functions as the governing body determines.

Current provision:

Section 226

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 26 Political Leadership and Good Governance (Box 21)

T: 3.1.4 Roles and Responsibilities of Council Officials

T: 3.3.18(7)d Other Matters

Background

Some aspects of the prescribed role of the mayor recommended by the Panel have not been included in this proposal as a result of previous stakeholder consultation.

3.2 The mayor's term of office

Proposed Amendment

The current length of term for a mayor is either:

- one year for mayors elected by councillors; or
- four years for mayors popularly elected by the electors.

This would be changed so that mayors elected by councillors are to hold office for a minimum of two years, as recommended by the Panel, with the option of electing a person to the office for the whole four year term.

Also in accordance with the Panel's recommendation, and the Government's response, it proposed that it be compulsory for councillors to vote in a mayoral election.

Section 230 will also be amended to clarify that the office of mayor becomes vacant upon the person holding the office ceasing to hold civic office or on the occurrence of a casual vacancy.

Current provision:

Section 230

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 26 Political Leadership and Good Governance (Box 22)

T: 3.3.1(8) Elections

Background

The proposed amendments will

- enhance political leadership and stable governance of council to give effect to the Government's commitment to extend the term of mayors elected by councillors to a minimum of two years, as well as make voting in mayoral elections compulsory; and
- address an existing ambiguity in the Act that has allowed some Mayors to purport to exercise the role of mayor after they cease to hold office as a councillor after an election.

Although the Panel and Taskforce did not describe a four year mayoral term option – just proposing a *minimum* of two years – this extension is being explored as a way to further support stable local government.

Compulsory voting by councillors for a mayoral election (as recommended by the Panel) may also address community concern that too many mayors are chosen by pulling lots out of a hat. However, it is important that a positive statutory obligation to vote does not undermine the democratic process (such as by excluding a person who has a genuine reason for being absent) or be too easy to avoid for reasons that are not bona fide. To meet those policy ends, the Act could provide:

- councillors may cast a vote in a mayoral election by proxy;
- councillors may cast a vote by telephone, video-conference, or electronic means;
- if a councillor is absent from the meeting at the time of the vote so that the number of remaining councillors voting is even-numbered, and has not cast a vote by proxy or electronic means, then another councillor must be excluded from voting by way of a 'draw from a hat'; and
- a regulation-making power in relation to process of electing mayors by councillors.

3.3 The role of councillors

Proposed Amendment

It is proposed to recast section 232 so that it focuses on individual responsibilities of councillors, rather than their responsibilities as members of the governing body of a council. The role and responsibilities of an individual councillor, (including the mayor), should be:

- to be an active and contributing member of the governing body;
- to make considered and well informed decisions;
- to represent the collective interests of residents, ratepayers and the wider community of the local government area;
- to facilitate communication between the community and the governing body;
- to be accountable to the community for the local government's performance; and
- to uphold and represent accurately the policies and decisions of the governing body.

Current provision:

Section 232

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 26 Political Leadership and Good Governance (Box 19)

T: 3.1.4 Roles and Responsibilities of Council Officials

T: 3.3.18(7)d Other Matters

Background

Section 232 currently sets out a "dual role" for councillors as members of the governing body and as elected representatives and has been a source of confusion.

The proposed amendments are intended to provide greater clarity for councillors and communities by prescribing councillors individual roles as elected representatives separately from their collective roles as members of the governing body, as recommended by the Panel.

3.4 Councillors' term of office

Proposed Amendment

Section 234 prescribes the circumstances in which a civic office becomes vacant. Section 234 will be amended to clarify that a vacancy will occur in the civic office of a councillor where they are elected to another civic office in the council, (ie the office of a popularly elected Mayor) something that is currently not clear.

Current provisions:

Sections 233 and 234

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

None

3.5 Oath or affirmation of office

Proposed Amendment

It is proposed to require all councillors, including the Mayor to take an oath or affirmation of office in the prescribed form before commencing duties.

The oath or affirmation of office is to be taken within 1 month of election to office and councillors are not to undertake their duties until they do so.

Where a councillor fails to take an oath or affirmation, his or her office will be declared vacant.

Current provision:

None

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.18(2) Other Matters

Background

An oath or affirmation of office operates as a mechanism for inducting councillors into their role and reinforcing the serious nature of the role and the chief responsibilities and duties the role entails. Both Victoria and Queensland require their councillors to take an oath of office. It is proposed that the NSW law should operate in a similar way to Victoria and Queensland.

3.6 Councillors' expenses and facilities

Proposed Amendment

Sections 252 to 254 relate to the payment of expenses and provision of facilities to councillors and the adoption of policies governing this. It is proposed to amend sections 252 and 253 to:

- replace the requirement under section 252 for councils to annually adopt an expenses and facilities policy with one simply requiring councils to adopt a policy within the first 12 months of their terms; and
- remove the requirement under section 253 for councils to provide the Office of Local Government annually with a copy of their adopted policies and an assessment of public submissions made in relation to their adoption.

Current provisions:

Sections 235 – 254A and Schedule 1

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T)

recommendation:

T: 3.3.18(3) Other Matters

Background

The proposed amendments are designed to reduce the compliance burden on councils of being required to annually exhibit, consult and adopt their councillor expenses and facilities policies even where no change is made to them and to provide copies to the Office of Local Government. It is also noted that open access obligations apply now to councils under the *Government Information (Public Access) Act 2009*.

3.7 Mayor/councillor professional development

Proposed Amendment

New provisions are proposed to require the following:

- Councils are to develop an induction program for newly elected and returning councillors and a specialist supplementary program for the mayor to assist them in the performance of their functions. The induction program is to be available for delivery within 4 months of the election.
- Each year, councils are to develop an ongoing professional development program for the mayor and each councillor to assist them in the performance of their functions to be delivered over the coming year.
- In determining the content of the induction and ongoing professional development programs, the council is to have regard to the specific needs of each individual councillor (including the mayor) and of the governing body as a whole and the requirements of any guidelines issued by the Office of Local Government.
- The content of the induction and ongoing professional development program is to be determined in consultation with the mayor, the council as a whole and individually with each of the councillors.
- Councils are to include details of the content of the induction and ongoing professional development offered to the mayor and each councillor and whether or not they participated in the training or development offered in the council's annual report.

Current provisions:

None

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T)

recommendation:

P: 26 Political Leadership and Good Governance (requirement for mandatory professional development)

P: 27 Political Leadership and Good Governance (linking remuneration with completion of professional development program),

Background

Some aspects of the Panel recommendation have not been included in this proposal as a result of previous stakeholder consultation. The proposed approach has the following benefits:

- it places a responsibility on all councils to offer an induction and ongoing professional development programs to their councillors;
- it allows councils the freedom to determine the content of those programs based on local and individual needs at the same time as allowing the Office of Local Government to have input into content through guidelines; and
- it places responsibility for participation on councillors and makes them accountable to the community that elected them for any failure to do so.

3.8 Role and functions of administrators

Proposed Amendment

Several provisions of the Act provide that the administrator is to exercise the functions of the council without articulating what the nature of their role is within a council.

It is proposed to address this ambiguity and align the role of the administrator with the proposed prescribed role of the mayor and councillors by amending these sections to provide that:

- Where a sole administrator is appointed to a council, they are to exercise the role and responsibilities of the mayor and a councillor as prescribed under the Act.
- Where more than one administrator is appointed, all administrators are to exercise the role and responsibilities of councillors as prescribed under the Act and one, as specified by the relevant instrument of appointment, is to exercise the role and responsibilities of the mayor as prescribed under the Act in addition to those of a councillor.

Current provisions:

Sections 255-259, 438L, 438M and 438Y

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

None

Background

The proposed amendments are designed to address an existing ambiguity in the legislation that has been unhelpful in councils under administration. Providing greater clarity in relation to the roles of administrators aligns with the new descriptions that are being proposed for mayors and councillors.

3.9 Financial controllers

Proposed Amendment

A financial controller is responsible for implementing financial controls and related duties. Where a financial controller is appointed, a council may only make payments that are authorised or countersigned by the financial controller.

It is proposed to allow the Minister for Local Government to appoint a financial controller to a council that is performing poorly with respect to its financial responsibilities and/or is at high financial sustainability risk, in conjunction with issuing a performance improvement order.

A financial controller would only be appointed through the existing performance improvement order process after information is gathered or an investigation undertaken that shows the council is not performing, a notice of the proposed remedial action has been issued to a council and the Minister has considered the council's submissions with respect to the notice.

Current provision:

None

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

None

Background:

The Minister has an existing power to issue a performance improvement order against poorly performing councils to compel them to take steps to improve their performance. Before issuing a performance improvement order, the Minister must first give the council notice of his intention to do so and consider submissions by the council.

As part of the exercise of these powers, the Minister may appoint a temporary adviser to the council. If a temporary adviser is appointed, the council, councillors and members of the staff of the council are required to co-operate with the temporary adviser and to provide any information or assistance the temporary adviser reasonably requires to exercise his or her functions.

It is proposed to complement these powers with a new power for the Minister to appoint a financial controller to a council. These powers will be modelled on those that exist in Queensland.

3.10 Meetings

Proposed Amendment

In relation to conduct of meetings, amendments consistent with the following are proposed :

- provide that the Regulation may prescribe a Model Code of Meeting Practice (a Model Meeting Code);
- provide that the Model Meeting Code may include mandated and non-mandatory “best practice” provisions;
- require councils to adopt a Code of Meeting Practice (an adopted meeting code) that at a minimum incorporates the mandated provisions of the Model Meeting Code;
- allow a council’s adopted meeting code to supplement the provisions contained in the Model Meeting Code;
- provide that a provision of a council’s adopted meeting code will be invalid to the extent of any inconsistency with the mandated provisions of Model Meeting Code;
- require council and committee meetings to be conducted in accordance with the council’s adopted meeting code;
- require councils to review and adopt a meeting code within 12 months of each ordinary election; and
- retain the existing requirements under sections 361 - 363 in relation to the adoption and amendment of a meeting code and public consultation in relation to this.

Aspects of the current meetings provisions in the Act and the Regulation will be updated and incorporated into a new Model Meeting Code.

Current provisions:

Sections 9-11, and 360-376
Clauses 231-273

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.2 Meetings

Background

The Model Meeting Code will comprise mandatory provisions and non-mandatory best practice provisions. Councils will be required to adopt meetings codes that incorporate the mandatory provisions but will not be obliged to adopt the non-mandatory best practice provisions in order to respond to local requirements. The mandatory provisions will largely incorporate the existing meetings provisions, which will be updated to:

- address existing procedural ambiguities; and
- modernise procedural requirements.

It is expected that the new Code will initially include the provisions relating to meeting processes now found in the Act and Regulation, but be reordered to reflect the order in which events usually occur in meetings.

3.11 Delegation of functions

Proposed Amendment

It is proposed to include amendments to section 377, which were introduced into Parliament previously but lapsed prior to the 2015 election, to remove the restriction on the delegation of the acceptance of tenders.

It is also proposed to allow councils to delegate the provision of community financial assistance for the purpose of exercising its functions where:

- the financial assistance is part of a specific program;
- the program's details have been included in the council's draft operational plan for the year in which the financial assistance is proposed to be given;
- the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year; and
- the program applies uniformly to all persons within the council's area or to a significant proportion of all persons within the area.

Amendments may be required facilitate the proposal to allow councils to delegate a regulatory function to another council or a joint organisation of councils, to support future collaboration and resource sharing.

Current provisions:

Sections 377-381

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.8 Delegations

T: 3.3.10 Procurement

Background

The amendments are designed to:

- Reduce red tape
- Remove impediments to collaboration, and
- Support the use of Integrated Planning and Reporting to guide council decisions on financial assistance.

4. Elections

4.1 Extension of the option of universal postal voting to all councils

Proposed Amendment

It is proposed to amend section 310B to provide that the option of universal postal voting is available to *all* councils after the next ordinary election.

Current provisions:

Sections 310B
Clauses 313 and 321

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.1(1) Elections

Background

The Taskforce's election-related recommendations have largely been implemented through the *Local Government Amendment (Elections) Act 2014* which was legislated to give effect to the recommendations of the Joint Standing Committee on Electoral Matters' inquiry into the 2012 Local Government elections.

The one outstanding action arising from the Government response to the Committee's recommendations is the extension of the option of universal postal voting to all councils. Currently this is only available to the City of Sydney. In its response to the Committee's recommendation to give councils the option of universal postal voting, the Government indicated that this option would be made available to all councils following the 2016 elections. For councils that do not choose universal postal voting, the existing postal and pre-poll voting qualifications will remain.

5. Council's workforce

5.1 Determination of the organisation structure

Proposed Amendment

It is proposed to amend the Act to provide that:

- the organisation structure is to be determined on the advice of the general manager;
- the adopted structure must accord with the priorities set out in the council's community strategic plan and delivery program;
- the adopted structure may only specify the roles and relationships of the general manager, designated senior staff and other staff reporting directly to the general manager; and
- the general manager is to be responsible for determining the balance of the organisation structure but must do so in consultation with the governing body.

Current provisions:

Sections 332-333

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 29

T: 3.3.3 (1)

Background

The current provisions are unclear about the respective roles of general managers and councils in determining the organisation structure. This has been the source of conflict within councils.

The proposed approach has the benefit of:

- addressing this ambiguity making it clear what the respective responsibilities of the council and the general manager are;
- making it clear that the organisation structure has to be determined on the advice of the general manager (ie councils cannot unilaterally restructure without the input of the general manager); and
- clearly aligning the determination of the organisation structure with the delivery of a council's Integrated Planning and Reporting objectives.

5.2 The role of general managers

Proposed Amendment

It is proposed to describe the role and responsibilities of the general manager in the Act consistent with the following:

- to conduct the day-to-day management of the council in accordance with the governing body's strategic plans and policies;
- to advise the mayor and the governing body on the development and implementation of policies and programs, including the appropriate form and scope of community consultation;
- to prepare, in consultation with the mayor and governing body, the community strategic plan and the council's resourcing strategy, delivery program and operational plan, annual report and community engagement strategy;
- to certify that Integrated Planning and Reporting requirements have been met in full, and that council's annual financial statements have been prepared correctly;
- to ensure that the mayor and councillors receive timely information, advice and administrative and professional support necessary for the effective discharge of their responsibilities;
- to implement lawful decisions of the governing body in a timely manner;
- to exercise such of the functions of the governing body as are delegated by the governing body to the general manager;
- to appoint staff in accordance with an organisation structure and resources approved by the governing body
- to direct and dismiss staff;
- to implement the council's workforce management strategy; and
- to undertake such other functions as may be conferred or imposed on the general manager by or under the Act or any other Act.

Current provision:

Section 335

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 28: Political Leadership and Good Governance (Boxes 23 and 24)

T: 3.1.4 Roles and Responsibilities of Council Officials

T: 3.3.3 Appointment and Management of Staff

T: 3.3.18(7)d Other Matters

Background

The current provisions are unclear about the respective roles of general managers and councils in determining the organisation structure. This has been the source of conflict within councils.

The proposed approach has the benefit of:

- addressing this ambiguity making it clear what the respective responsibilities of the council and the general manager are;
- making it clear that the organisation structure has to be determined on the advice of the general manager (ie councils cannot unilaterally restructure without the input of the general manager); and
- clearly aligning the determination of the organisation structure with the delivery of a council's Integrated Planning and Reporting objectives.

5.3 The requirement to report annually to the council on senior staff contractual conditions

Proposed Amendment

It is proposed to omit the requirement under section 339 for general managers to report annually to the council on the contractual conditions of senior staff.

Current provision:

Section 339

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

None

Background

Senior staff are now all employed under the approved standard contract for senior staff rendering this requirement redundant.

6. Ethical standards

6.1 Consolidation of the prescription of ethical standards

Proposed Amendment

Provisions in the Act and the Regulation relating to the disclosure of pecuniary interests and the management of pecuniary conflicts of interests will be replicated in the Model Code of Conduct.

Current provisions:

Sections 441 – 459
Clauses 180 - 192

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.6 Code of Conduct
T: 3.3.7 Pecuniary Interest

Background

The proposed amendments are designed to consolidate the imposition, administration and regulation of the ethical obligations of council officials into a single instrument, the *Model Code of Conduct for Local Councils in NSW* (the Model Code).

Currently council officials need to be familiar with their obligations under both the Model Code and the pecuniary interest provisions of the Act. The separate regulation of the obligation of council officials to disclose and appropriately manage pecuniary conflicts of interests is a historical anomaly that arose from the fact that these provisions predated the prescription of a Model Code of Conduct and the provision for a disciplinary regime with respect to councillor misconduct. Replication will allow the consolidation of ethical standards into a single instrument.

The current misconduct investigative provisions in the Act will apply to pecuniary interest matters and replace the pecuniary interest investigative procedures (see [6.2] below). The prescribed *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW* (the Model Code Procedures) will continue to require the referral of pecuniary interest breaches to the Office of Local Government and these will be dealt with under the misconduct provisions of the Act.

6.2 Investigation of pecuniary interest breaches

Proposed Amendment

It is proposed to omit the provisions relating specifically to the investigation of complaints alleging breaches of the pecuniary interest provisions. These will instead be dealt with under the existing misconduct provisions.

General managers (and mayors in the case of allegations concerning general managers) will continue to be obliged to refer pecuniary interest breaches to the Office of Local Government under the prescribed Model Code Procedures. These will continue to be investigated by the Office and referred to the NSW Civil and Administrative Tribunal (NCAT) under the misconduct provisions where appropriate. As is currently the case with respect to misconduct matters, it will also be open to the Chief Executive to take disciplinary action with respect to less serious pecuniary interest breaches instead of referring them to the Tribunal.

The Tribunal's powers to take disciplinary action against council staff, committee members and advisors with respect to pecuniary interest breaches are to be retained. The provisions that apply to proceedings before the NCAT generally and the NCAT's consideration of misconduct matters will also be retained.

Current provisions:

Sections 440F – 440P
Sections 460 – 486A

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.0.0 Approach and Principles for the Development of the New Act
T: 3.2.1 Integrated Planning and Reporting

Background

The proposed amendments are required to give effect to the amendments that will see the prescription of all ethical standards under the Model Code of Conduct for Local Councils. All breaches (including in relation to the obligation to disclose and appropriately manage pecuniary conflicts of interests) will be dealt with under the existing misconduct provisions of the Act.

7. Councils' strategic framework

7.1 Integrated planning and reporting principles

Proposed Amendment

New provisions will be included to establish overarching Integrated Planning and Reporting principles and require councils to undertake strategic business planning in accordance with those principles.

The proposed Integrated Planning and Reporting principles will provide that councils (together with their communities, other councils and stakeholders) are proposed to include:

- lead and inspire residents, businesses and others to engage with their council;
- identify and prioritise key community needs and aspirations;
- develop strategic goals to meet these needs and aspirations;
- identify activities and prioritise actions to work towards these strategic goals;
- plan holistically to deliver on strategic goals within their resources;
- foster community participation to better inform local and state decision making;
- manage council's current and future financial sustainability;
- appropriately adapt to changing circumstances, evidence and priorities;
- proactively manage risks to the community and its council;
- be transparent and accountable for decisions and omissions;
- maintain an integrated approach to planning, delivery, monitoring and reporting;
- collaborate to maximise achievement of key community outcomes; and
- honestly review and evaluate progress on a regular basis.

Current provisions:

Sections 402 – 406 (Note there are mandatory guidelines)

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.0.0 Approach and Principles for the Development of the New Act

T: 3.2.1 Integrated Planning and Reporting

Background

The proposed amendments will ensure that the purpose and principles of Integrated Planning and Reporting as a strategic business planning tool are clearly reflected in the Act. These provisions will:

- set out the overarching principles of Integrated Planning and Reporting;
- require strategic business planning to be undertaken by councils in accordance with the prescribed Integrated Planning and Reporting principles and provisions;
- guide how Integrated Planning and Reporting documents are to be adopted/endorsed and reviewed; and
- require integrated planning to be directed to achieving better outcomes through continuous improvement.

7.2 Streamlining the existing integrated planning and reporting provisions

Proposed Amendment

The current Integrated Planning and Reporting provisions are contained in sections 402 to 406. These provisions will be amended so that they are confined to setting out the purpose of each document and when they must be delivered. Detailed process requirements for how this must be done will be moved to the Regulation.

Current provisions:

Sections 402 – 406

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.0.0 Approach and Principles for the Development of the New Act
T: 3.2.1 Integrated Planning and Reporting

Background

These amendments are designed to give effect to the Taskforce's recommendations that the existing Integrated and Planning and Reporting provisions be simplified with prescriptive detail contained in the Regulation.

7.3 Council's integrated planning and reporting to reflect regional priorities

Proposed Amendment

Amendments are proposed to ensure that regional priorities are reflected in individual councils' strategic business planning. In particular, amendments are proposed to:

- require council's community strategic plans to identify key regional priorities and strategies for the council, developed with adjoining councils and agencies; and
- require delivery programs to address key regional strategies including council actions and any proposed joint programs agreed regionally.

Current provisions:

Sections 402 and 404

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.0.0 Approach and Principles for the Development of the New Act
T: 3.2.1 Integrated Planning and Reporting

7.4 Expanded scope of delivery programs

Proposed Amendment

Section 404 will be amended to clarify that delivery programs are to capture all council activities.

Current provisions:

Section 404 and 406

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.0.0 Approach and Principles for the Development of the New Act
T: 3.2.1 Integrated Planning and Reporting

Background

This amendment is designed to embed in the Act a requirement that is currently reflected in the mandatory Integrated Planning and Reporting Guidelines.

7.5 Fiscal sustainability

Proposed Amendment

The *Local Government (General) Regulation 2005*, which provides for an annual statement of revenue policy in each operational plan, will be amended to require councils to:

- establish revenue policies with a view to ensuring fiscal sustainability; and
- provide a clear rationale for how rating systems are structured and what they are designed to achieve.

The Regulation will also set out in more detail what is required of councils' resourcing strategy to clarify the purpose and objectives of workforce, asset and long term financial planning. This will draw on the essential elements in the current Integrated Planning and Reporting guidelines to help councils produce more robust and useful strategies in these key areas.

Current provision:

Clause 201

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T)

recommendation:

P: 2 Fiscal Responsibility (Box 9)

P: 5 Strengthening Revenues

Background

The amendments will give effect to the Panel's recommendations to embed the principle of fiscal sustainability through Integrated Planning and Reporting.

7.6 Expanded scope of councils' community engagement strategies

Proposed Amendment

It is proposed to broaden the existing requirement that a council must adopt a community engagement strategy to inform the development of its community strategic plan. If amended, the Act would require the adoption of a community engagement strategy to inform *all* council activities (other than routine business-as-usual operations), not only those directly associated with development of the council's Integrated Planning and Reporting framework.

This would be done by making the adoption of a community engagement strategy a general legislative obligation.

A council's community engagement strategy would need to meet minimum prescribed requirements. It is anticipated, for example, that guidelines would prescribe minimum public consultation requirements for specific activities including the development of the components of a council's Integrated Planning and Reporting framework, and include a requirement to periodically evaluate the efficacy of consultation methodologies.

It is proposed to accommodate the existing provisions relating to community polls within the proposed standalone community engagement provisions.

Current provisions:

Sections 14, 18 – 20, 402

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T)

recommendation:

T: 3.0.0 Approach and Principles for the Development of the New Act

T: 3.2.2 Community Engagement

T: 3.3.18(7)b Other Matters

Background

The requirement for a single overarching community engagement strategy provides a framework for councils to engage with their communities in a strategic, ongoing, flexible and locally appropriate way. It also provides a single, consistent point of reference in the Act for other provisions requiring councils to undertake consultation for specified activities.

8. Council performance

8.1 Annual reports

Proposed Amendment

It is proposed to require the information reported in councils' annual reports to be endorsed as factually accurate by an internal audit committee. As noted below (at [8.4]), councils will be required to establish internal audit committees with a majority of independent members and an independent Chair.

Current provisions:

Sections 428–428A

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T)

recommendation:

P: 22 Improvement, Productivity and Accountability (Box 17)

T: 3.2.3 Performance of Local Government

Background

The proposed amendment is designed to provide an assurance mechanism and to give communities confidence in the integrity of the information their councils report about their council's performance through its annual report.

8.2 State of the environment reports

Proposed Amendment

It is proposed to remove the requirement under section 428A for a council to include a State of the environment report in its annual report every 4 years. Councils would instead be required to report on environmental issues relevant to the objectives established by the community strategic plan in the same way they are currently required to report on the achievement of other objectives set in their community strategic plans (that is, through their annual reports and the 4-yearly end of term report).

Current provision:

Section 428A

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T)

recommendation:

T: 3.2.1 Integrated Planning and Reporting

Background

This amendment is designed to:

- reduce the compliance burden on councils arising from the preparation of a separate state of the environment report every 4 years; and
- help councils achieve their environmental objectives by consolidating the reporting of those objectives into their Integrated Planning and Reporting frameworks.

8.3 Performance measurement

Proposed Amendment

It is proposed to allow for the introduction of a performance management and reporting framework that should:

- provide a statutory basis to establish new indicators and benchmarks for reporting purposes;
- expressly require councils to collect and report against these indicators in accordance with guidelines;
- establish annual performance statements as part of council annual reports, which will be subject to oversight and attestation requirements;
- align performance reporting to the Integrated Planning and Reporting cycle; and
- provide the capacity to establish a state-wide community satisfaction survey.

Current provision:

Section 429

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 2 Fiscal Responsibility

P: 18 Improvement, Productivity and Accountability

T: 3.2.3 Performance of Local Government

Background

The proposed framework is a modified version of the one recently adopted by Victoria. Further work will be undertaken with the local government sector to develop the performance management framework in the coming months.

8.4 Internal audit

Proposed Amendment

It is proposed to introduce a mandatory requirement for councils to have an internal audit function. To this end, it is proposed that new provisions will require all councils to have an internal audit function:

- with broad terms of reference covering compliance, risk, fraud control, financial management, good governance, performance in implementing their community strategic plan and delivery program, service reviews, collection of required indicator data, continuous improvement and long term sustainability; and
- that focuses on councils adding value to, and continuous improvement in, the performance of their functions.

All councils will be required to comply with guidelines issued by the Chief Executive of the Office of Local Government with respect to the implementation of their internal audit functions. All councils will appoint an audit, risk and improvement committee that meets the following requirements:

- audit committees must have a majority of independent members and an independent chair;
- general managers may not be members of audit committees (but may attend meetings unless excluded by the committee); and
- the Chair of the audit committee must report at least biannually to a council meeting on the organisation's performance in financial management, good governance and continuous improvement.

Councils will be permitted to have joint arrangements for internal audit and share audit committees.

Current provisions:

Discretionary guidelines issued under section 23A

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 22 Improvement, Productivity and Accountability (Box 17)

Background

Mandating internal audit will:

- entrench within each council an internal assurance mechanism that offers an alternative to prescription and external oversight as a means of addressing risk, ensuring compliance and promoting best practice;
- drive and inform a culture of continuous improvement;
- facilitate reporting; and
- promote increased accountability.

8.5 Sector-wide performance audits by the Auditor-General

Proposed Amendment

To identify trends and opportunities for improvement across the sector as a whole, it is proposed to compliment the mandated requirement for internal audit by empowering the Auditor-General to conduct issue-based performance audits in key areas of local government activity.

Current provision:

None

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 22 Improvement, Productivity and Accountability (Box 17)

Background

As noted by the Panel, such audits have been conducted by the Victorian Auditor-General for many years. Topics are selected in consultation with the sector, and recent audits have covered important issues such as rating practices, sustainability of small councils, business planning, fees and charges, and use of development contributions. They usually involve a small sample of representative councils. The audits do not question the merits of councils' policy objectives. Rather, the purpose of the audit is to assess whether councils are achieving their objectives and operating economically, efficiently and effectively.

8.6 Financial management

Proposed Amendment

It is proposed to adopt a more ‘principles-based’ approach to the management of council funds by moving detailed requirements to the Regulation and the *Local Government Code of Accounting Practice and Financial Reporting*, which is prescribed under the Act.

New provisions in the Act will set out objectives and principles that are to inform councils’ financial management practices and that align them with the objectives set through councils’ Integrated Planning and Reporting frameworks. These provisions will ensure that the financial targets for councils are to be those reflected in their long term financial plans, delivery programs and operational plans.

They will also establish the following principles of sound financial management:

- responsible and sustainable spending, aligning general revenue and expenses as per the councils’ planning documents.
- responsible and sustainable infrastructure investment for the benefit of its community.
- effective financial and asset management, including sound policies and processes for:
 - performance management and reporting, and
 - asset maintenance and enhancement, and
 - funding decisions, and
 - risk management practices.
- achieving intergenerational equity, including ensuring that:
 - policy decisions are made having regard to their financial effects on future generations, and
 - the current generation funds the cost of its services.

Current provisions:

Sections 408 – 411

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.9 Financial Governance

Background

The proposed amendments are designed to start to give effect to the Taskforce’s recommendations for a more “principles-based” approach to the regulation of councils’ financial governance in the Act, with prescriptive detail moved to the Regulation and other subordinate instruments wherever practical.

The proposed principles of sound financial management are modelled on those contained in the *Fiscal Responsibility Act 2012*.

8.7 Financial reporting

Proposed Amendment

Consistent with the proposal that councils' financial obligations be recast to establish a "principles-based" approach in the Act detailed reporting requirements should be specified instead in the Regulation and the *Local Government Code of Accounting Practice and Financial Reporting*.

Current provisions:

Sections 412-421

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

T: 3.3.9 Financial Governance

Background

The proposed amendments are designed to give effect to the Taskforce's recommendations for a more "principles-based" approach to the regulation of councils' financial governance in the Act, with prescriptive detail moved to the Regulation and other subordinate instruments.

8.8 External audit

Proposed Amendment

It is proposed to place Local Government audits under the aegis of the NSW Auditor-General.

There will also need to be transitional arrangements in the Bill to ensure that existing auditor appointments can be brought to an orderly conclusion, with minimal disruption to councils, current auditors and the Audit Office of New South Wales.

Current provisions:

Sections 422-427

Independent Local Government Review Panel (P)/Local Government Acts Taskforce (T) recommendation:

P: 3 Fiscal Responsibility

Background

As noted in the Government response to the Panel and Taskforce, giving the Auditor-General oversight of council financial audit will improve quality, consistency and timeliness and financial management.

The Office of Local Government is currently working with the Audit Office on the development and implementation of the proposed amendments, including transitional arrangements.

Submission to OLG - Proposed Phase 1 Amendments to the Local Government Act

Question	Yes / No / Neutral	Comment
1.1 Do you support the proposed amendment regarding the <i>purposes of the Local Government Act</i>	yes	
1.2 Do you support the proposed amendment regarding the <i>role of local government</i>	yes	
1.3 Do you support the proposed amendment regarding the <i>guiding principles of local government</i>	yes	
2.1 Do you support the proposed amendment regarding the <i>role of the governing body?</i>	yes	
2.2 Do you support the proposed amendment regarding the <i>number of councillors?</i>	yes	Council agrees to the proposed amendment in principle however consideration will need to be given to how that is proposed when the LGA is divided by wards and the need to ensure that the number of Councillors required to service the community is adequate.
2.3 Do you support the proposed amendment regarding <i>rural councils?</i>	Neutral	This matter does not affect Pittwater Council

Question	Yes / No / Neutral	Comment
3.1 Do you support the proposed amendment regarding the <i>role of the mayor</i> ?	Yes	Provided that the Mayor can delegate to another Councillor a certain function if she is unable to attend. ie certain civic duties
3.2 Do you support the proposed amendment regarding the <i>mayor's term of office</i>	Yes	<p>Generally in support of compulsory voting and clarification of when the term of Office expires however there are pros and cons to the proposed two year term for Mayors elected by Councillors. A two year term (or four year option) would provide the Council with continuity of tenure which provides for some stability in decision making particularly when a Mayor is in negotiations with certain parties over a period of time.</p> <p>However the current requirement for 12 monthly elections allows Councillors to choose a new leader if they feel that the incumbent is not doing a good job.</p>
3.3 Do you support the proposed amendment regarding the <i>role of councillors</i> ?	Yes	Shifting the emphasising of their role to ensure that they focus on representing the collective interests of the community over a single interest is a major improvement.
3.4 Do you support the proposed amendment regarding <i>councillors' terms of office</i> ?	Yes	
3.5 Do you support the proposed amendment regarding an <i>oath or affirmation of office</i> ?	Neutral	Councillors are required to abide by a Code of conduct which sets out the behaviours and conduct expected whilst acting in their role so not really sure that an Oath or affirmation of office will really achieve much.
3.6 Do you support the proposed amendment regarding <i>councillors' expenses and facilities</i> ?	Yes	The current need to advertise and exhibit a policy when there are no changes proposed is an unnecessary burden.

Question	Yes / No / Neutral	Comment
3.7 Do you support the proposed amendment regarding <i>mayor / councillor professional development</i> ?	Yes	With so much more expected of today's Mayor and Councillors it is imperative that they are provided with the appropriate skills and knowledge to allow them to carry out their civic duties in a professional manner. A common professional program along the lines of the Company Secretaries Course should be developed and made mandatory for all Councillors to attend with other specific courses identified to supplement the professional training mentioned.
3.8 Do you support the proposed amendment regarding the <i>role and functions of administrators</i> ?	Yes	
3.9 Do you support the proposed amendment regarding <i>financial controllers</i> ?	Yes	
3.10 Do you support the proposed amendment regarding <i>meetings</i> ?	Yes	Provided that Councils still have the ability to arrange their agendas in a manner which supports their local community requirements. I.e Resident questions, public addresses etc
3.11 Do you support the proposed amendment regarding the <i>delegation of functions</i> ?	Yes	The reporting and determination of tenders by delegations will most certainly cut through 'red tape' and help to speed the decision-making process up in such matters. It will also remove Councillors from any possible conflict of interest which may arise in such decisions.

Question	Yes / No / Neutral	Comment
4.1 Do you support the proposed amendment regarding the <i>extension of the option of universal postal voting to all councils?</i>	Yes	
5.1 Do you support the proposed amendment regarding the <i>determination of the organisation structure</i>	Yes	
5.2 Do you support the proposed amendment regarding the <i>role of general managers?</i>	Yes	
5.3 Do you support the proposed amendment regarding the <i>requirement to report annually to the council on senior staff contractual conditions?</i>	Yes	Standardised Senior staff contracts now makes the current requirements unnecessary
6.1 Do you support the proposed amendment regarding the <i>consolidation of the prescription of ethical standards?</i>	Yes	
6.2 Do you support the proposed amendment regarding the <i>investigation of pecuniary interest breaches?</i>	Yes	
7.1 Do you support the proposed amendment regarding <i>integrated planning and reporting principles?</i>	Yes	
7.2 Do you support the proposed amendment regarding <i>streamlining the existing integrated planning and reporting provisions?</i>	Yes	

Question	Yes / No / Neutral	Comment
7.3 Do you support the proposed amendment regarding <i>councils' integrated planning and reporting to reflect regional priorities?</i>	Yes	
7.4 Do you support the proposed amendment regarding the <i>expanded scope of delivery programs</i>	Yes	
7.5 Do you support the proposed amendment regarding <i>fiscal sustainability?</i>	Yes	
7.6 Do you support the proposed amendment regarding the <i>expanded scope of councils' community engagement strategies?</i>	Yes	
8.1 Do you support the proposed amendment regarding <i>annual reports?</i>	No	Council does not believe that this is the role of an Internal Audit committee. Such Committees provide an over-arching mechanism for business improvement and as a check on process rather than as a compliance checker of factual information. If an independent signoff of annual reports is required perhaps Council's external auditors would be a more appropriate body to rely on particularly in relation to the financial reports that also form part of the annual report, due to the degree of audit which would be required to be undertaken to accurately assess to its validity.
8.2 Do you support the proposed amendment regarding <i>state of the environment reports?</i>	Yes	
8.3 Do you support the proposed amendment regarding <i>performance measurement?</i>	Yes	

Question	Yes / No / Neutral	Comment
8.4 Do you support the proposed amendment regarding <i>internal audit</i> ?	Yes	Pittwater Council already complies with the proposed amendments
8.5 Do you support the proposed amendment regarding <i>sector wide performance audits by the Auditor-General</i> ?	Yes	
8.6 Do you support the proposed amendment regarding <i>financial management</i> ?	Yes	Principles promoting sound financial management would be beneficial
8.7 Do you support the proposed amendment regarding <i>financial reporting</i> ?	Yes	
8.8 Do you support the proposed amendment regarding <i>external audit</i> ?	Yes	Provided resourcing of the NSW Auditor General's Office is adequately provided and audit practices are kept to their current high standards and does not become an additional cost burden on Councils to provide.

C9.5	Submission to IPART Draft Report for the Review of Reporting and Compliance Burdens on Local Government
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Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To provide leadership through ethical, accountable and legislative decision-making processes
- To ensure effective and cooperative management by providing equitable and transparent business processes
- To facilitate timely, legible and accurate information to the public
- To ensure Council's future financial sustainability
- To be a leader in sustainable management (social, economic, environmental, leadership)

DELIVERY PROGRAM ACTION:

- To effectively manage Council's corporate governance responsibilities
 - To ensure Council's financial sustainability
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

On 18 January 2016 IPART released a Draft Report for the Review of Reporting and Compliance Burdens on Local Government and sought submissions regarding the draft recommendations by 19 February 2016.

Pittwater Council provided its submission on the draft report.

2.0 RECOMMENDATION

That Council note the submission to the IPART Review of Reporting and Compliance Burdens on Local Government Draft Report

3.0 BACKGROUND

3.1 PURPOSE

The purpose of this report is to:

- Provide Council with a copy of the IPART Review of Reporting and Compliance Burdens on Local Government Draft Report
- Provide Council with a copy of Pittwater Council's submission in response to the Draft Report.

3.2 BACKGROUND

On 18 January 2016 IPART released a draft report for the Review of Reporting and Compliance Burdens on Local Government (**tabled**) and sought submissions regarding the draft recommendations by 19 February 2016.

The aim of the IPART review is to identify inefficient, unnecessary or excessive planning, reporting and compliance obligations imposed on councils by the NSW Government. Through the review, IPART will examine how the State regulates local government and develop options to reduce, remove or streamline these obligations.

Pittwater Council's submission in response to the IPART Review of reporting and compliance burdens on Local Government Draft Report is provided at **Attachment 1**.

3.3 POLICY IMPLICATIONS

The main (NSW Government) policy implications relate to the key areas addressed in the IPART report, as follows:

- Systemic issues
- Water and sewerage
- Planning
- Administration and governance
- Building and construction
- Public Land and infrastructure
- Animal control
- Community order.

3.4 RELATED LEGISLATION

The draft recommendations impact upon the following areas of legislation:

- Companion Animals Act 1998
- Environmental Planning and Assessment Act 1979
- Environmental Planning and Assessment Regulation 2000
- Government Information (Public Access) Act 2009
- Graffiti Control Act 2008
- Impounding Act 1993
- Independent Review of the Building Professionals Act 2005
- Local Government Act 1993
- Local Government (General) Regulation 2005

3.5 FINANCIAL ISSUES

3.5.1 Budget

- There are no budget impacts from this report

4.0 KEY ISSUES

- 4.1 On 18 January 2016 IPART released its Review of Reporting and Compliance Burdens on Local Government Draft Report. The Report contains 49 draft recommendations, which cover seven function areas as well as systemic issues that apply across a range of council activities.

- 4.2 IPART invited submissions on the draft recommendations in report, which cover the following key areas:
- Systemic issues
 - Water and sewerage
 - Planning
 - Administration and governance
 - Building and construction
 - Public Land and infrastructure
 - Animal control
 - Community order.
- 4.3 Submissions on areas outside the scope of the draft recommendations (as contained in the appendices of the Draft Report) were also invited.
- 4.4 Submissions in response to the report were required by 19 February 2016 and comments from Business Unit Managers across Pittwater Council were collated to form the basis of Pittwater Council's submission (**Attachment 1**).
- 4.5 In Addition, IPART conducted a Public Forum on 8 February 2016 in Sydney and staff from Pittwater Council attended this forum to consider IPART's discussion of the draft recommendations and to present comments and queries regarding the draft recommendations in person.
- 4.7 A Final Report by IPART will be provided to the Minister for Local Government by 22 April 2016.

5.0 ATTACHMENTS / TABLED DOCUMENTS

Attachment 1 – Pittwater Council's submission in response to the IPART Review of reporting and compliance burdens on Local Government Draft Report

Tabled Document – IPART Review of reporting and compliance burdens on Local Government Draft Report

6.0 SUSTAINABILITY ASSESSMENT (view Council Report Template tool)

6.1 GOVERNANCE & RISK

6.1.1 Risk Management

- Council's submission to the IPART Draft Report aims to provide comment in support of the minimisation of regulatory and compliance and financial burdens on Council.

6.2 ENVIRONMENT

6.2.1 Environmental Impact

- This report has no environmental impact.

6.3 **SOCIAL**

6.3.1 **Strengthening local community**

- This report has no social impact

6.4 **ECONOMIC**

6.4.1 **Economic Development**

- This report has no impact on economic development

Report prepared by

Warwick Lawrence

MANAGER, ADMINISTRATION & GOVERNANCE

Submission to IPART Review of reporting and compliance burdens on Local Government Draft Report (January 2016)

Submission via electronic portal: www.ipart.nsw.gov.au/Home/Consumer_Information/Lodge_a_submission

Pittwater Council welcomes the review and is generally in favour of the IPART draft recommendations but would like to provide comment on the following draft recommendations:

Systemic Issues

Recommendation 4 – Where fees continue to be set by statute, that the relevant NSW Government agency reviews the level of the fees every 3-5 years and amends the relevant legislation to allow these fees to increase annually in line with CPI or an index of fee-related costs.

Where fees and charges are set by statute, Pittwater Council strongly supports the full recovery of costs to councils.

Pittwater Council's preference is for fees to be indexed on an annual basis to an index of fee-related costs. A fee unit system (where statutory fees and charges are pegged to an 'administrative fee unit' enacted by statute) may provide more certainty and clarity to councils regarding increases to fees and charges on an annual basis rather than pegging fees to CPI increases. Pittwater Council recognises that this may be an onerous function for NSW Government agencies to administer on annual basis. Pittwater Council otherwise still supports an annual CPI-based increase which is reviewed every 3 to 5 years to pick up any additional creep in costs outside general CPI-related rises.

Annual indexing of fees must be clear and consistent to ensure that no additional compliance burden is placed on councils. Reviews every 3 to 5 years may become onerous where extensive feedback may be sought from councils on cost efficiency issues (every 3 to 5 years).

The burden of explaining increases in fees and charges to the public must be considered to ensure that the increases are routinely anticipated and the methodology for annual increases can be adequately conveyed to the public – otherwise councils will also bear the burden of routinely explaining and justifying the imposed fee increase decisions and rationale of the NSW Government.

Recommendation 5 – That if statutory fees are capped below cost recovery to ensure affordability or for other policy reasons, then the NSW Government should reimburse councils for the shortfall in efficient costs.

Where a state-imposed policy rationale for capping fees below cost recovery exists, full cost recovery should be available to councils to allow for the full recovery of any shortfall.

In particular, Pittwater Council recognises that while the IPART review has not focused on the Government Information (Public Access) Act 2009 (GIPA Act), there are particular facets of the GIPA Act which proliferate the burden on council resources and therefore the recovery of efficient costs which are unique to local government.

Section 18 of the GIPA Act contains a list of open access information, which is supplemented by the GIPA Regulation. Schedule 1 to the GIPA Regulation places additional open access obligations on local councils, requiring certain information to be made available on councils' websites, and also for inspection and copying at council offices. In addition, the Environmental Planning and Assessment Act 1979 (the EPA Act), and the Environmental Planning and Assessment Regulation 2000 (the EPA Regulation) require that certain information is to be disclosed.

A significant proportion of informal requests for information made under the GIPA Act and which must be released in accordance with the EPA Act, the EPA Regulation and/or the GIPA Act and Regulation relate to requests for information about approvals and development applications. The volume of such requests is significant and therefore the impost on council resources is considerable. However cost recovery is not available to councils under the GIPA Act for fulfilling these statutory requests for information.

Water and Sewage

Recommendation 13 – That NSW Health determine a standardised service report template to be used by technicians undertaking quarterly servicing of aerated wastewater treatment systems, in consultation with councils.

Recommendation 14 – That the Local Government (General) Regulation 2005 be amended to require service reports to be provided to councils using the template determined by NSW Health as a standard condition of approval to operate an aerated wastewater treatment system.

Draft Recommendation 13 and 14 regarding standardising and submission of Aerated Wastewater Treatment System (AWTS) quarterly service report templates are supported (page 12).

The concerns listed below regarding on-site sewage management system burdens have been raised by numerous Councils (Part 6.3.1: page 65 - paragraph 1 and page 70) and these concerns are strongly supported:

1. the burden of issuing new approvals to operate (or the inability to transfer approvals) when properties with onsite systems are sold, and
2. the administrative workload associated with requiring landowners to obtain both an approval to install and an approval to operate onsite systems.

While the issues are discussed in detail within the IPART report at Appendix B, Table B.10. item 9, dual approvals for on-site sewage management systems (pages 184-185), the solution does not resolve the concern. Pittwater Council notes that additional staffing resources are required to implement and maintain the extent of the legislative requirements.

An additional fundamental issue of concern relates to the actual enforcement of an Approval to Operate permit and the related non-complying on-site sewage management system. The reality is that the on-site sewage management system may continue to be operated on a daily basis by the homeowner in non-compliance with an approval due to the need of the system to be used as an essential service within the home.

Planning

Recommendation 18 – That DPE amend the NSW Planning Portal to provide for online:

- *payment of fees and charges by applicants and for the Planning Reform Fund fee to then be automatically directed to DPE*
- *zoning and development standards information under section 149(2) of the Environmental Planning & Assessment Act 1979*
- *joint applications for development approvals and construction certificates, and*
- *information under section 149(5) of the Environmental Planning & Assessment Act 1979 to be accessible via a link to council websites.*

In regard to the Planning Reform Fund Fee – Pittwater Council submits that either the requirement to collect the additional fee should be removed or the funds from the collection of the fee should be retained by councils.

The fee imposes an additional cost on all development in NSW over \$50,000. The fee was previously for Planning Reform funds which were to be allocated to Councils and allocations have not been made since 2013.

Recommendation 20 – That DPE develop suites of standardised development consent conditions and streamline conditions that require consultant reports or subsequent approvals, in consultation with councils, State government agencies and other key stakeholders.

If such conditions were imposed, then councils should be given an option to apply the standardised development consent conditions. As development conditions may be site-specific, a set of standard conditions may not always be suitable. If standardised development consent conditions are imposed, this may negate some of the reporting requirements for hazards, such as geotechnical, flood & coastal hazards.

Public Land and Infrastructure

Recommendation 38 – That the NSW Government transfer Crown reserves with local interests to councils, as recommended by the NSW Crown Lands Management Review and piloted through the Local Land Program Pilot.

Recommendation 39 – Consistent with its response to the Crown Lands Legislation White Paper, that the NSW Government ensure that Crown reserves managed by councils are subject to Local Government Act 1993 requirements in relation to:

- *Ministerial approval of licences and leases, and*
- *reporting.*

In relation to Plans of Management for Crown reserves, these plans should be aligned with Plans of Management for council reserves.

Currently councils must administer the two systems concurrently and therefore it would be less burdensome if Crown reserves were treated the same as local government and were subject to the same requirements and processes.

In regard to the approvals for the Plans of Management for reserves, for Crown reserves, after councils have undertaken the public notification and community consultation process and the plans have been adopted by Council, the plans must then go to the Minister for approval. This can create situations where extensive delays in obtaining approval from the Crown can occur. In some instances, some Plans of Management have been sitting with the Minister for a significant period of time without endorsement, which then creates difficulties in managing the reserves.

Pittwater Council supports the recommendation of the Crown Lands Management Review whereby councils are appointed as a Reserve Trust Manager so that such lands are managed under the auspice of the Local Government Act and not the Crown Lands Act. Provided that none of the provisions of the Crown Land Act are retained and specifically the requirement for councils with business operations on Crown land to provide up to 20% of such business venture income to Crown lands for use as a Public Reserves Management Fund for which councils are required to make grant application to the Department of Lands if they wish to obtain monies for the development of other Crown lands in the Pittwater local government area.

This is an onerous and unnecessary requirement and easily resolved if councils were able to retain all profits from their commercial activities on Crown land for use on other non-profit producing Crown lands under their control.

C9.6	Minutes of the Pittwater Traffic Committee Meeting held on 9 February 2016
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Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Traffic & Transport

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To improve road and footpath safety to encourage use by community
- To provide suitable parking arrangements for business, community and commuter transport including park and ride facilities

DELIVERY PROGRAM ACTION:

- Provide planning, design, investigation and management of Traffic & Transport Infrastructure
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

To present to Council the recommendations of the Traffic Committee contained in the minutes of the meeting of 9 February 2016 for Council's consideration.

2.0 RECOMMENDATION

That the Traffic Committee recommendations contained in the Minutes of the Meeting of 9 February 2016 be adopted.

3.0 BACKGROUND

3.1 PURPOSE

To present to Council for consideration, the Traffic Committee Minutes of 9 February 2016.

3.2 BACKGROUND

The Traffic Committee recommendations for the Traffic Committee of 9 February 2016 (refer **Attachment 1**) are referred to Council for consideration. In accordance with the delegation of the Roads and Maritime Services (RMS) of NSW to Council, Council must consider the advice of the Traffic Committee before making a decision with respect to the management of traffic in Pittwater.

3.3 POLICY IMPLICATIONS

Road Reserve and Streetscape Management Policy

3.4 RELATED LEGISLATION

Transport Administration Act, 1988.

3.5 FINANCIAL ISSUES

3.5.1 Budget

The funding source for the works is from the RMS grant fund for traffic signs and linemarking which is confirmed at the start of each financial year.

3.5.2 Resources Implications

The works will be scheduled and prioritised within current workload commitments, with future maintenance of the traffic signs and linemarking to be carried out under Council's maintenance program.

4.0 KEY ISSUES

4.1 Irrubel Road Upgrade - Proposed Double Separation Lines

Proposed linemarking to prevent parking in Irrubel Road at the intersections with Lanyon Place and Imbara Place, and to further delineate the road to improve traffic safety (refer plan shown in **Attachment 2**). - **Supported**.

4.2 Kalinya Street, Newport - Proposed Taxi Zone

Proposal to improve pedestrian safety and amenity for the community by upgrading the marked pedestrian crossing and replacing the unused Bus Zone for the hotel courtesy bus with a 'Taxi Zone Fri-Sat-Sun 7pm-7am' restrictions (refer plan shown in **Attachment 2**). On site provisions for the courtesy bus will be incorporated as part of the redevelopment of 'The Newport' - **Supported**.

4.3 Queens Parade Kalinya Street Council Car Park, Newport

Proposal to increase short term parking by providing nine 1 hour, and eighteen 2 hour parking spaces in the car park, following consultation with the local community (refer plan shown in **Attachment 2**). - **Supported**.

4.4 Coronation Street, Mona Vale - Proposed Temporary 'No Parking Ambulance Excepted' Restrictions

Proposal for a temporary ambulance parking space in Coronation Parade near the Hospital entrance, during the construction of the new Community Health Building (refer plan shown in **Attachment 2**). - **Supported**.

4.5 Pittwater Road, Church Point - Bus Stop Relocation and Pedestrian Refuge

Proposed relocation of the outbound bus stop in Pittwater Road, Church Point and the provision of a pedestrian refuge due to the proposed realignment of Pittwater Road (refer plan shown in **Attachment 2**). - **Supported**.

4.6 Walsh Street and Narrabeen Park Parade, North Narrabeen - 3 tonne load limit

Proposed relaxation of the 3 tonne load limit in Narrabeen Park Parade and Walsh Street for a period of approximately 3 months (date to be specified) to facilitate the Narrabeen Lagoon entrance clearance project and sand transportation process (refer plan shown in **Attachment 2**). - **Supported**.

4.7 Road Safety Officer Traffic Committee Report - Noted

4.8 ANZAC March - Saturday 25 April 2016

Street closure to allow the ANZAC March to proceed (refer plan shown in **Attachment 2**). - **Supported**.

4.9 **1 Fern Creek Road Subdivision - Proposed Double Separation Lines and No Stopping Restrictions**

Proposed linemarking on the internal access road and turning circle to improve traffic safety and to satisfy the requirements of the Development Consent (refer plan shown in **Attachment 2**) - **Supported**

5.0 **ATTACHMENTS / TABLED DOCUMENTS (view Council Tabled Document Guidelines)**

- **Attachment 1:** Minutes of the Pittwater Traffic Committee Meeting held on 9 February 2016
- **Attachment 2:** Traffic Committee Plans

6.0 **SUSTAINABILITY ASSESSMENT**

A sustainability assessment is not required for Minutes of Meetings.

Report prepared by

Ricky Kwok - Civil Design & Traffic Engineer - Strategy, Investigation and Design

Andrew Davies

MANAGER, URBAN INFRASTRUCTURE



TRAFFIC COMMITTEE MEETING

MINUTES

9 February 2016

Commencing at 1.00pm

M J Ferguson
General Manager



WWW.PITTWATER.NSW.GOV.AU

Attendance

Voting Members of the Committee are invited to attend, namely:

Cr Young - Chairperson

Mr Andrew Johnston – Representing the Member for Pittwater (excluding Development Matters)

Mr Alex Coates - Roads and Maritime Services (RMS)

Sgt Nino Jelovic - Traffic Sergeant, NSW Police (Northern Beaches)

And Non-Voting Representatives from Bus Providers including State Transit Authority

Mr Wade Mitford - State Transit Authority

Council Staff:

Mr Ben Taylor – Deputy General Manager – Urban & Environmental Assets

Mr Andrew Davies – Manager, Urban Infrastructure

Mr Mark Salvaterra - Acting Principal Engineer, Strategy Investigation and Design

Mr Ricky Kwok - Civil Design & Traffic Engineer

Mr Joe Tramonte – Landscape Architect (TC4.3 only)

Ms Michelle Carter - Road Safety Officer

Ms Sherryn McPherson – Governance Support Officer

Ms Annie Laing - Governance Support Officer

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

PITTWATER TRAFFIC COMMITTEE MEETING

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1.0 Apologies

Note:

That apologies be received and accepted from:

- Mr Paul Davies - Principal Engineer, Strategy Investigation and Design
- Mr David Maitland - Forest Coach Lines

and leave of absence be granted from the Traffic Committee Meeting held on 9 February 2016.

2.0 Declarations of Pecuniary Interest

Nil.

3.0 Confirmation of Minutes

That the Minutes of the Traffic Committee Meeting held on 9 February 2016, be confirmed as a true and accurate record of that meeting.

(Mr Andrew Johnston / Mr Alex Coates)

4.0 Committee Business

TC4.3 Queens Parade Kalinya Street Council Car Park, Newport

COMMITTEE RECOMMENDATION

That the Traffic Committee supports the requests from the local community to provide increased parking restrictions within the Queens Parade Council managed carpark in Newport by the following measures:

1. Provision of nine (9) '1 hour' (8.30am to 6.00pm Monday to Friday and 8.30am – 12.30pm Saturday & Sunday) signed parking immediately adjacent to the local shops, replacing the existing nine (9) '2 hour' signed parking.
2. Provision of eighteen (18) '2 hour' (8.30am to 6.00pm Monday to Friday and 8.30am – 12.30pm Saturday & Sunday) signed parking opposite the recommended '1 hour' signed parking, replacing the existing eighteen (18) unrestricted parking spaces. 30 unrestricted and 2 Disabled car parks will remain.

(Mr Alex Coates / Sgt Nino Jelovic)

Note:

Mr Joe Tramonte, Landscape Architect left the meeting at 1.17pm and did not return.

TC4.1 Irrubel Road Upgrade - Proposed Double Separation Lines

COMMITTEE RECOMMENDATION

That the Traffic Committee supports the following measures to improve traffic safety in Irrubel Road following the provision of kerb and guttering:

1. Extension of existing double separation lines along the centre of the road, fronting No. 63 and 67 Irrubel Road (either side of Imbara Place).
2. That 'No Stopping' restrictions be implemented on the southern side of Irrubel Road for the full width of the intersections at Lanyon Place and Imbara Place using painted yellow lines.
3. That the adjacent property owners be notified of the Traffic Committee's recommendations prior to consideration of the matter by Council.

(Mr Andrew Johnston / Mr Alex Coates)

TC4.2 Kalinya Street, Newport - Proposed Taxi Zone

COMMITTEE RECOMMENDATION

That the Traffic Committee supports the following proposals in Kalinya Street to improve pedestrian safety and amenity for the community.

1. Construct kerb blisters and upgrade the existing marked pedestrian crossing.
2. Remove the existing unused Bus Zone and install 'Taxi Zone Fri-Sat-Sun 7pm-7am' restrictions for a length of 26m immediately south of the upgrade marked pedestrian crossing.

(Cr Young / Mr Andrew Johnston)

TC4.4	Coronation Street, Mona Vale - Proposed Temporary 'No Parking Ambulance Excepted' Restrictions
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COMMITTEE RECOMMENDATION

That the Traffic Committee supports the proposed temporary 'No Parking Ambulance Excepted' restrictions during the construction of the new Community Health Building, to be located in the 90° angle parking area on the western side of the Hospital entrance in Coronation Street.

(Mr Alex Coates / Mr Andrew Johnston)

TC4.5	Pittwater Road, Church Point - Bus Stop Relocation and Pedestrian Refuge
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COMMITTEE RECOMMENDATION

1. That the Traffic Committee supports the relocation of the outbound bus stop in Pittwater Road, Church Point and the provision of a pedestrian refuge as shown in Council's concept Plan No 2015-58, subject to further investigation and detailed design.
2. That prior to the implementation of these works, a detailed construction Plan must be considered and recommended by the Traffic Committee for approval by Council.

(Mr Alex Coates / Sgt Nino Jelovic)

TC4.6	Walsh Street and Narrabeen Park Parade, North Narrabeen - 3 tonne load limit
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COMMITTEE RECOMMENDATION

1. That the Traffic Committee supports the recommendations in the Narrabeen Lagoon Entrance Clearance Works Traffic Management Plan for the relaxation of the 3 tonne load limit in Narrabeen Park Parade and Walsh Street for a period of approximately 3 months from a date to be specified in March 2016 to facilitate the Narrabeen Lagoon entrance clearance project and sand transportation process.
2. That the Application for Traffic Control Permit (including review of proposed signage) be approved separately.

(Mr Alex Coates / Mr Andrew Johnston)

TC4.8	ANZAC March – Saturday 25 April 2016
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COMMITTEE RECOMMENDATION

That the Traffic Committee supports the proposed ANZAC March route to be held on Saturday 25 April along Old Barrenjoey Road, Avalon Parade and Bowling Green Lane at Dunbar Park.

(Sgt Nino Jelovic / Cr Young)

TC4.9	1 Fern Creek Road Subdivision – Proposed Double Separation Lines and No Stopping Restrictions
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COMMITTEE RECOMMENDATION

That the Traffic Committee supports the following measures in the internal 6m wide access road as a requirement of the Development Consent conditions:

1. Provision of double separation lines along the centre of the road, from the intersection with Orchard Street to the start of the turning circle (driveway of Lot 4).
2. Provision of 'No Stopping' restrictions (to be indicated by a solid yellow line) in the turning circle.

(Sgt Nino Jelovic / Mr Andrew Johnston)

TC4.7	Road Safety Report
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COMMITTEE RECOMMENDATION

That the road safety officer report be noted.

(Cr Young / Mr Alex Coates)

5.0	Next Meeting
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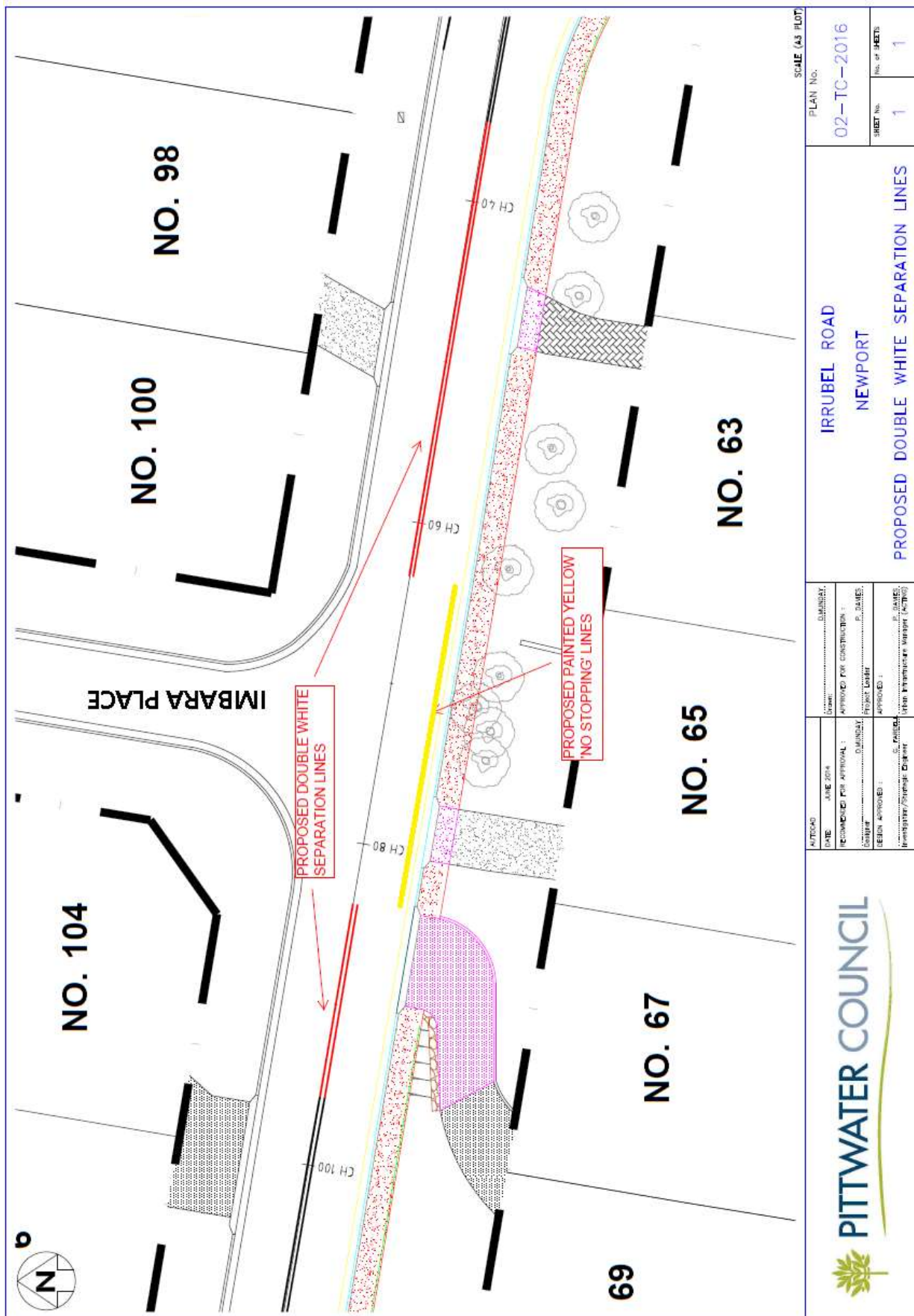
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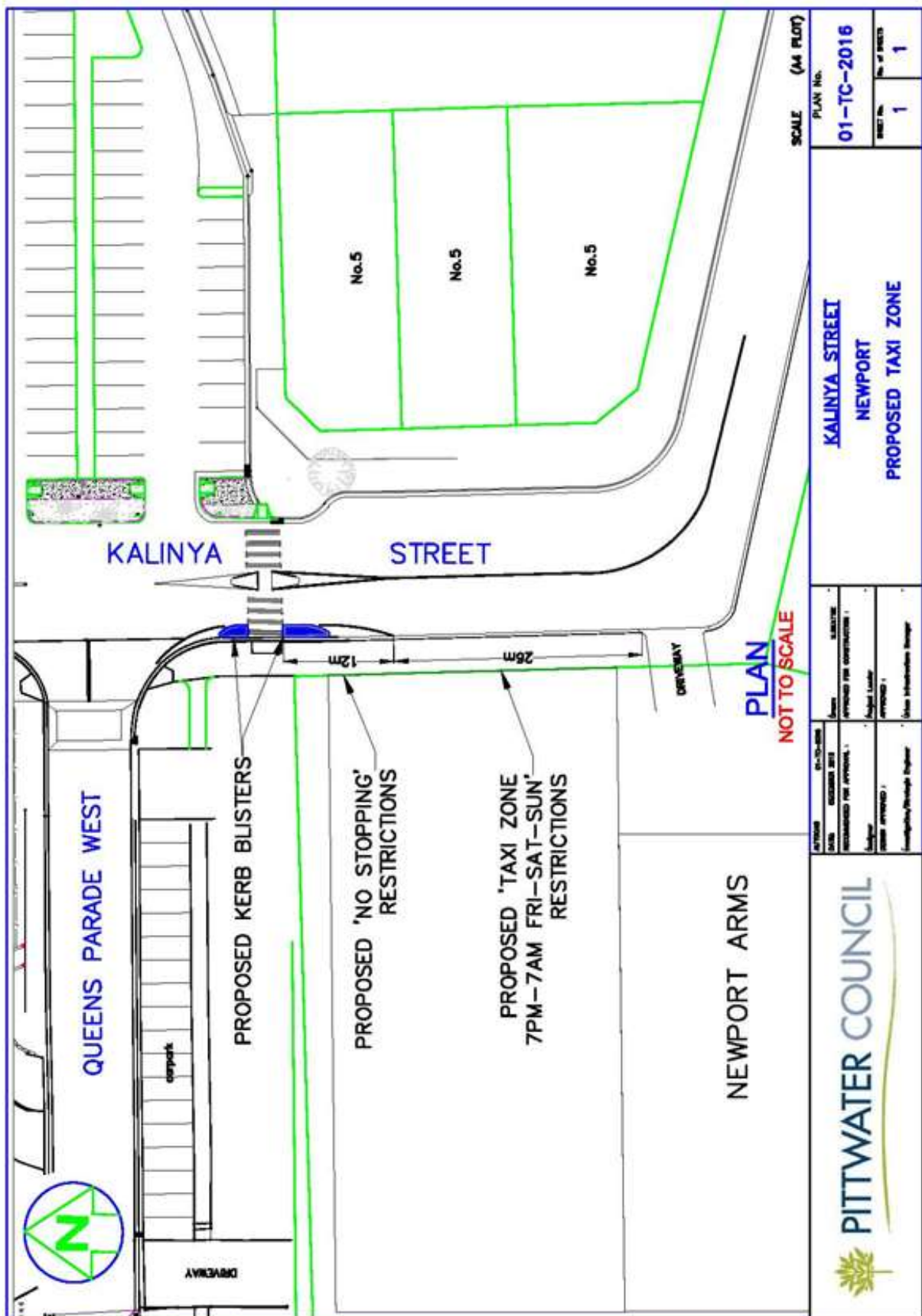
- 12 April 2016
- 14 June 2016
- 13 September 2016
- 8 November 2016

To be held in the Level 3 conference room, 5 Vuko Place, Warriewood commencing at 1.00pm.

**THERE BEING NO FURTHER BUSINESS
THE MEETING CONCLUDED AT 2.32PM ON TUESDAY
9 FEBRUARY 2016**

Traffic Committee Plans







RECOMMENDATION

current unrestricted parking
to be changed to:

2 HOUR PARKING

8:30am - 6:00pm Mon - Fri
8:30am - 12:30pm Sat - Sun

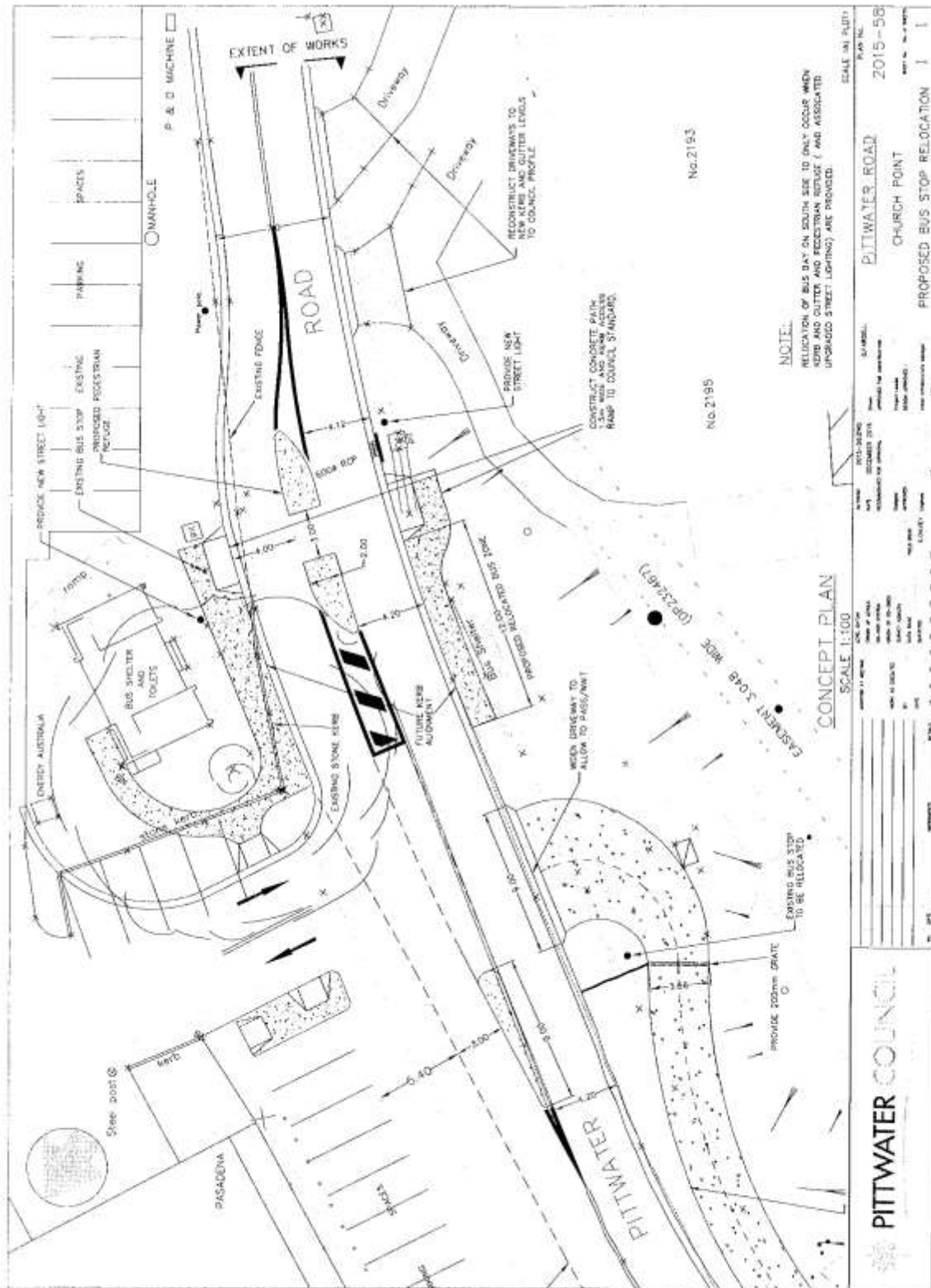
current 2 hour parking
to be changed to:

1 HOUR PARKING

8:30am - 6:00pm Mon - Fri
8:30am - 12:30pm Sat - Sun



Pittwater Road, Church Point - Bus Stop Relocation and Pedestrian Refuge



4.6 PREFERRED TRUCK ROUTE

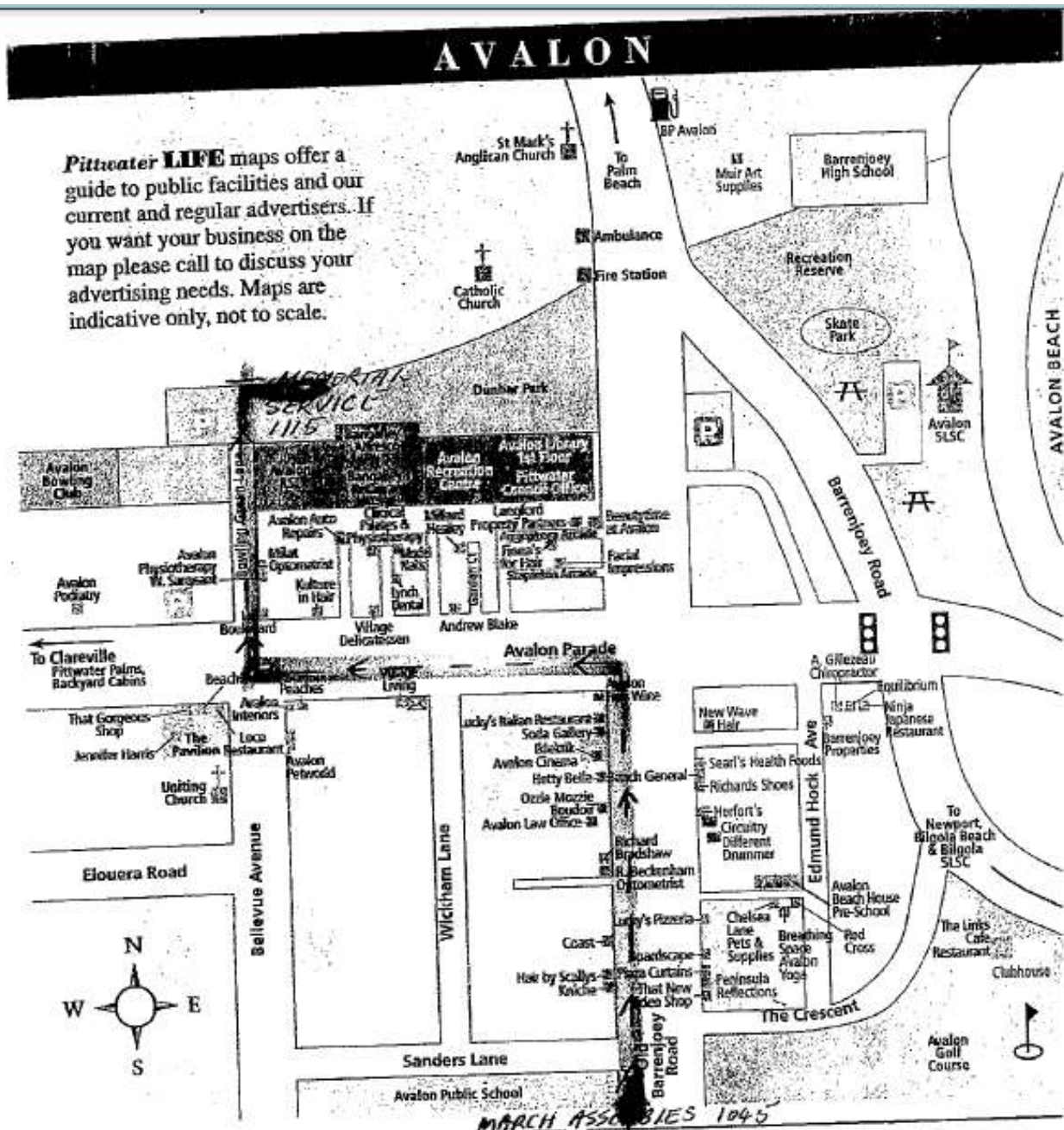
The preferred truck route for the Narrabeen Lagoon Entrance Clearance Operation has been assessed, considering a range of factors, with safety of other road users being the number one consideration. Based on this assessment, it is recommended that Option Three be adopted to carry out this operation. When compared to all other options, the following reasons distinguish Option Three as the preferred route:

- Better manoeuvrability for truck movements because of the prominence of wider roads;
- Reduced local impact of using only one direction of Ocean Street for truck movements as a result of the loop route design;
- Increased traffic burden shared between Warringah and Pittwater LGA residents, providing the most equity between the two LGAs out of all the options; and
- Longer phase cycle at the intersections along the relevant section of Pittwater Road, where there are traffic signals for intersections with local and collector roads. This translates to greater green time for the sub-arterial, Pittwater Road, allowing for the efficient movement of trucks to their destination.

This route design is subject to Pittwater Council approving the temporary removal of the 4.5 tonne limit on Walsh Street. **Figure 4.2** shows the Option Three truck route.

Figure 4.2 Option Three Truck Route







C9.7	Minutes of the Connecting Communities Reference Group Meeting held on 3 February 2016
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Meeting: Connecting Communities Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To provide leadership through ethical, accountable and legislative decision-making processes
- To ensure local democratic representation
- To engage proactively with the community in a way that is consistent, appropriate and effective

DELIVERY PROGRAM ACTION:

- Maintain and Service Council's Range of Committees
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

The 3 February 2016 Meeting considered the following discussion topics:

- CC4.1 - Local Government Reform Update
 - CC4.2 - Youth and Families Progress Report
 - CC4.3 - Disability Inclusion Planning in Pittwater
-

2.0 RECOMMENDATION

1. That Council notes the Minutes of the Connecting Communities Reference Group Meeting held on 3 February 2016 that relate to the discussion on:

- **CC4.1 - Local Government Reform Update**
- **CC4.2 - Youth and Families Progress Report**
- **CC4.3 - Disability Inclusion Planning in Pittwater**

2. That Council Note the following reference points from that meeting:

Local Government Reform Update

The Community Reference Group members note the presentation.

Youth and Families Progress Report

That the discussion on programming for young people and their families in Pittwater be noted and the Youth and Families team be thanked for their presentation.

Disability Inclusion Planning in Pittwater

That the presentation on Disability Action Plan and the group exercise on the context in Pittwater be noted.

3.0 BACKGROUND

3.1 PURPOSE

To present to Council for consideration Minutes of the Connecting Communities Reference Group Meeting held on 3 February 2016 (refer **Attachment 1**).

3.2 BACKGROUND

1. The Connecting Communities Reference Group was established by Council to consider matters involving goals and initiatives contained in the key directions of Council's Strategic Plan – Supporting and Connecting our Community and Enhancing our Working and Learning. Reference Points and outcomes from the Reference Group will inform the Delivery Plan process.
2. The strategic objectives within the associated key directions are:
 - Building Communities
 - Recreational Management
 - Traffic & Transport
3. To fulfil its role the Connecting Communities Reference Group provides:
 - a link between Council and the community which enhances communication about the strategic direction of Council initiatives
 - input from Council and the community (historical, social and environmental) when considering possible solution
 - consideration of implications from strategic initiatives and their likely impact on the local community, and
 - feedback to Council on behalf of the community

3.3 POLICY IMPLICATIONS

Nil

3.4 RELATED LEGISLATION

Nil

3.5 FINANCIAL ISSUES

Budget

Nil

4.0 KEY ISSUES

At the meeting the reference group discussed the below items and endorsed the following reference points:

1. Local Government Reform Update
The Community Reference Group members note the presentation.
2. Youth and Families Progress Report
That the discussion on programming for young people and their families in Pittwater be noted and the Youth and Families team be thanked for their presentation.
3. Disability Inclusion Planning in Pittwater
That the presentation on Disability Action Plan and the group exercise on the context in Pittwater be noted.

5.0 ATTACHMENTS

Attachment 1 – Minutes of the Connecting Communities Reference Group Meeting held on 3 February 2016.

6.0 SUSTAINABILITY ASSESSMENT

A sustainability assessment is not required for Minutes of Meetings.

Report prepared by

Melinda Hewitt
**DEPUTY GENERAL MANAGER,
ENVIRONMENTAL PLANNING & ASSESSMENT**



CONNECTING COMMUNITIES REFERENCE GROUP MEETING

MINUTES

3 FEBRUARY 2016

Meeting commenced at 4.00pm

M J Ferguson
General Manager



WWW.PITTWATER.NSW.GOV.AU

Members of the Committee:

Cr Ferguson, Chairperson
Cr Millar

Community Representatives:

Dr Yvonne Parsons - Mona Vale Hospital Auxiliary
Mark Clementson - Mona Vale Residents Association
Lynne Mason - Pittwater Resident Representative
Allan Porter – Pittwater Resident Representative
Louise Anderson - Pittwater Resident Representative
Katharine Glass - Pittwater Resident Representative
Chris Hennessy - Rotary Club of Pittwater
Bill Gye - Scotland Island Residents Association (SIRA)
Julia Guinan - Warriewood Residents Association
Margaret White - Zonta Club of Northern Beaches Inc

Council Advisors

Ben Taylor, Deputy General Manager, Urban & Environmental Assets
Lindsay Godfrey, Manager, Community and Library Services
Russell Peake, Community Development Officer
Nikki Griffith, Acting Manager, Place Management
David Bremner – Community Engagement Officer
Andrew Marcelos- Community Development Officer
Leeanne Kelly – Social Planning & Community Development Coordinator
Laura Glasby – Youth & Families Officer
Suzanna Pawley – Youth & Families Coordinator
Sherryn McPherson, Governance Support Officer
Annie Laing, Governance Support Officer

Others are free to attend as Observers. Please note, however, observers are not invited to engage in discussion or voting in any matter before the Committee.

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

Connecting Communities Reference Group Meeting

Table of Contents

Item No	Item	Page No
1.0	Apologies	
2.0	Declarations of Pecuniary Interest	
3.0	Confirmation of Minutes	
4.0	Discussion Topics	
CC4.1	Local Government Reform Update	
CC4.3	Youth and Families Progress Report	
CC4.2	Disability Inclusion Planning in Pittwater	
5.0	Emerging Business	
6.0	Next Meeting	

1.0 Apologies

Notes:

1. Apologies were received from the following members and leave of absence was granted from the Connecting Communities Reference Group Meeting held on 3 February 2016.
 - Melinda Hewitt, Deputy General Manager, Environmental Planning & Community
 - Jennie Mackenzie - Clareville and Bilgola Plateau Residents Committee
 - Toni Francis - Save Mona Vale Hospital Community Action Group
 - Kyle Hill - Newport Residents Association
 - Lorrie Morgan - Pittwater Community Arts Inc.
2. The Reference Group members accepted the apologies.
3. The group welcomed new members Mr Chris Hennessy – Pittwater Rotary Club and Mr Allan Porter – Pittwater Resident Representative.

2.0 Declarations of Pecuniary Interest

Nil.

3.0 Confirmation of Minutes

REFERENCE GROUP RECOMMENDATION

That the Minutes of the Connecting Communities Reference Group Meeting held on 4 November 2016 be confirmed as a true and accurate record of that meeting.

(Ms Lynne Mason / Ms Yvonne Parsons)

4.0 Discussion Topics

CC4.1 Local Government Reform Update

Procedures in Brief:

Mr Ben Taylor, Deputy General Manager, Urban & Environmental Assets addressed the meeting on this item.

On 2 February 2015 a Public Enquiry was held in the Pittwater Local Government area providing an opportunity for the Community to have a final say in regards to the amalgamations between Pittwater and the northern suburbs of Warringah Council.

The delegate for the proposal related to Pittwater Council and Warringah Council (Mr Richard Pearson) has been tasked with the function of examining and reporting on the merger proposal to the Boundaries Commission for comment. Upon completion will be referred to the Minister for Local Government for its final determination. The Minister will then proceed as recommended, apply minor changes or by rejecting the proposal.

Two (2) public enquiries have been held in the Pittwater LGA being at Mona Vale Golf Club with over 600 Pittwater and Warringah residents attending. Residents were advised that they have one (1) month to write a final submission in regards to the amalgamations and were provided with a criteria to respond to for the comments to be acknowledged.

Discussion Points

Q: When the Minister is reviewing the final submissions, will the current proposal of the merging of Pittwater and Warringah be affected and could one (1) Northern Beaches Council (e.g. Pittwater, Warringah, Manly and Mosman) still be an option?

A: Once all the submissions have been reviewed, the Minister has the option to endorse, amend or refuse the recommendation. There will be 35 proposals across the state given to the Minister which will be taken into consideration.

The government is committed to a reform and is working towards reducing the number of Councils in NSW. As Pittwater Council did not meet the set criteria to remain as status quo although it was the preferred option, Council was therefor provided alternate options of creating two (2) Northern Beaches Councils: Greater Pittwater and Greater Manly Council.

Q: How is the process being managed?

A: Each of the proposed council areas has a delegate appointed to oversee the process.

- The southern delegate (Warringah, Manly and Mosman):
Michael Bullen
Email: michael.bullen@dpc.nsw.gov.au
Phone: 1300 813 020
- The northern delegate (Warringah and Pittwater):
Name: Richard Pearson
Email: richard.pearson@dpc.nsw.gov.au
Phone: 1300 813 020

Q: What should be addressed in submissions?

A: Submissions should refer directly to the proposal and submission authors are encouraged (but not required) to focus on one or more of the factors in section 263(3) of the Act, being:

- the financial advantages or disadvantages of the proposal to the residents and ratepayers of the areas concerned
- the community of interest and geographic cohesion in the existing areas and in any proposed new area
- the existing historical and traditional values in the existing areas and the impact of change on them
- the attitude of the residents and ratepayers of the areas concerned
- the requirements of the area concerned in relation to elected representation for residents and ratepayers at the local level, the desirable and appropriate relationship between elected representatives and ratepayers and residents and such other matters as considered relevant in relation to the past and future patterns of elected representation for that area
- the impact of the proposal on the ability of the council to provide adequate, equitable and appropriate services and facilities
- the impact of the proposal on the employment of the staff by the council
- the impact of the proposal on any rural communities in the resulting area
- the desirability (or otherwise) of dividing the resulting area or areas into wards
- the need to ensure that the opinions of each of the diverse communities of the resulting area or areas are effectively represented, and
- any other factors relevant to the provision of efficient and effective local government in the existing and proposed new areas.

Q: How can you make a submission?

A: Submissions can be made in writing to:

Council Boundary Review
GPO Box 5341
Sydney NSW 2001

Submissions must include the name, address, contact telephone number and email of the person or organisation making the submission.

Submissions can also be made using the online submission form at either:
Warringah, Manly and Mosman -

- www.councilboundaryreview.nsw.gov.au/proposals/manly-mosman-municipal-andwarringah-councils

Warringah and Pittwater

- www.councilboundaryreview.nsw.gov.au/proposals/pittwater-and-warringahcouncils/#submission

Note that submissions close at 5pm, Sunday 28 February 2016.

REFERENCE GROUP RECOMMENDATION

The Community Reference Group members note the presentation.

(Mr Allan Porter / Ms Margaret White)

CC4.3 Youth and Families Progress Report

Procedures in Brief:

Ms Leeanne Kelly – Social Planning and Community Development Coordinator, Ms Laura Glasby – Youth and Families Development Officer, Mr Andrew Marcelos - Community Development Officer and Ms Suzanne Pawley – Youth and Families Coordinator addressed the meeting on this item.

The reference group members were provided with an update on the services the Youth and Families team in 2015 by Pittwater Council on topics such as:

- **Youth Participation:** Youth Consultants and Pittwater Youth Action Group
- **Branding**
- **Youth and Families Engagement:** Facebook and social media
- **2016 Youth Week:** Youth Week Launch Event, Regional Skate/Scooter Series, Shoreshocked Music Festival, and Snapshot Intergenerational Photo Competition
- **Health Hub:** Lifeline, Streetwork, Headspace, CatholicCare, NSW Health Clinic 16, KYDS, Mission Australia.
- **Future projects:** Young Entrepreneur Program, Mental Health Forum, Mental Health Month, Screen Free Week

A copy of the PowerPoint presentation provided to the Reference Group is attached to the Minutes at **Attachment 1**.

Discussion Points

Q: In regards to the Shoreshocked Music Festival, did the Councils approach the consultants to work at the festival and are they paid for working at the event?

A: The event was organised prior to seeking assistance from local services and consultants. Youth Action group members will be in attendance, however consultants are welcome to attend but will not be paid for working at the event.

Q: Does Council have a list of the service providers available in the local area?

A: Local service provider details are available on the Council website and there is a guide available containing the details of the Youth and Family Team available.

Local services will be advertised in various forms including social media to ensure the community is aware of what services are available locally.

REFERENCE GROUP RECOMMENDATION

That the discussion on programming for young people and their families in Pittwater be noted and the Youth and Families team be thanked for their presentation.

(Mr Bill Gye / Mr Mark Clementson)

CC4.2 Disability Inclusion Planning in Pittwater

Procedures in Brief:

Mr Russell Peake, Community Development Officer addressed the meeting on this item

Australia ratified the United Nations Convention on the Rights of Persons with Disabilities in 2008. Following this commitment the Commonwealth, State, Territory, and Local Governments developed the National Disability Strategy 2010-2020 (NDS) to improve the lives of people living with disability in Australia. In line with the commitment made to the NDS and with the approaching NDIS reform the NSW State Government developed an initial two year NDS NSW Implementation plan 2012-2014 to outline the actions that would ensure the principles of the NDS were being achieved in NSW.

The recent announcements about the proposed merger and pending decision about the future direction of Local Government on the Northern Beaches creates a layer of complexity with the process to begin undertaking the development of the DIAP. As the DIAP needs to be inclusive and reflective of the entire LGA Council is unable to begin the formal process of developing a DIAP until a final decision has been made about the new LGA. Once the NSW State Government has proclaimed the new Local Government Area and the new organisation is active, a cross council team will be established to begin the process of developing a DIAP.

A copy of the PowerPoint presentation provided to the Reference Group is attached to the Minutes at **Attachment 2**.

Note:

Following the presentation, the Reference Group members broke up into four (4) groups to participate in a workshop reflecting on living with disability within the Pittwater community.

The results of the working groups are as follows:

Group	Topic	Results
Group 1	Liveable Communities	<ul style="list-style-type: none"> • Access to Transport i.e. curb and guttering, bus stops and footpaths. • Access to shopping • Access to facilities i.e. Rockpools, beaches, community halls, recreational facilities, car parks and libraries. • Recognising a disability is not just about mobility. • Home – work - shop – journey • Housing
Group 2	Employment	<ul style="list-style-type: none"> ❖ What is the experience now? ❖ What does Council do/could do? <hr/> <ul style="list-style-type: none"> • Physical disablement – access • Attitude of employer and employees • Learning to deal with behaviors of others • Self-empowerment and ability of others to empower them • Potential to want to become a full team member • NESB problems of people with a disability

Group	Topic	Results
Group 3	Systems & Processes	<ul style="list-style-type: none"> • High on stereotype – low on expectation • OPAQUE. The maze of absent S & P • Signage – Location – getting there and finding it. Confusing and well hidden. • Staff training in disability awareness and management.
Group 4	Attitudes and Behaviours	<ul style="list-style-type: none"> • Local Government, large and local businesses to take the lead in regards to infrastructure, finance and specific roles within their scope of business. <p>Government – Tax breaks for working towards creating more opportunities.</p> <ul style="list-style-type: none"> • Education – Local papers and schools • Government / Entertainment / Leadership – Positions of influence for people with disabilities. <p>e.g. Show on ABC regarding mental health.</p>

REFERENCE GROUP RECOMMENDATION

That the presentation on Disability Action Plan and the group exercise on the context in Pittwater be noted.

(Ms Julia Guinan / Ms Margaret White)

5.0 Emerging Business

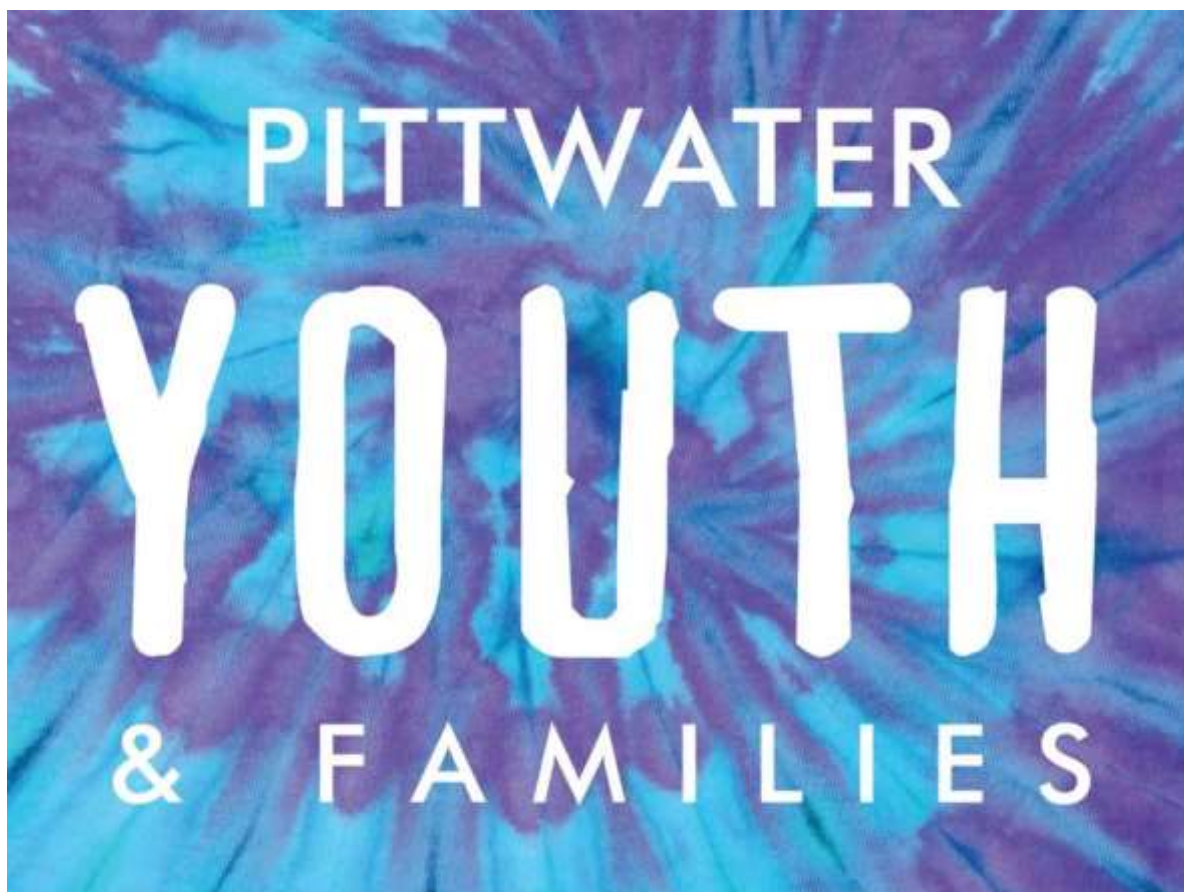
Nil.

6.0 Next Meeting

The proposed 2016 schedule for Connecting Community Reference Group Meetings are as follows:

- Wednesday, 4 May 2016, commencing at 4.00pm.
- Wednesday, 3 August 2016, commencing at 4.00pm.
- Wednesday, 2 November 2016, commencing at 4.00pm.

Meeting closed 6.04pm

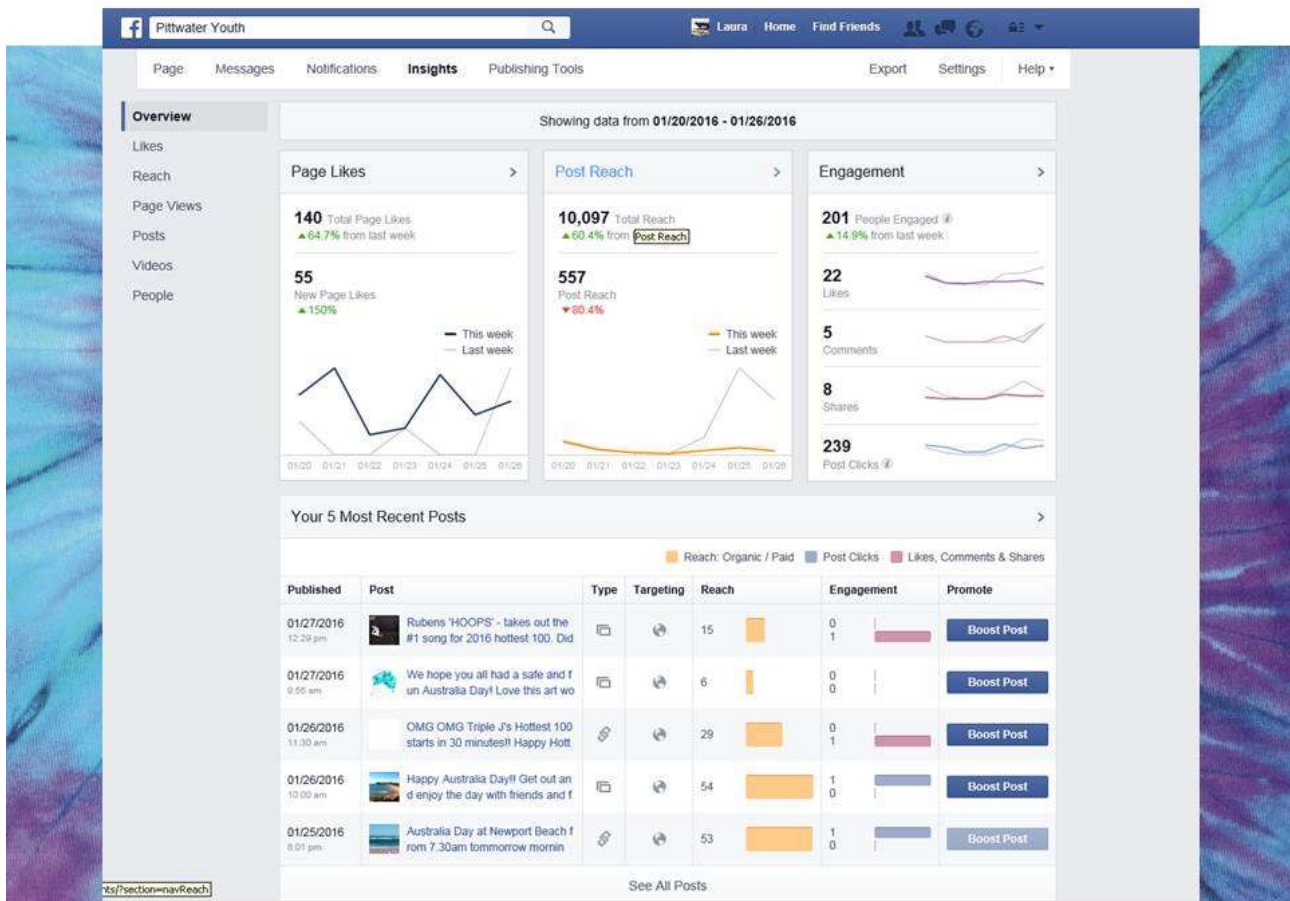


Pittwater Youth Action Group



Meet our Youth Consultants 2016





Upcoming Events



pittwater_youth

EDIT PROFILE

Youth@Pittwater Youth and Families

www.pittwater.nsw.gov.au/community/young_people

20 posts

35 followers

65 following



Youth Week 2016



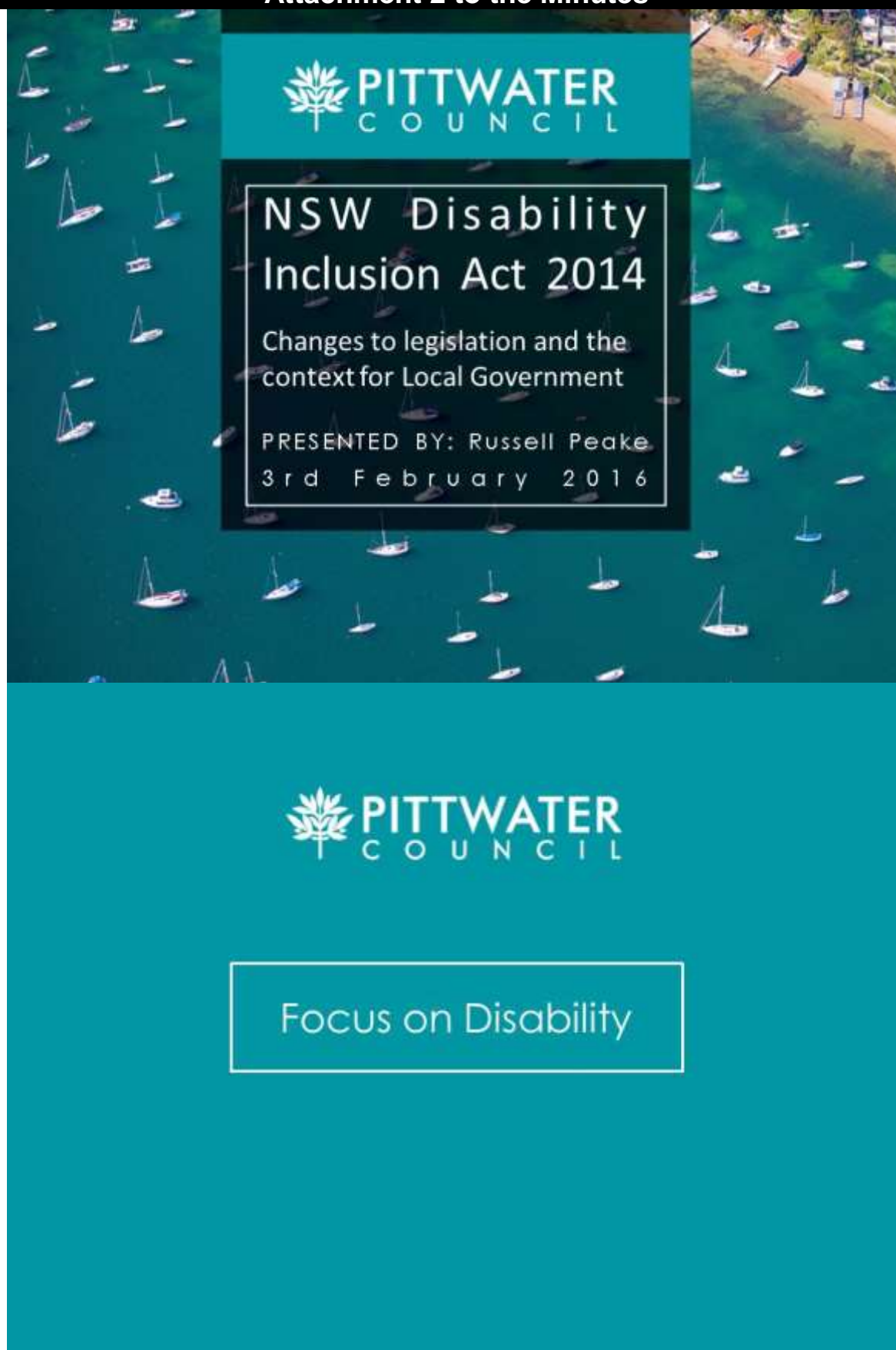
Moonlight Groove Youth Event

- Open Aired Cinema
- Community Challenge
- Mini Half Pipe
- Music Stage and Dance Groups
- Youth Markets
- Wipe out Circuit
- Photo Booth

Skate Series – Avalon Skate Park
ShoreShocked Music Event

Thank You





FOCUS ON DISABILITY

Broader Policy Context

- United Nations Convention on the Rights of Persons with Disabilities - 2008
- COAG: National Disability Strategy 2010-2020
- Federal Government: National Disability Insurance Scheme (NDIS)

FOCUS ON DISABILITY

NSW State Actions

- NDS Implementation Plan 2012 – 2014
- NSW Disability Inclusion Act 2014
- NSW Disability Inclusion Regulation 2014
- Disability Inclusion Plan and Planning Guidelines



FOCUS ON DISABILITY

Purpose of the Legislation



FOCUS ON DISABILITY

Legislative Context

Disability reform impacting inclusion in NSW



Role of Local Government

LOCAL GOVERNMENT



LOCAL GOVERNMENT

Responsibility to develop a DIAP by June 2017

- 4 year Strategic, organisational plan
- Consistent with State Government DIAP
- Focus is to increase access and participation



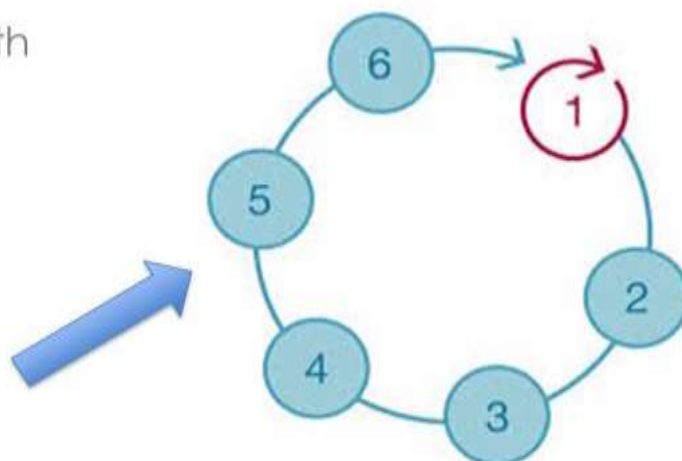
NSW Disability Inclusion Plan

1. Attitudes and behaviours
2. Employment
3. Liveable communities
4. Systems and processes

LOCAL GOVERNMENT

Responsibility to develop a DIAP by June 2017

- Identify alignment with Disability Standards :
 1. Rights
 2. Participation and Inclusion
 3. Individual outcomes
 4. Feedback and complaints
 5. Service access
 6. Service management



LOCAL GOVERNMENT

DIAP Requirements

- In consultation with people with disability
- Sent to the Minister for Local Government and Disability Council
- Progress recorded and reported annually
- Annual reporting to be sent to Minister for Local Government
- DIAP publicly available once completed

Integrated Planning and Reporting

The development of the DIAP will provide Council with a strategic opportunity to embed inclusive practice across the organisation.



Consultation with
Community

GROUP ACTIVITY

Thinking about the Pittwater Context

- Form 4 groups
- Each group will be assigned a DIAP action area
- Consider the experience of living in Pittwater in the context of that action area:
- 10 min discussion in group
- 2 minute presentation

NSW Disability Inclusion Plan

1. Attitudes and behaviours
2. Employment
3. Liveable communities
4. Systems and processes



Natural Environment Committee

10.0 Natural Environment Committee Business

C10.1	316 Hudson Parade Clareville - Renewal of Expired Lease
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Meeting: Natural Environment Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Leading an Effective and Collaborative Council

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To provide an effective, efficient and courteous customer service in accordance with Council values

DELIVERY PROGRAM ACTION:

- Provide an effective customer service
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

This report seeks approval on behalf of the owners of 316 Hudson Parade, Clareville (Lot 1, DP 827733) to renew an expired lease over an area of land designated as a separate allotment (Lot 2, DP 827733) within Refuge Cove Reserve. The land contains a stairway and a section of their boatshed.

The lease cannot be renewed until Lot 2 DP 827733 is recategorised from Natural Area to General Community Use. The process required to recategorise the land has been completed.

2.0 RECOMMENDATION

- 1. *That the report by the Independent Chairperson regarding the recategorisation of Lot 2, DP827733 be noted.***
 - 2. *That the land, Lot 2, DP927733 in Refuge Cove be re-categorised from Natural Area to General Community Use.***
 - 3. *That the General Manager be delegated to negotiate the terms and conditions of a new lease based on the expired lease following the recategorisation of the land.***
-

3.0 BACKGROUND

3.1 PURPOSE

To fix an administrative oversight dating from 1998 in regards to the categorisation of Lot 2, DP 827733 in order to renew an expired lease.

3.2 BACKGROUND

Issue

The owners of 316 Hudson Parade, Clareville request the renewal of an expired lease over an area of land in Refuge Cove Reserve. The land (Lot 2, DP 827733) contains a stairway and a section of a boatshed. See **Attachments 1 and 2**.

Council's 'Property and Rating' software contains the following information on 316 Hudson Parade, Clareville:

- Property type: 'mixed - both privately owned and leased'
- Legal description: 'Lot 1 DP827733 and Lot 2 DP 827733 (Lease LD 2246/316) Lic 350073'.

Background

The property located at 316 Hudson Parade, Clareville originally extended to the mean high water mark including a section of the boatshed. In 1993, the then owners transferred a large area of the property, including the foreshore, to Council for incorporation into Refuge Cove Reserve as part of the subdivision of the property into several allotments. A lease was provided over the access way to the foreshore and the section of the boatshed above the mean high water mark. The access way and section of the boatshed are contained within a separate allotment, being Lot 2, DP 827733.

A 20 year lease was provided by Council for the period from 5 March 1993 until 4 March 2013 for the use of the access way and part of the boat shed. The permitted use under the expired lease is described as "use as a boatshed and such purposes as are incidental thereto".

The property changed hands in 2002. The owners requested the lease be renewed. The property was sold earlier this year and the current owner has requested the lease be renewed. See **Attachment 3** for details on the lease.

The problem stems from an administration oversight during the preparation of the *Plan of Management Urban Bushland, 1998* which did not recognise the leased area (Lot 2, DP 827733) and/or a suitable land categorisation for the said portion of land.

The *Plan of Management Urban Bushland, 1998* is a generic plan covering all natural areas with leases permitted in accordance with Section 36(4) of the Act. However a lease cannot be granted for land categorised as a Natural Area. Land must be managed according to core objectives under Section 47B of the Act and the core objectives for Natural Area (Bushland) are aimed at preserving and restoring the vegetation and landforms of the land.

Legal advice from Matthews Folbigg, Lawyers dated 18 June 2015, instructs that "Council will need to undertake a process of recategorising the land other than as a Natural Area, for example as General Community Use in order to avoid being caught by the provisions of Section 47B of the Act".

The proposal to recategorise the land was agreed by Council at the Sustainable Towns & Villages Committee on 16 November 2015 where permission was granted by the Council to undertake the recategorisation process. This has involved:

Public Exhibition

The proposal was placed on public exhibition for six weeks from 12 December 2015 until 26 January 2016. This allowed an extra two weeks for the Christmas period. Submissions closed on 2 February 2016.

The proposal was advertised and the community notified of the public hearing as follows:

- Pittwater Council website – Your Say page
- Information posters at Council libraries, Customer Service Centres and the Coastal Environment Centre
- Public notices in the Manly Daily on Saturdays 12 December 2015 and 9 January 2016
- Manly Daily Community Noticeboard on 16 January 2016
- Letter posted to the Clareville and Bilgola Plateau Residents Association (CABPRA)
- Letters dated 16 December 2015 posted to neighbouring properties (294-320 and 303–317 Hudson Parade, Clareville)

Public Hearing

The public hearing was held on 16 January 2016 and attended by three community members, two Councillors, three Council staff and Sandy Hoy from Parkland Planners as the Independent Chairperson.

Submissions

In response to the advertisements and notifications, Council received one written submission and three phone enquiries. The submission requested public access to the stairs and dog access to the foreshore. The three phone enquiries were in the form of general enquiries and the residents were referred to Council's website for further information.

Independent Chairperson's Report

The Independent Chairperson's report was received on 10 February and distributed on 11 February to the attendees at the public hearing, the person who furnished the submission, the three residents who made phone enquiries, and exhibited at the Customer Service Centres, libraries and Coastal Environment Centre. A memo was forwarded to the General Managers and Councillors.

Recommendations

Recommendations by the Independent Chairperson following the Public Hearing

1. Note the verbal and written submissions made in Section 2 [Refer to Attachment 4. Refuge Cove Reserve (Part) Recategorisation Public Hearing Report, Final Report 10 February 2016].
2. Adopt the proposed recategorisation of community land (Lot 2 DP 827733) in Refuge Cove Reserve from Natural Area to General Community Use to permit renewal of a lease for an existing boatshed over that parcel of land.
3. Ensure safe public access to the foreshore in Lot 2 DP 827733 in the renewed lease agreement, consistent with the guidelines and core objectives for the General Community Use category under the Local Government Act 1993 and the Local Government (General) Regulation 2005. Recommended works are to upgrade the access stairs from Hudson Parade, and by requiring the leaseholder to improve pedestrian access over the concrete boat ramp.

If Council resolves to re-categorise the subject land from Natural Area to General Community Use, it is recommended that Council update the Urban Bushland Inventory and Action Plan, Volume 2, North Ward Reserves (June 1998) and any planning document which supersedes it, to reflect the proposed recategorisation of community land in part of Refuge Cove Reserve (Lot 2 DP 827733) from Natural Area to General Community Use.

The Recommendations are provided under Item 2 above and the full report is available in **Attachment 4**. The proposed updated chapter for Refuge Cove Reserve is available in **Attachment 5**.

3.3 POLICY IMPLICATIONS

Nil

3.4 RELATED LEGISLATION

- Local Government Act, 1997
- Local Government General (Regulation), 2005
- Environmental Planning and Assessment Act, 1986
- Plan of Management Urban Bushland, 1998 and Urban Bushland Inventory and Action Plan, Volume 2 North Ward Reserves, June 1998 (p.p.136-142)

3.5 FINANCIAL ISSUES

3.5.1 Budget

Any payments derived from the lease will be directed into the management of the Refuge Cove Reserve.

3.5.2 Resources Implications

The stairs within the leased area are in good condition and will continue to be maintained by the owner of 316 Hudson Parade. Under the new lease, the public will continue to have access to the foreshore from the stairs.

4.0 KEY ISSUES

This report seeks approval on behalf of the owners of 316 Hudson Parade, Clareville (Lot 1, DP 827733) to renew an expired lease over an area of land designated as a separate allotment (Lot 2, DP 827733) within Refuge Cove Reserve. The land contains a stairway and a section of their boatshed.

5.0 ATTACHMENTS / TABLED DOCUMENTS

- **Attachment 1** – Maps showing leased area
- **Attachment 2** – Photo of access behind boat shed
- **Attachment 3** – Summary of expired lease
- **Attachment 4** - Refuge Cove Reserve (Part) Recategorisation Public Hearing Report. Final Report 10 February 2016 by Parkland Planners.
- **Attachment 5** - Updated reserve chapter for Refuge Cove Reserve for the *Urban Bushland, Inventory and Action Plan, Volume 2 North Ward Reserves, June 1998 (p.p.136-140) on Refuge Cove Reserve.*

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

Nil.

6.1.2 Risk Management

The lease will note that the public cannot be alienated from the leased area. The access stairs will be upgraded where necessary to ensure public safety and meet relevant Standards.

6.2 **ENVIRONMENT**

6.2.1 **Environmental Impact**

The leased land (Lot 2, DP 8227733) currently contains a set of stairs and boat shed. There will be no increase in the current footprints or associated impacts on the environment. Any funding derived from the lease will be directed into the management of the Reserve.

6.3 **SOCIAL**

The public will not be excluded from the area within the reserve containing the access stairs and surrounding the boat shed.

6.4 **ECONOMIC**

The lease is to be negotiated with the property owner to ensure appropriate Council requirements are met.

Report prepared by
Jenny Cronan, Landscape Architect

Mark Beharrell
MANAGER, NATURAL ENVIRONMENT & EDUCATION



Figure 1. Residence: 316 Hudson Parade, Clareville. Lot 1, DP 827733
Leased area – access path and part of boatshed. Lot 2, DP 827733



Figure 2. Residence and leased area within the context of Refuge Cove Reserve



Figure 3. Public access around the rear of the boatshed. The stairs are in the background (painted black). Note the steep topography of Refuge Cove Reserve.

Summary of Expired Lease

- Lease No 321866.
- Leased property – section of Refuge Cove Reserve - Lot 2, DP 827733
- Lessor – The Council of the Municipality of Pittwater.
- Lessee - original owners - G and R Broadhurst
- Term - 20 years. Commencing 5 March 1993, terminating 4 March 2013.
- Second Lessee – from November 2002 until following the sale of the property in Aug 2015.
- Terms – annual rent \$1.00. Public access retained. Upgrades allowed. Injury waver, public liability workers compensation and fire clauses. Lessee and lessor pay their own legal costs and stamp duty (Clause 18).
- Third Lessee pending

Pittwater Council

REFUGE COVE RESERVE (PART) RECATEGORISATION PUBLIC HEARING REPORT

FINAL REPORT

10 FEBRUARY 2016



PITTWATER COUNCIL

**REFUGE COVE RESERVE (PART)
RECATEGORISATION
PUBLIC HEARING REPORT**

FINAL REPORT

10 FEBRUARY 2016

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1 INTRODUCTION

1.1 Purpose of this public hearing report

The purpose of this report is to convey to Pittwater Council the verbal and written submissions made in relation to a public hearing held on 19 January 2015 regarding the proposed recategorisation of one parcel of community land in Refuge Cove Reserve at Clareville.

This public hearing report has been prepared under Section 40A of the *Local Government Act 1993* (the Act).

1.2 Land covered by this report

Refuge Cove Reserve is located at Taylors Point on the southern side of Refuge Cove. This narrow foreshore reserve occupies 1.01 hectares between the eastern shoreline of Pittwater, and residential properties along Hudson Parade in Clareville.

The subject site is Lot 2 DP 8227733, as shown in Figure 1.

Figure 1 Location of the subject site



Source: Pittwater Council

Pedestrian access for the public from Hudson Parade to Refuge Cove Reserve is via a path and steps at several locations. Public access to the subject site is most direct from stairs and paths between 310 and 312 Hudson Parade, and south of 320 Hudson Parade. Stairs from private residences on Hudson Parade to the foreshore enable those residents to access the subject site.

The subject site contains part of a boatshed and stairs, as shown in Figure 2. Stairs from the private residence at 316 Hudson Parade provide direct access to the subject site.

The site was inspected on Saturday 9 January 2016.

Figure 2 The subject site



View from north direction



View from north-west direction



View from the south

1.3 Background

Refuge Cove Reserve is identified in the *Pittwater Urban Bushland Inventory and Action Plan – Refuge Cove Reserve, Taylors Point* (Pittwater Council, 1998) as being categorised under the *Local Government Act 1993* as:

"a natural area, and further categorised as bushland, foreshore and watercourse."

Pittwater Council proposes to recategorise Lot 2 DP 8227733, part of which is located in Refuge Cove Reserve, from Natural Area to General Community Use to correct an administrative oversight dating from 1998. Under Section 47B(1) of the *Local Government Act 1993* a lease, licence or other estate cannot be granted in respect of community land categorised as a Natural Area to authorise the erection or use of a building or structure that is not a walkway, pathway, bridge, causeway, observation platform, or sign. Prescribed purposes for which a lease, licence or other estate may be granted in a Natural Area include information kiosks, refreshment kiosks (but not restaurants), work sheds or storage sheds required in connection with the maintenance of the land, toilets or rest rooms. A boat shed is not an authorised building, structure or use on community land categorised as Natural Area (refer to Appendix A for an excerpt from the *Local Government Act 1993*). Community land categorised as Natural Area must be managed according to the core objectives for the Natural Area category under Section 36E of the Act, which are aimed at environmental protection.

The owners of the adjoining property in Hudson Parade in Clareville have requested the renewal of an expired lease over Lot 2 DP 8227733 which contains a stairway and a section of their boatshed. Generally a private structure within a public reserve is an encroachment, and the structure is illegal. However, the stairs and boatshed were authorised by Council due a unique set of circumstances. The adjoining property originally extended to the mean high water mark, which includes a section of the boatshed. In 1993, the owners at that time transferred the rear of their property, including the foreshore, to Council for incorporation into Refuge Cove Reserve. The transfer was conditional on a lease being provided over the access way to the foreshore and the section of the boatshed above the mean high water mark. A separate allotment (Lot 2 DP 8227733) was created for the access way and boatshed.

A 20 year lease was provided by Council from 5 March 1993 until 4 March 2013 for the use of the access way and part of the boatshed as it was then within Refuge Cove Reserve. The permitted use under the expired lease is described as "use as a boatshed and such purposes as are incidental thereto".

Recent legal advice which sought to address the problem instructs that "Council will need to undertake a process of re-categorising the land other than as a Natural Area, for example as General Community Use in order to avoid being caught by the provisions of Section 47B of the Act".

On 16 November 2015, the Council authorised staff to undertake the process involved in re-categorising the subject land from Natural Area to General Community Use, with the condition that the new lease will note that the public cannot be alienated from the leased area. Council will investigate upgrading the access stairs where necessary to ensure public safety and to meet relevant building standards.

It is proposed to re-categorise Lot 2 DP 8227733 within Refuge Cove Reserve from Natural Area (Bushland and Foreshore) to General Community Use. This is consistent with the use of this section of land as a stairway and boat shed. Under the *Local Government Act 1993* Council is required to notify the proposal to the public and to hold a public hearing.

1.4 Legislative requirements

1.4.1 Requirements for categorisation of community land

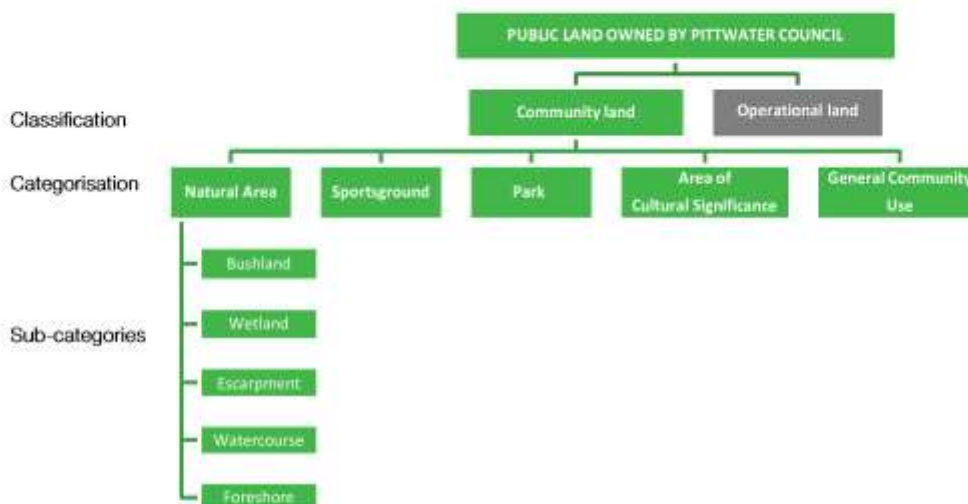
The requirements of the *Local Government Act 1993* for classification of public land and categorisation of community land are illustrated in Figure 1.

Land owned by Council may be classified as either community or operational land. Community land is defined as land that must be kept for the use of the general community, and must not be sold.

Categorisation of community land determines the way in which the land will be managed. In accordance with Section 36(4) of the Act, community land is to be categorised as one or more of the following:

- ☐ Natural Area.
- ☐ Sportsground.
- ☐ Park.
- ☐ Area of Cultural Significance.
- ☐ General Community Use.

Figure 3 Public land



Land that is categorised as a Natural Area is to be further categorised as one or more of the following under Section 36(5) of the Act:

- ☐ Bushland.
- ☐ Wetland.
- ☐ Escarpment.
- ☐ Watercourse.
- ☐ Foreshore.

Guidelines and core objectives for the various categories of community land, which clarify Council's intentions for the use and management of community land in each category, are prescribed by legislation in the *Local Government Act 1993* and the *Local Government (General) Regulation 2005* (the Regulation). Council must categorise community land according to these guidelines, and manage the community land according to these core objectives. Any additional Council objectives for the land must comply with the core objectives established within the Act. The importance of the prescribed core objectives is to ensure that any activities or uses of the land are consistent with the core objectives for that category of land.

The Department of Local Government's revised Practice Note on Public Land Management (Department of Local Government, 2000) made general recommendations on the guidelines for categorising community land. The Practice Note stated:

"Council must have regard to the guidelines in determining a category (cl.9) but are not required to adopt any category merely because the land fits the description in the guidelines. Council should look at all the circumstances of the land in making a decision as to categorisation. For example, a piece of land may seem to satisfy the guidelines for more than one category. Council has a discretion in this case to look at the land in context, taking into account all relevant material before determining a category. It is important that Council be able to justify a decision."

Also, Council may have a piece of community land, parts of which may be best managed as different categories, for example a piece of land with remnant bushland in one part and children's play equipment in another. Council is able to categorise land as part 'Natural Area – Bushland' and part 'Park'. It is strongly recommended that the land in each category not overlap. Overlapping categories may cause conflict in management objectives and will create confusion in the minds of Council staff and the community."

1.4.2 Requirements for public hearings

Under Section 40A of the *Local Government Act 1993*, Councils are required to hold a public hearing into the proposed categorisation or re-categorisation of community land. Under Section 47G of the Act, public hearings are required to be conducted by an independent chairperson. The person presiding at a public hearing must not be a Councillor or an employee of the Council holding the public hearing, or a person who has been a Councillor or employee of that Council at any time during the five years before the date of his or her appointment.

1.5 Proposed recategorisation of part of community land in Refuge Cove Reserve

The proposed recategorisation of community land in part of Refuge Cove Reserve is according to the guidelines set out in the *Local Government (General) Regulation 2005* and the core objectives of the categories of community land in the *Local Government Act 1993*.

Pittwater Council proposes to recategorise community land in part of Refuge Cove Reserve (Lot 2 DP 8227733) from Natural Area (Bushland and Foreshore) to General Community Use to enable a lease over the land for a boatshed and stairway.

The land is intended to be managed according to the core objectives for the General Community Use category in the *Local Government Act 1993* as outlined in Table 1.

Table 1 Guidelines and core objectives for categories of community land

Guidelines	Core objectives
Current categorisation	
Natural Area	
<p>If the land, whether or not in an undisturbed state, possesses a significant geological feature, geomorphological feature, landform, representative system or other natural feature or attribute that would be sufficient to further categorise the land as bushland, wetland, escarpment, watercourse or foreshore under section 36(5) of the Act.</p>	<ul style="list-style-type: none"> - conserve biodiversity and maintain ecosystem function in respect of the land, or the feature or habitat in respect of which the land is categorised as a natural area. - maintain the land, or that feature or habitat, in its natural state and setting. - provide for the restoration and regeneration of the land. - provide for community use of and access to the land in such a manner as will minimise and mitigate any disturbance caused by human intrusion. - to assist in and facilitate the implementation of any provisions restricting the use and management of the land that are set out in a recovery plan or threat abatement plan prepared under the <i>Threatened Species Conservation Act 1995</i> or the <i>Fisheries Management Act 1994</i>.
<p>Under Section 36(5) of the Act, Natural Areas are required to be further categorised as bushland, wetland, escarpment, watercourse or foreshore based on the dominant character of the natural area.</p>	
Natural Area – Foreshore	
<p>Land that is categorised as a natural area should be further categorised as Foreshore if the land is situated on the water's edge and forms a transition zone between the aquatic and terrestrial environment.</p>	<ul style="list-style-type: none"> - maintain the foreshore as a transition area between the aquatic and the terrestrial environment, and to protect and enhance all functions associated with the foreshore's role as a transition area. - facilitate the ecologically sustainable use of the foreshore, and to mitigate impact on the foreshore by community use.
Natural Area – Bushland	
<p>Land that is categorised as a natural area should be further categorised as bushland if the land contains primarily native vegetation and that vegetation:</p> <ul style="list-style-type: none"> (a) is the natural vegetation or a remainder of the natural vegetation of the land, or (b) although not the natural vegetation of the land, is still representative of the structure or floristics, or structure and floristics, of the natural vegetation in the locality. 	<ul style="list-style-type: none"> - ensure the ongoing ecological viability of the land by protecting the ecological biodiversity and habitat values of the land, the flora and fauna (including invertebrates, fungi and micro-organisms) of the land and other ecological values of the land. - to protect the aesthetic, heritage, recreational, educational and scientific values of the land. - promote the management of the land in a manner that protects and enhances the values and quality of the land and facilitates public enjoyment of the land; and to implement measures directed to minimising or mitigating any disturbance caused by human intrusion. - restore degraded bushland. - protect existing landforms such as natural drainage lines, watercourses and foreshores. - retain bushland in parcels of a size and configuration that will enable the existing plant and animal communities to survive in the long term. - protect bushland as a natural stabiliser of the soil surface.
Proposed categorisation	
General Community Use	
<p>Land that may be made available for use for any purpose for which community land may be used, whether by the public at large or by specific sections of the public.</p>	<ul style="list-style-type: none"> - promote, encourage and provide for the use of the land, and to provide facilities on the land, to meet the current and future needs of the local community and of the wider public in relation to: <ul style="list-style-type: none"> - public recreation and the physical, cultural, social and intellectual welfare or development of individual members of the public. - purposes for which a lease, licence or other estate may be granted in respect of the land (other than the provision of public utilities and works associated with or ancillary to public utilities).

1.6 Public hearing details

1.6.1 Advertising and notification

Section 38 of the *Local Government Act 1993* provides that Councils must give "public notice" of a public hearing. The contents of the public notice are set out in Section 705 of the Act.

The public hearing arrangements were notified to the community by:

- ☐ letters dated 16 December 2015 posted to neighbouring properties (294-320 and 303-317 Hudson Parade in Clareville).
- ☐ letter posted to the Clareville and Bilgola Plateau Residents Association (CABPRA).
- ☐ public notices in the *Manly Daily* on Saturdays 12 December 2015, and 9 January 2016.
- ☐ item in the Community Noticeboard in the *Manly Daily* on 16 January 2016.
- ☐ Pittwater Council website:
http://www.pittwater.nsw.gov.au/yoursay/open/open_consultation
- ☐ information posters at Council libraries, customer service centres, and at the Coastal Environment Centre.

The proposal was on public exhibition at

<http://www.pittwater.nsw.gov.au/council/documents/exhibitions> from 11 December 2015 until 26 January 2016. Submissions were received by Council until close of business on Tuesday 2 February 2016.

1.6.2 Public hearing arrangements

The public hearing to receive submissions on the proposed recategorisation of community land in Refuge Cove Reserve was held on Tuesday 19 January 2015 from 6.00 pm to 7.00pm in the Coastal Environment Centre, Lake Park Road, North Narrabeen.

1.6.3 Attendance at the public hearing

As required under Section 47G of the *Local Government Act 1993*, Council appointed an independent chairperson, Sandy Hoy, Director of Parkland Planners, to chair the public hearing.

Attendance sheets from the evening show that three community members and two Councillors (Cr Sue Young and Cr Kaye Millar) attended the public hearing.

Council officers who attended the public hearing to provide organisational expertise and to answer any specialised questions were:

- ☐ Mark Beharrell Manager Natural Environment
- ☐ Jenny Cronan Landscape Architect
- ☐ David Bremner Community Engagement Officer.

1.6.4 The public hearing

Ms Hoy opened the public hearing at 6.05 pm.

Ms Hoy explained the purpose of the public hearing, the legislative basis for categorisation of community land, and the requirement for public hearings.

Submissions regarding the proposed recategorisation of community land were received and noted at the hearing. Other comments and questions about Refuge Cove Reserve were noted but are outside the scope of this report.

The content of the submissions which are relevant to the proposed recategorisation are outlined in more detail in Section 2 of this report.

With there being no further submissions or questions, Ms. Hoy closed the hearing at 6.45 pm.

1.7 Submissions

1.7.1 Verbal submissions

Several people asked a question or made a comment about the proposed recategorisations at the public hearing. These questions or comments about the proposed recategorisations are listed in Section 2.

1.7.2 Written submissions

The closing date for written submissions on the proposed recategorisation was advertised as Tuesday 2 February 2015.

Written submissions could be made via:

- ☐ on-line feedback form at http://www.pittwater.nsw.gov.au/yoursay/open/open_consultation
- ☐ email to info@pittwater.nsw.gov.au
- ☐ post to Pittwater Council, PO Box 882, Mona Vale, NSW 1660
- ☐ Fax to (02) 9970 1200.

One written submission was received by the closing date, and is relevant to the proposed recategorisation of part of Refuge Cove Reserve. The written submission is addressed in Section 2.

1.8 This report

This report presents submissions regarding the proposed recategorisation of community land in part of Refuge Cove Reserve from Natural Area to General Community Use. These submissions comprise:

- ☐ verbal submissions made at the public hearing held on 19 January 2016.
- ☐ written submissions about the proposed recategorisation received by Council by 2 February 2016.

This report also assesses the submissions and makes recommendations to Council regarding the proposed recategorisation of community land of part of Refuge Cove Reserve.

Information included in the attachments is:

- ☐ Attachment A: Section 47B of the *Local Government Act 1993*
- ☐ Attachment B: public hearing agenda.

2 SUBMISSIONS

2.1 Introduction

The community members who attended the public hearing were supportive of the proposed recategorisation. The person who made a written submission wants Council to make sure that the provisions of the lease ensure public access to the foreshore.

The questions raised and submissions made, with the comments made by Council officers in response, are set out below.

2.2 Submissions and Council response

2.2.1 Verbal submissions

Table 2 Verbal submissions and Council response

Submission/question/comment	Council response
In the 1990s Council was required to prepare numerous Plans of Management for community and Crown land in a short time. As a result some use agreements "slipped through the cracks", and the lease over this part of Refuge Cove Reserve is one example.	Noted.
How will the foreshore be protected under the new categorisation?	The subject land parcel comprises 1% of Refuge Cove Reserve. The boatshed already exists. The public can access the foreshore around the boatshed and ramp. The foreshore will remain as it is and will not be further encroached upon.
What percentage of the boatshed is on Council and Crown land?	One-third of the boatshed is on Council-owned land. Two-thirds of the boatshed is on Crown land.
Does the lease make provision for a pathway and stairs for unobstructed public access across the boatshed and ramp?	The lease will be conditional that the public may continue to access the stairs and foreshore area adjacent the boatshed structure. Council will investigate upgrading the access stairs where necessary.
Will the new lease be the same as the old lease?	The expired lease was for a period of 20 years at a cost of \$1. The lease is now on a day-to-day basis until a new lease agreement is in place. The new lease will presumably be the same as the old lease, but there may be some changes to negotiate with the land owner.
The land owner is satisfied if the land is categorised as either Natural Area or General Community Use, as long as the lease over the land occupied by the boatshed continues.	Noted.

2.2.2 Written submission

Table 3 Written submission and Council response

Submission/question/comment	Council response
<p>The submitter emailed Council on 13 December 2015:</p> <p>It seems that Council intends a re-grant of the now expired ultra vires lease on reclassification (sic) of this land. Any such lease will be of public land providing access to the shoreline and the Pittwater. As I understand it, on reclassification, the land will be subject to all the incidents of General Community Use, that is, it becomes land "for use by the public or sections of the public".</p> <p>As a single landowner cannot constitute a "section of the public" (assuming a lease can be granted for strictly private purposes) it must follow that any lease proposed on reclassification of this land can grant only non-exclusive use to the adjoining landowner. No lease can lawfully exclude the public or sections of the public.</p> <p>The submitter then requested access to the foreshore for dogs to be exercised off the leash and allowed to swim.</p> <p>In reply to Council's written response, the submitter stated on 16 December 2015:</p> <p>In light of what you say however, it must surely follow that reclassification (sic) of the subject lot from Natural Area to Community Land (sic) does not actually reflect the 'correct classification (sic)' (as you put it) of this individual part of Refuge Cove Reserve and, that it cannot deliver any substantive benefit to the public or any sector of the public.</p> <p>If this is the case then the only benefit from this proposed reclassification (sic) would appear to be a private benefit to the adjoining landowner in the form of de facto exclusive use of Community Land.</p> <p>I can see that this may relieve council and those advising it at the time of the original agreement, of the collateral benefit of curing any 'administrative error' (as described in Council's background information) but I am struggling to see, in light of what you say, how this proposed reclassification can be a lawful exercise of the statutory power.</p>	<p>Jenny Cronan replied to the submitter on 16 December 2015:</p> <p>Thank you for your submission regarding the proposed re-categorisation of Lot 2 within Refuge Cove Reserve. We can confirm that Lot 2 will remain available for the community to use. On 16 November 2015, the Council authorised staff to undertake the process involved in re-categorising the said land on the condition that the new lease will note that the public cannot be alienated from the leased area and the access stairs will be upgraded where necessary to ensure public safety and to meet relevant building standards.</p> <p>Lot 2 contains built structures, but the balance of Refuge Cove Reserve is correctly categorised as a Natural Area – Bushland and Foreshore. The Reserve does not have a cleared, grassy area next to the foreshore, rather the bushland extends to the high water mark, and as such dog off-leash would not be permitted under the guidelines and core objectives for the management of Natural Area under the <i>Local Government Act, 1993 and the Local Government (General) Regulation 2005</i>.</p> <p>Nevertheless your submission will be reviewed and taken into full consideration by an Independent Planner.</p> <p>In the meantime, I believe Council is working with dog owners to extend off-leash dog areas, so I will forward your submission to the relevant staff managing that process.</p>

3 RECOMMENDATIONS

3.1 Consideration of submissions

Most verbal and written submissions supported the proposed recategorisation.

The only objection to the proposed recategorisation was received from one person, who is concerned about the private benefit of the proposed recategorisation and lease to the adjoining landowner, and public access to the foreshore.

After considering the verbal and written submissions, and Council's response to the submissions in Section 2 above, my assessment is set out below.

Table 4 Assessment of submissions

Submission/question/comment	Assessment and recommendations
In the 1990s Council was required to prepare numerous Plans of Management for community and Crown land in a short time. As a result some use agreements "slipped through the cracks", and the lease over this part of Refuge Cove Reserve is one example.	Noted
How will the foreshore be protected under the new categorisation?	The General Community Use category which is intended to apply to Lot 2 DP 8227733 will not affect protection of the foreshore if the foreshore will not be further encroached upon by built structures, or if use of the foreshore does not impact on the foreshore.
What percentage of the boatshed is on Council and Crown land?	Council response noted
Does the lease make provision for a pathway and stairs for unobstructed public access across the boatshed and ramp?	Council response noted
Will the new lease be the same as the old lease?	Council response noted
The land owner is satisfied if the land is categorised as either Natural Area or General Community Use, as long as the lease over the land occupied by the boatshed continues.	Noted
The submitter emailed Council on 13 December 2015: It seems that Council intends a re-grant of the now expired ultra vires lease on reclassification (sic) of this land. Any such lease will be of public land providing access to the shoreline and the Pittwater. As I understand it, on reclassification, the land will be subject to all the incidents of General Community Use, that is, it becomes land "for use by the public or sections of the public".	The guidelines for categorisation of community land as General Community Use in Clause 106 of the <i>Local Government (General) Regulation 2005</i> , and the core objectives for the General Community Use category in Section 361 of the <i>Local Government Act 1993</i> , provide for Council to manage the land to facilitate public access and use.

Submission/question/comment	Assessment and recommendations
<p>As a single landowner cannot constitute a "section of the public" (assuming a lease can be granted for strictly private purposes) it must follow that any lease proposed on reclassification (sic) of this land can grant only non-exclusive use to the adjoining landowner. No lease can lawfully exclude the public or sections of the public.</p> <p>The submitter then requested access to the foreshore for dogs to be exercised off the leash and allowed to swim.</p> <p>In reply to Council's written response, the submitter stated on 16 December 2015:</p> <p>In light of what you say however, it must surely follow that reclassification (sic) of the subject lot from Natural Area to Community Land (sic) does not actually reflect the 'correct classification (sic)' (as you put it) of this individual part of Refuge Cove Reserve and, that it cannot deliver any substantive benefit to the public or any sector of the public.</p> <p>If this is the case then the only benefit from this proposed reclassification (sic) would appear to be a private benefit to the adjoining landowner in the form of de facto exclusive use of Community Land.</p> <p>I can see that this may relieve council and those advising it at the time of the original agreement, of the collateral benefit of curing any 'administrative error' (as described in Council's background information) but I am struggling to see, in light of what you say, how this proposed reclassification can be a lawful exercise of the statutory power.</p>	<p>It is understood that the boatshed was constructed in the 1950s, which pre-dates the granting of leases, licences and other estates under the <i>Local Government Act 1993</i>. The boatshed itself will continue to be closed to the public for equipment security reasons, but it is understood that the foreshore will remain accessible to the public, and that public access will likely be improved by upgrading the access stairs. A further consideration in the lease agreement would be to require the leaseholder to also improve pedestrian access over the concrete boat ramp.</p>

3.2 Recommendations regarding proposed recategorisation

Based on the representations to the public hearing on 19 January 2015 and the written submission made to Council by 2 February 2016, my recommendations to Pittwater Council regarding the proposed recategorisation of community land in part of Refuge Cove Reserve (Lot 2 DP 8227733) are to:

1. Note the verbal and written submissions made in Section 2.
2. Adopt the proposed recategorisation of community land (Lot 2 DP 8227733) in Refuge Cove Reserve from Natural Area to General Community Use to permit renewal of a lease for an existing boatshed over that parcel of land.
3. Ensure safe public access to the foreshore in Lot 2 DP 8227733 in the renewed lease agreement, consistent with the guidelines and core objectives for the General Community Use category under the *Local Government 1993* and the *Local Government (General) Regulation 2005*. Recommended works are to upgrade the access stairs from Hudson Parade, and by requiring the leaseholder to improve pedestrian access over the concrete boat ramp.

3.3 Reporting

Within four days of receiving this final report, Council is required under Section 47G(3) of the *Local Government Act 1993* to make a copy of this public hearing report available for inspection by the public at a location within the area of the Council. It is recommended that Council:

1. notify the owner of 316 Hudson Parade in Clareville, people who attended the public hearing, the person who made a written submission, people who made a telephone enquiry, and Councillors that the public hearing report is available for inspection and the ways they can inspect the report.
2. keep a hard copy of the public hearing report for inspection at Council's Customer Service Centres, libraries, and the Coastal Environment Centre.
3. post an electronic copy of the public hearing report on Council's website.

If Council resolves to recategorise the subject land from Natural Area to General Community Use, it is recommended that Council update the Urban Bushland Inventory and Action Plan, Volume 2, North Ward Reserves (June 1998) and any planning document which supercedes it, to reflect the proposed recategorisation of community land in part of Refuge Cove Reserve (Lot 2 DP 8227733) from Natural Area to General Community Use.



Sandy Hoy
Director
Parkland Planners

10 February 2016

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ATTACHMENT A

SECTION 47B OF THE LOCAL GOVERNMENT ACT 1993

47B Lease or licence in respect of natural area

- (1) A lease, licence or other estate must not be granted, in respect of community land categorised as a natural area:
 - (a) to authorise the erection or use of a building or structure that is not a building or structure of a kind prescribed by this section or the regulations, or
 - (b) to authorise the erection or use of a building or structure that is not for a purpose prescribed by this section or the regulations.
- (2) A lease, licence or instrument granting any other estate is void to the extent that its provisions are inconsistent with this section.
- (3) In this section, **erection** of a building or structure includes rebuilding or replacement of a building or structure.
- (4) The following buildings and structures are prescribed for the purposes of subsection (1) (a):
 - (a) walkways,
 - (b) pathways,
 - (c) bridges,
 - (d) causeways,
 - (e) observation platforms,
 - (f) signs.
- (5) The following purposes are prescribed for the purposes of subsection (1) (b):
 - (a) information kiosks,
 - (b) refreshment kiosks (but not restaurants),
 - (c) work sheds or storage sheds required in connection with the maintenance of the land,
 - (d) toilets or rest rooms.
- (6) Despite subsection (1), a lease, licence or other estate may be granted, in respect of community land categorised as a natural area, to authorise the erection or use of any building or structure necessary to enable a filming project to be carried out, subject to the conditions prescribed by subsection (7) and the regulations.
- (7) It is a condition of any lease, licence or other estate referred to in subsection (6):
 - (a) that any building or structure so erected must be temporary in nature, and
 - (b) that as soon as practicable after the termination of the lease, licence or other estate:
 - (i) any building or structure erected must be removed, and

- (ii) any damage to the land caused by the erection or use of a building or structure must be made good, and
- (iii) the land must be restored as nearly as possible to the condition that it was in at the time the lease, licence or other estate was granted,
at the expense of the person to whom the lease, licence or other estate was granted.

ATTACHMENT B

PUBLIC HEARING AGENDA



PO Box 41
FRESHWATER NSW 2096
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www.parklandplanners.com.au

PUBLIC HEARING

PROPOSED RECATEGORISATION OF COMMUNITY LAND IN REFUGE COVE RESERVE (Part)

Tuesday 19 January 2016

Coastal Environment Centre

Lake Park Road

North Narrabeen

6.00pm

AGENDA

- 1 WELCOME AND INTRODUCTIONS
- 2 BACKGROUND TO THE PUBLIC HEARING
- 3 REQUIREMENTS OF THE *LOCAL GOVERNMENT ACT 1993* AND REGULATION
- 4 BACKGROUND TO THE PROPOSED RECATEGORISATION OF REFUGE COVE RESERVE (Part)
- 5 PUBLIC HEARING AND REPORT
- 6 SUBMISSIONS ABOUT PROPOSED RECATEGORISATION OF REFUGE COVE RESERVE (Part)
- 7 NEXT STEPS
- 8 THANKS AND CLOSE

Refuge Cove Reserve, Taylors Point

Reserve Number: 0058

Street Address: 268A, 310A, 310B, 316A, 320A, Hudson Parade, Taylors Point

1.0 Description & Category

1.1 Location and Description

Refuge Cove Reserve is located in Taylors Point on the southern side of Refuge Cove. This narrow foreshore Reserve occupies 1.01 hectares and lies between the eastern shoreline of Pittwater Estuary and residential properties along Hudson Parade. The main access is a path and steps opposite Hudson Parade.

1.2 Land Tenure and Property Description

The Reserve is owned by Pittwater Council, being described as Lot 17 in DP 217688, Lot 1 in DP 222134, Lot 5 in DP 261693, Lot 33 in DP 233469, Lot 2 in DP 827733, Lot 5 in DP 261693. The land was zoned 6(a) Open Space - Existing Recreation and is now zoned RE2.

1.3 Category of Land

The Reserve is community land under the Local Government Act 1993. It is categorised as General Community Use, and as a Natural Area. The Natural Areas are further categorised as Bushland, Foreshore and Watercourse. It meets the definition of urban bushland described in State Environmental Planning Policy No 19 - Bushland. See Figure 1 Land Categorisation.

2.0 Natural and Cultural Heritage

2.1 Topography, Geology and Soils

Refuge Cove Reserve is a narrow strip of land with a west to north-western aspect located on a short, steep foreshore slope. The shales and sandstones of the parent geology relate to the Newport formation of the Narrabeen Group Rock platforms, displaced upslope. Sandstone floaters and exposed shale stratum are apparent throughout the Reserve.

The soils derived vary from shallow to moderately deep brown, red and gleyed podzols characteristic of the Watagan soil landscape.

The landform and clay content contribute to the potential for mass movement and present a severe soil erosion hazard if disturbed.

2.2 Hydrology

The foreshore Reserve has three creek lines discharging to sandy beaches or mudflats and mangroves in Pittwater Estuary. The catchment commences at Bilgola Plateau with very steep slopes occurring in the mid catchment. Development is residential with kerbed roads.

2.3 Vegetation

The vegetation is Spotted Gum (*Corymbia maculata*) which is the dominant species. Associated species include Broad leaved White Mahogany (*Eucalyptus umbra*), Grey Gum (*E. punctata*) and Grey Ironbark (*E. paniculata*) on the exposed slopes. Understorey and groundlayer species include Narrow-leaved Geebung (*Persoonia lineans*), Burrawang (*Macrozamia communis*) and Kangaroo Grass (*Themeda australis*), while species such as Blueberry Ash (*Eleocharis reticulatus*), Mock Olive (*Notelaea longifolia*) and Water Vine (*Cissus hypoglauca*) occur in sheltered gullies. Stands of Swamp Oak Woodland dominated by Grey Mangrove (*Avicennia marina* var. *australasica*) occur along the tidal foreshore. Tongue Orchid (*Dendrobium linguiforme*) cling to large sandstone floaters on the water's edge.

2.4 Fauna

The many mature trees provide valuable habitat in the form of tree hollows and high nesting opportunities. The Reserve also acts as a stepping stone for birds and bats using the western foreshores as habitat. Council's Habitat and Wildlife Corridor Conservation Strategy maps the Reserve as "Corridor - Co1" which indicates corridors or habitat areas though disturbed are likely to be of value due to good crown cover and/or understorey.

2.5 Aboriginal and Non-Aboriginal Sites

Numerous Aboriginal sites, including rock engravings and middens have been recorded at the Reserve and there is potential for others to exist.

There are no known European heritage sites in the Reserve

3.0 Significance and Objectives

3.1 Statement of Significance

Refuge Cove Reserve is significant because:

- it protects an example of bushland of Pittwater's eastern foreshore in a similar condition to that which occurred when the area was first visited by Europeans;
- it protects Aboriginal sites which demonstrate the link between the land and its original human inhabitants;
- it includes Spotted Gum Forest, a community which has conservation significance at a State level;
- it includes examples of plant communities which are inadequately conserved in the Pittwater area, namely the Mangroves and Swamp Oak Woodland communities;
- it is an important part of the habitat and wildlife corridor for faunal movement on the Barrenjoey Peninsula;
- it contributes to the landscape quality of Clareville and provides a record of the original landscape and the changes wrought by urban development;
- it is an education resource and a contact point with nature for residents; and
- it allows urban residents to undertake informal recreational pursuits in a bushland setting.

3.2 Management Objectives

The management objectives for Refuge Cove Reserve are:

- to protect the natural and landscape features of the Reserve;
- to maintain the natural range of structural and floristic diversity of bushland in the Reserve;
- to conserve Aboriginal sites in the Reserve;
- to conserve significant plant communities, namely Spotted Gum Forest, Mangroves and Swamp Oak Woodland;
- to conserve the habitat and wildlife corridor values for native fauna;
- to adequately manage the bushland in relation to encroachments and weed invasion;
- to protect life and property from wildfire and to maintain ecological processes by seeking to maintain a near-natural fire regime in the Reserve to conserve native flora and fauna in the Reserve;
- to control introduced animals in the Reserve;
- to provide opportunities for low impact recreational and educational use of the Reserve consistent with the other objectives;
- to encourage community appreciation and management of the Reserve; and
- to control erosion and address areas of instability.

4.0 Management Issues

4.1 Weed invasion & Bush regeneration

Weed invasion is well-established along the length of this narrow Reserve and appears directly related to garden escapes from nearby residences or dumped garden waste in the worst areas, in particular the northern section of the Reserve. This area has been compounded by fill or stormwater. In the wetter areas weeds include Willows, Balsam, Crofton, Mist flower and Bamboo. In other areas Asparagus Fern, Ivy, Lantana, Mother of Millions and Kikuyu are present. Eucalypt dieback is evident in some tree stands.

A bush regeneration program in this narrow reserve should have local participation to ensure long term success. Initially areas of least weed would be targeted and areas adjacent to creeklines tackled once other areas have been stabilised.

4.2 Stormwater management

Stormwater is piped into the Reserve. Apart from weedy areas where residents have directed overland flows. Impacts on eucalypts, creek banks and weed invasion will be monitored.

4.3 Fire Regime

Management of the fire regime in the Reserve will be undertaken by the Warringah Pittwater Bushfire Management Committee in accordance with Circular C10- Planning for Bush Fire Prone Areas. The Reserve will be regularly monitored for fuel loadings and any hazard reductions required will be undertaken in accordance with the Draft Fuel Management Plan.

Ecological considerations will be assessed by Council's environmental staff to determine the methods of hazard reduction and coordinate with follow-up bush regeneration.

4.4 Management of Native Fauna and Introduced Predators

Refuge Cove Reserve provides good habitat for fauna with a variety of habitat components. The winter-flowering Spotted Gum and other eucalypts with abundant pollen or nectar such as Grey Gum and Grey Ironbark provide suitable habitat for the Squirrel Glider, an endangered population on the Barrenjoey Peninsula.

A Pittwater wide public awareness campaign will address the value of bushland as habitat for fauna and how residents can be responsible neighbours by ensuring that domestic cats and dogs do not roam in the Reserve. Compliance signs can assist this. Feral cat and fox predation is an issue that needs to be addressed through a Pittwater-wide control strategy.

4.5 Access, walking tracks and recreation

Access is available at one of three unmarked access handles. At the Northern Cove access, the terrain is too rough, at the other end an encroachment has been extended as a garden and landscaped. The main access is via a stairway and concrete steps and then an informal track to the foreshore. This path is used for access to dinghies stored on the foreshore or to fishing off the rock platform and the rough old stone wharfs. An old boathouse occurs at the southern end of the Reserve and the sandy beaches are used regularly. There are numerous informal paths in some sections of the Reserve.

Access at the northern section could be improved if the path was extended. Combined with educational signage this would allow public access to the interesting Mangrove area. Work should also incorporate a revegetation programme of the fill embankment.

4.6 Boundaries and neighbours

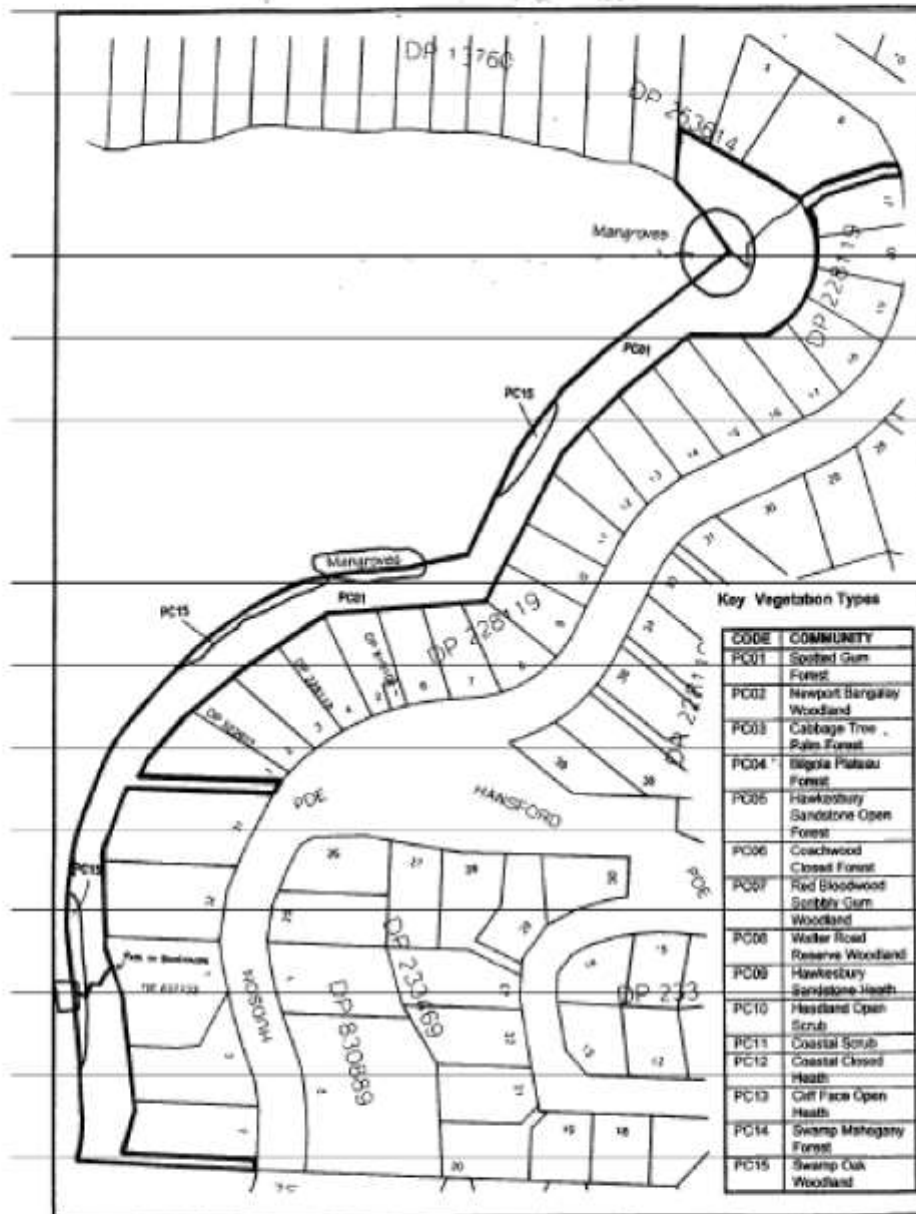
To create and maintain views, some residents have encroached by pushing fill into the Reserve. Often, the extended areas are included in maintained gardens and vegetation dumped in large piles beyond the encroachments. These encroachments are illegal and threaten the integrity of the Reserve and should be returned to the public Reserve. A community awareness program is required to encourage the inclusion of local native plantings in residential properties, explaining stormwater issues and to link dumped vegetation to weed infestation and fire hazard.

5.0 Performance

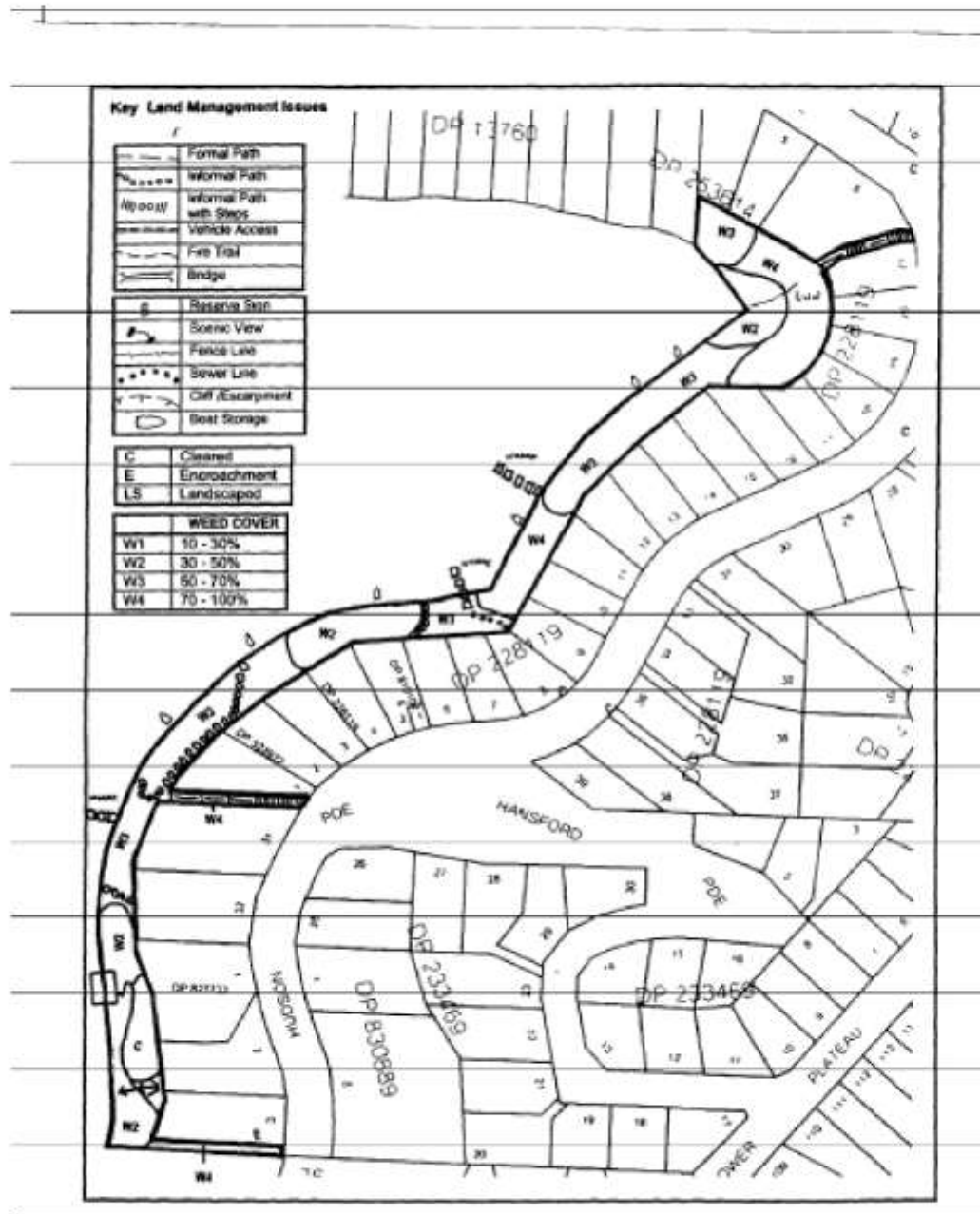
Management Objectives	Performance Targets (Actions)	Responsibility	Completion Date	Capital Cost	Recurrent Cost	Performance Measures
Weed control and bush regeneration	Letterbox drop for volunteer group	Natural Resources	When community demand		\$1400 pa	Group commenced
Management of native fauna and introduced predators	Public awareness campaign for responsible pet ownership and feral animal program	Natural Resources and Compliance	When funds available as well as ongoing programs	Ongoing	Funded within a Pittwater wide feral animal control program	An increase in native fauna in the Reserve
Fire management	Maintain appropriate fire regime	Natural Resources and bushfire services	Ongoing		Staff time	Safe fuel levels and biodiversity conservation
Access, walking tracks and recreation	Investigate extending northern track and removing unnecessary tracks	Natural Resources	When funds available		Seek detailed costs	Good public access
Boundaries and neighbours	Encourage community participation and awareness. Regain	Natural Resources and Compliance	Ongoing		Staff time	Good boundary and bushland interface



Figure 1. Land Categorisation



Urban Bushland Plan of Management			
Map	Vegetation	Scale 1:2000	Date JULY 1997
Location		Refuge Cove Reserve Taylors Point	
		Pittwater Council	



C10.2	Minutes of the Natural Environment Reference Group Meeting held on 10 February 2016
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Meeting: Natural Environment Committee

Date: 7 March 2016

COMMUNITY STRATEGIC PLAN STRATEGY: Corporate Management

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To provide leadership through ethical, accountable and legislative decision-making processes
- To ensure local democratic representation
- To engage proactively with the community in a way that is consistent, appropriate and effective

DELIVERY PROGRAM ACTION:

- Maintain and Service Council's Range of Committees
-

1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

The 10 February 2016 Meeting considered the following discussion topics:

- NE4.1 Local Government Reform Update
- NE4.2 Upcoming Public Exhibition of Flood Study and Floodplain Risk Management Studies and Plans
- NE4.3 Coastal Management Reforms – Our Future on the Coast

The following issues were further addressed under Emerging Business:

- NE5.1 - Feral Cat Measures
 - NE5.2 – Rabbit Controls
 - NE5.3 – Fox Controls
 - NE5.4 - Flying Fox Camps
-

2.0 RECOMMENDATION

1. That Council note the Minutes of the Natural Environment Reference Group Meeting held on 10 February 2016 that relate to the discussion on:

- **NE4.1 - Local Government Reform Update**
- **NE4.2 - Upcoming Public Exhibition of Flood Study and Floodplain Risk Management Studies and Plans**
- **NE4.3 - Coastal Management Reforms – Our Future on the Coast**

2. That Council note the further issues addressed under Emerging Business:

- **NE5.1 - Feral Cat Measures**
- **NE5.2 – Rabbit Controls**
- **NE5.3 – Fox Controls**
- **NE5.4 - Flying Fox Camps**

3.0 BACKGROUND

3.1 PURPOSE

To present to Council for consideration, Minutes of the Natural Environment Reference Group Meeting held on 10 February 2016 (refer **Attachment 1**).

3.2 BACKGROUND

The Natural Environment Reference Group has a primary role of assisting the Pittwater 2025 Strategic Plan by critically analysing and reviewing the Strategic Goals aligned to the Pittwater Natural Environment and providing Reference Points for further consideration by Council.

The Natural Environment Reference Group has a specific focus on Key Direction 2 – Valuing and caring for our Natural Environment with the primary aims to:

- Reduce our ecological footprint
- Protect our bushland and biodiversity
- Improve the health of our beaches and waterways.

As per the Charter of the Natural Environment Reference Group (Reporting Procedures):

Minutes of meetings to be reported to the Natural Environment Committee of Council for consideration.

3.3 POLICY IMPLICATIONS

Nil.

3.4 RELATED LEGISLATION

Nil

3.5 FINANCIAL ISSUES

Budget & Resources Implications

Reference points arising from Reference Groups are considered by Council as part of the Delivery Plan process

4.0 KEY ISSUES

- Local Government Reform
- Upcoming Public Exhibition of Flood Study and Floodplain Risk Management Studies and Plans
- Coastal Management Reforms – Our Future on the Coast

5.0 ATTACHMENTS

Attachment 1 – Minutes of the Natural Environment Reference Group Meeting held on 10 February 2016

6.0 SUSTAINABILITY ASSESSMENT

A sustainability assessment is not required for Minutes of Meetings.

Report prepared by

Ben Taylor
**DEPUTY GENERAL MANAGER,
URBAN AND ENVIRONMENTAL ASSETS**



NATURAL ENVIRONMENT REFERENCE GROUP

MINUTES

10 February 2016

Commencing at 4.00pm

M J Ferguson
General Manager



WWW.PITTWATER.NSW.GOV.AU

Document Set ID: 5326378
Version: 8, Version Date: 22/02/2016

Members of the Committee:

Cr Alex McTaggart, Chairperson

Community Representatives:

Ms Wendy Attrill, Clareville and Bilgola Plateau Residents Association

Mr Graeme Jessup, Sustainability Pittwater

Ms Susie Kennedy, Palm Beach & Whale Beach Association

Ms Sharon Kinnison, Scotland Island Residents Association

Ms Virginia Leitch, West Pittwater Community Association

Ms Margaret Makin, Pittwater Resident Representative

Mr Dave Murray, Mona Vale Residents Association

Mr Martin Porter, Surfrider Foundation

Mr William Thomson, Newport Residents Association

Council Advisors:

Mr Mark Beharrell, Manager, Natural Environment & Education

Ms Jennifer Pang, Manager, Catchment Management & Climate Change

Mr Paul Hardie, Senior Executive Officer (CM&CC)

Ms Jane Mulroney, Community Engagement

Mr David Bremner, Community Engagement Officer

Ms Pamela Tasker, Minute Secretary / Administration Officer

Ms Annie Laing, Minute Secretary / Governance Support Officer

Observers:

Ms Tanya Leishman, Environmental Compliance & Waste

Natural Environment Reference Group Meeting

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NE4.1	Local Government Reform Update	9
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1.0 Apologies

1. Apologies were received from the following members:
 - Mr Andrew Ginns (Pittwater Resident Representative)
 - Mr Anthony Robinson (Sustainability Pittwater)
 - Ms Roberta Conroy (Bayview—Church Point Residents Association)
 - Mr James De Vitt (Radio Northern Beaches)
 - Ms Brita Benjamin, Pittwater Community Gardens
 - Ms Gloria Carroll, Manly Warringah and Pittwater Historical Society
2. The members accepted the apologies.
3. Mr Graeme Jessup attended as the alternative delegate on behalf of Sustainability Pittwater.
4. Ms Tanya Leishman, from Pittwater Council Environmental Compliance & Waste Unit attended as an observer.

2.0 Declarations of Pecuniary Interest / Non-Pecuniary Conflict of Interest

Nil.

3.0 Confirmation of Minutes

REFERENCE GROUP RECOMMENDATION

That the Minutes of the Natural Environment Reference Group meeting held on 11 November 2015, copies of which were distributed to all Reference Group Members, be endorsed as a true and accurate record of that meeting.

(Mr Porter / Mr Murray)

4.0 Discussion Topics

NE4.2	Upcoming public exhibition of Flood Study and Floodplain Risk Management Studies and Plans
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Proceedings in Brief

Ms Jennifer Pang, Manager – Catchment Management & Climate Change, addressed the meeting on this item. A copy of the PowerPoint presented by Ms Pang is at **Appendix 1**.

DISCUSSION POINTS:

Q: Will everyone identified as flood prone in the study area be notified?
A: Yes, owners of flood affected properties will all be individually notified in writing of the study outcomes.

Q: How will this affect development in flood prone areas?
A: The study is looking at established properties and conditions. Any new development identified as being in a floodplain area is subject to development planning controls.

Q Does the study area include the western foreshores opposite Church Point?
A No, the study area is as defined on the presentation slide which does not extend to the western foreshores of Pittwater

Q Council's Planning and Assessment Unit appears to be already applying flood controls for properties on the western foreshores of Pittwater?
A Mr Hardie explained that the flood controls were floor level controls based upon the Estuarine Planning Level (EPL). The EPL applies to low lying lands around the Pittwater estuary and defines minimum floor levels for habitable development that may be prone to inundation by saltwater as a consequence of an extreme ocean storm tidal level.

Q: How will the proposed Ingleside Precinct Area affect the floodplains?
A: Catchment Management & Climate Change are involved with the Ingleside Precinct Area investigations. The project is run by the Department of Planning & Environment and is separate to the draft flood study which looks only at existing catchment conditions. The Ingleside Precinct investigations involve water balance modelling and flow targets to ensure that the flows do not impact on downstream flooding conditions. Water management structures such as detention basins are being incorporated into the water balance model to reduce flows.

Ms Pang advised that it was possible to have one on one sessions with residents that may be concerned or interested in how this study may affect their property.

Q: Would those sessions be about options?
A: The Flood Study identifies mapping so residents can be aware of property risks so that management plans can be put in place. Flood mitigation options are considered during the next stage of the Floodplain Management Process, through the Floodplain Risk Management Study and Plan.

S149 certificates are mandatory on all property sales. The planning certificate identifies whether there are flood related development controls applicable to a property.

Q: Is there a process in place to manually open Narrabeen Lagoon mouth?

A: This is the complexity of managing flooding from coincident oceanic and catchment storm conditions. At various times the lagoon closes through sand buildup at the entrance and this in turn forms a massive sand plug. Prolonged or intensive rainfall in the catchment is then necessary to raise the lagoon level to the required level to cut a channel through the beach berm. There is a protocol in place that defines criteria to mechanically open the lagoon, including the lagoon water level necessary to sustain a mechanical break-out.

With the convergence of heavy rainfall or storm event it usually results in major flood event. More lives are lost in very fast moving water flow than in slow building flood events.

There was a Levee installed at Avalon Golf Course which catches initial rush and slows it down to allow the rest of the water to move away and enables it to drain at controlled rate. This can be an option for other areas as it is not an overly expensive piece of infrastructure but very effective as a mitigation measure.

Notes:

1. The members of the Natural Environment Reference Group noted the upcoming public exhibitions of the following Flood Studies:
 - McCarrs Creek, Mona Vale and Bayview Flood Study
 - Narrabeen Lagoon Floodplain Risk Management Study and Plan, and
 - Avalon to Palm Beach Floodplain Risk Management Study and Plan.
2. The Chair and members thanked Ms Pang for her report and presentation.

NE4.3	Coastal Management Reforms - Our Future on the Coast
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Proceedings in Brief

Mr Paul Hardie, Senior Executive Officer – Catchment Management & Climate Change, addressed the meeting on this item. A video on Coastal Management Reforms by The Hon. Rob Stokes MP, Minister for Planning, was shown and is available via the following link:

<http://www.environment.nsw.gov.au/coasts/coastreforms.htm>

The website also provides lots of information on Coastal Reforms and has a portal for submissions.

It may be possible for Council to lobby on behalf of members for an extension to the deadline which is currently 29 February 2016.

DISCUSSION POINTS:

Q: What is the definition of Coast in relation to this reform?

A: For the majority of NSW, excluding the Sydney Metropolitan Region the coast is defined as the strip of land up to 1 km inland and extending seaward to 3 nautical miles offshore (being the limit of NSW State Waters). The Coastal Reforms propose to introduce four coastal management areas based on natural resources, existing development, coastal hazards risk and natural coastal features.

These maps are currently being produced by NSW Government and collectively will identify the Coastal Zone. The new mapping should ensure a more coherent area as presently the metropolitan coastal zone is generally defined as between the first inland street parallel to the coastline and the mean high water mark.

- Q: Issues regarding sea grasses on Crown land. Will the State Government increase Marine Protected Areas in Pittwater?
- A: Council often has no tenure over Crown land below the MHWL and little responsibility for the management of sea grasses which lies primarily with the Department of Primary Industries – Fisheries. Under the new reforms Councils will be expected to develop their Coastal Management Programs in consultation with the Marine Estate Management Authority. The State Government has indicated that it will only create new marine protected areas if supported by sound scientific evidence. Scientific investigations are currently being undertaken for the Pittwater area via the Marine Estate Management Authority, e.g. Hawkesbury Shelf Marine Bioregion Assessment.
- Q: What are the implications in terms of mergers as Pittwater is inheriting some difficult problems further south?
- A: One of the intentions of the reforms is to ensure that councils concentrate more on delivering mitigation policies and management actions that can be implemented and are affordable and sustainable, rather than expensive infrastructure or proposals that are impractical and unaffordable for councils or even the State Government to implement. There may be issues for Pittwater as Collaroy is the third most vulnerable beach in NSW.
- Q: Will dune care and stabilisation now be mandatory reporting?
- A: Not unless they are part of the Community Strategic Plan. This would be a critical component as local government for a long time has been able to avoid addressing these issues due to cost and lack of resources and the reforms will now require that these matters are addressed in a practical way through Council's Coastal Management Program and reported through the Integrated Planning and Reporting Process.
- Q: Are our existing marine reserves safe?
- A: No, probably not. However the proposed coastal reform framework does give us an opportunity to become more involved in the management of these areas.
- Q: The second part of this reform 'to create a Coastal SEPP' – what does this mean?
- A: It will incorporate other existing SEPPs that manage aspects of the coast including the Coastal Wetlands SEPP, Littoral Rainforest SEPP and Coastal Protection SEPP and will consolidate the controls and arrangement currently in place through other SEPPs e.g. Infrastructure SEPP – Section 2.3 p. 16.
- Q: How can we monitor possible effects on our littoral rainforests?
- A: A lot of littoral rainforest is on private land throughout Pittwater however development works on private property will be subject to the planning controls of the new Coastal SEPP and the hierarchy of the coastal management areas where protection now takes precedence. Property owners are required to comply with a range of development controls when undertaking development on their property.

Notes:

1. The members noted the range of legislative and policy arrangements as well as the management support tools announced by the NSW Government as a part of the new coastal management reform framework.
2. Members and Community Groups were encouraged to look at the website and to make submissions on behalf of their Resident Associations.
3. The Chair and members thanked Mr Hardie for his report and presentation.

5.0 Emerging Business

5.1 Feral Cat Measures

Council is trialing a new cat management program intended to protect native wildlife by safely capturing cats that are in environmentally sensitive areas. This program will target both feral and domestic cats with traps being set up in protected areas. Domestic cats will be returned to their owners with a warning, however if multiple incidences occur owners may be issued with a fine. Feral cats will hopefully be rehabilitated and rehomed. The aim of this program is to encourage cat owners to be aware of their animal's movements and to restrict those movements by keeping them indoors, especially at night.

Q: Are cats permitted on the Western Foreshores adjoining national park?

A: No, they are not permitted. It is stipulated within the development control policy.

Q: Will cats be allowed as pets in the proposed Ingleside land release?

A: This has not been discussed as yet. It would be likely that they will not be allowed as it is close to a wildlife protection area.

5.2 Rabbit Controls

Council spends a lot of money on rabbit control on public land and populations constantly vary. It is a challenge for Council to fully resolve the problem as rabbits are also located on private land. Another Calicivirus cull will occur in April.

Q: Do pet shops still sell rabbits without desexing first?

A: Yes there are no restrictions enforced and it is cheaper for them to sell the rabbits un-desexed.

5.3 Fox Controls

Fox numbers seem to be growing. This is due to a lack of funding for control techniques and it is very restrictive as to where baits can be placed. They are buried underground to minimise the risk to animals other than foxes. It seems the numbers are growing around Ingleside and Avalon Beach.

5.4 Flying Fox Camps

Conditions placed on Council's licence said Council had to stop dispersal activities at Cannes Reserve. Numbers are down from around 1500 to 170. Council is aware of the impact on residents and although happy with reduction, there are plans to devise a new management plan to see the situation fully resolved.

Note:

Ms Pang and Mr Hardie left the meeting at 5.37pm.

4.0 Discussion Topics

NE4.1 Local Government Reform Update

Proceedings in Brief

Ms Jane Mulroney, Manager – Community Engagement & Corporate Strategy, addressed the meeting on this item.

DISCUSSION POINTS:

- Q: What happens if the boundary change proposal is rejected?
- A: The State Government would have to initiate a new boundary review process on a new proposal.
- Q: What will happen to Pittwater Council will it be enlarged and Warringah be dismantled as a result, or will a completely new entity be created?
- A: Within the current timelines, in April the report will be given to the commissioner, in May the decision will be made and by June the changes will be implemented. However there needs to be a transition process for both Pittwater and Warringah into a new entity. Council is trying to maintain 'business as usual' while keeping in mind impacts of decisions so that the process will be as seamless as possible with minimum disruption to community. Council is also hoping to maintain reference groups over this period but as they currently exist they will no longer be representative of the community. Warringah has a different community engagement system in place which may mean a review and incorporation from both councils systems to include representatives from the new areas.
- Q: How will the current wards and representative systems be affected by the proposed boundary adjustment?
- A: Both Warringah and Pittwater Councils consist of three wards however within Pittwater councillors have strived to be independent and have a councillor elected Mayor whereas Warringah has a popularly elected Mayor. Pittwater Council has maintained this structure as they strive to be independent and councillors tend to be aligned to particular political parties. If the proposal is successful then it is assumed the wards will be redrawn to incorporate those areas of Warringah which will fall into the new LGA. Hopefully it will remain three wards which will be population based and it is believed this will be part of Council's submission. However council is not sure at present but it is assumed that the Mayor will be elected by a popular vote for a 2 year term. Based on the current boundary proposal it will be Warringah Councils C Ward that will fall into the new LGA.

Council views this boundary proposal as the better option for Pittwater residents as status quo was not an option. Council is encouraging the community to engage with the process but also to be reminded that it is a State Government process and is not run by Council.

Ms Mulroney encouraged reference group members to ask questions through the Pittwater Council website (see link below) and will also provide further detail to members to pass on to their external groups.

http://www.pittwater.nsw.gov.au/council/local_government_reform/have_your_say

Council usually creates a budget and delivery program for four years, however the State Government has advised Council to prepare for one year. This is to ensure that Council operations will continue to operate effectively despite the absence of an elected council.

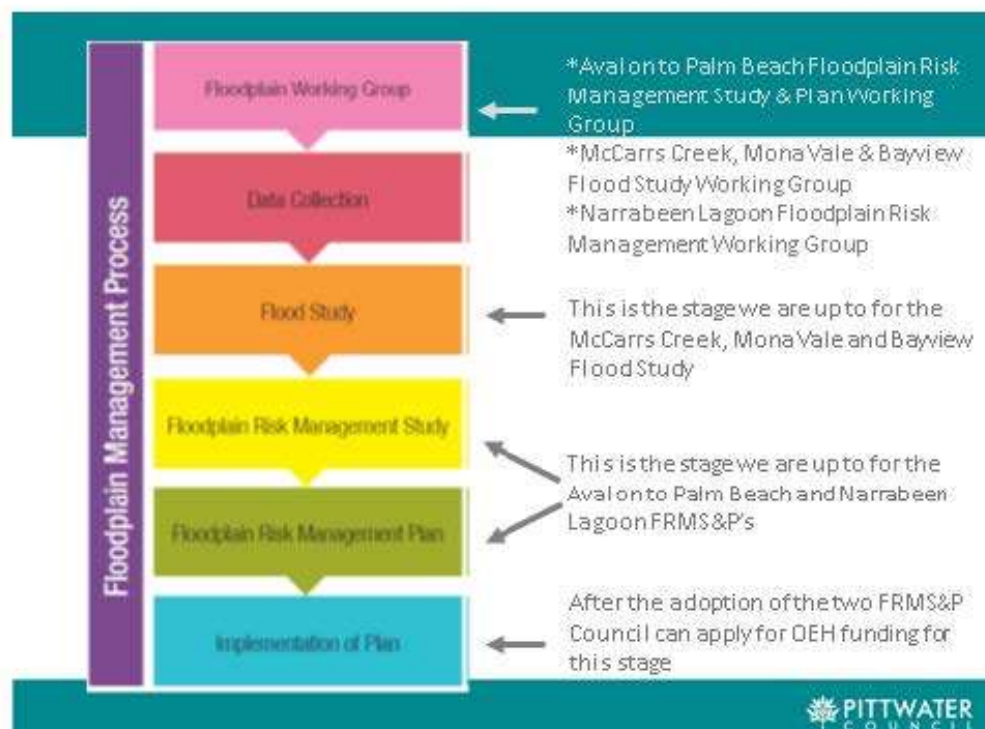
6.0 Next Meeting

The next meetings of the Natural Environment Reference Group is scheduled to take place on Wednesday 11 May 2016 commencing at 4.00pm.

**THERE BEING NO FURTHER BUSINESS
THE NATURAL ENVIRONMENT REFERENCE GROUP
MEETING CONCLUDED AT 6.15PM.**



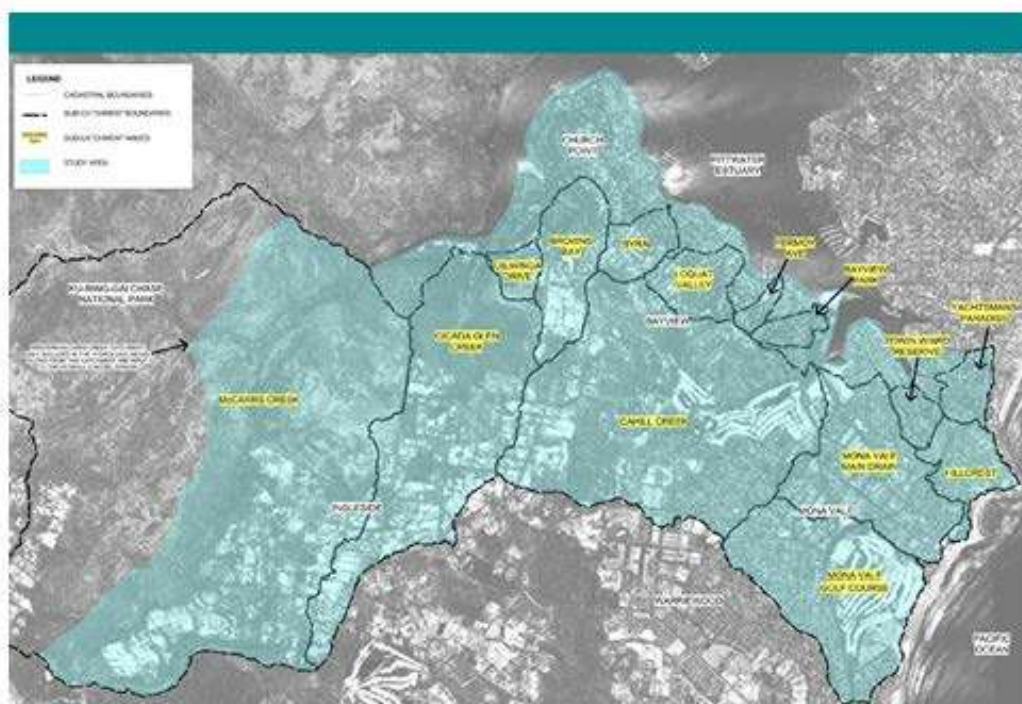
- McCarrs Creek, Mona Vale and Bayview Flood Study
- Avalon to Palm Beach Floodplain Risk Management Study and Plan
- Narrabeen Lagoon Floodplain Risk Management Study and Plan (with Warringah Council)

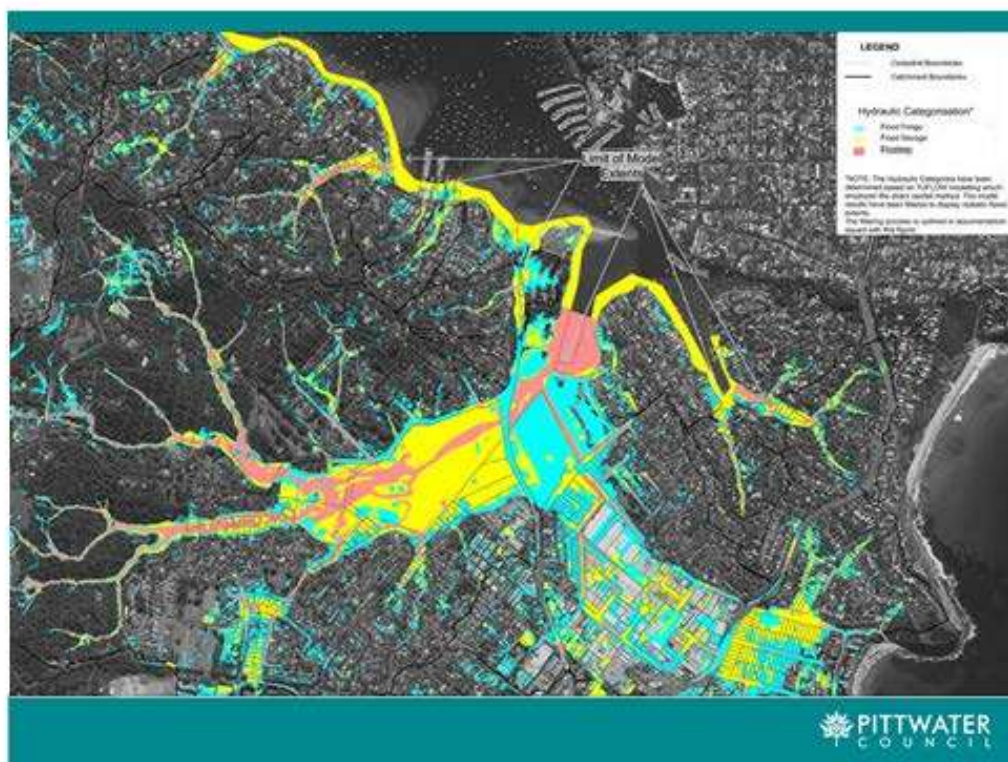


Flood studies tell us about...

- Current catchment conditions (eg. topography, land use, key drainage)
- Historical flood data (eg. flood marks, significant storm events)
- Modelled flood behaviour for existing catchment conditions (ie. large design events greater than 20% AEP up to the Probable Maximum Flood)
- Predicted locations of flooding, flood depths & velocities, critical storm durations
- Flood hazards (high or low)
- Hydraulic category (floodway, flood storage or flood fringe)







Floodplain Risk Management Studies & Plans are used for...

- Gaining an understanding of the flood problem and its impacts on the community
- Determining the sum of potential flood damages (ie. to properties and buildings) within the floodplain
- Identifying potential road inundation and emergency response limitations
- Determining worst affected areas through risk assessment
- Assessing potential floodplain management measures
- Ranking preferred options (structural & non-structural options)

Structural options may include...



- Levees
- Detention basins
- Drainage and culvert upgrades etc.

These are **flood modification** measures that either:

- Increase flood conveyance
- Reduce flood peaks/velocities
- Redistribute flood waters



Non - structural options may include...

- Flood-related development controls & land use zoning
- Flood proofing & house raising incentives etc.

These are **property modification** measures:

- Flood warning
- Emergency management
- Community flood education etc.

These are **response modification** measures.



Time frames

McCarrs Creek, Mona Vale & Bayview Flood Study

- 15 February 2016 Council meeting to be placed on Public Exhibition
- Public Exhibition from 29 February to the 1 April
 - 3 one-on-one information days
 - 2 phone call back information days

Avalon to Palm Beach Floodplain Risk Management Study and Plan

- March Council meeting – TBC
- Public Exhibition in March – April/May
 - 2 drop in style information days on the mitigation/management options proposed
 - 1 one-on-one information day

Narrabeen Lagoon Floodplain Risk Management Study and Plan

- March/April Council Meeting – TBC
- Public Exhibition May/June
 - 2 drop in style information days on the mitigation/management options proposed



Council Meeting

**11.0 Adoption of Connecting Communities Committee
Recommendations**

**12.0 Adoption of Natural Environment Committee
Recommendations**

App 1: Confidential Advice
