

**BUSINESS  
PAPER**

## ORDINARY MEETING OF COUNCIL

To be held at 6.00 pm on

**Monday 22 February 2016**

Council Chambers, Level 10,  
Council Administration Building, 41 Burelli Street, Wollongong

### Order of Business

- 1 Acknowledgement of Traditional Owners
- 2 Civic Prayer
- 3 Apologies
- 4 Disclosures of Pecuniary Interest
- 5 Petitions and Presentations
- 6 Confirmation of Minutes – Ordinary Council Meeting 1 February 2016
- 7 Public Access Forum
- 8 Call of the Agenda
- 9 Lord Mayoral Minute
- 10 Urgent Items
- 11 Notice of Motion
- 12 Agenda Items

### Members

Lord Mayor –  
Councillor Gordon Bradbery OAM (Chair)  
Deputy Lord Mayor –  
Councillor John Dorahy  
Councillor Michelle Blicavs  
Councillor David Brown  
Councillor Leigh Colacino  
Councillor Chris Connor  
Councillor Bede Crasnich  
Councillor Vicki Curran  
Councillor Janice Kershaw  
Councillor Ann Martin  
Councillor Jill Merrin  
Councillor Greg Petty  
Councillor George Takacs

**QUORUM – 7 MEMBERS TO BE PRESENT**

# INDEX

PAGE NO.

ITEM A	Notice of Motion - Councillor Colacino - Feasibility and Associated Costs - Heating of Helensburgh Pool .....	1
ITEM 1	Submission to Delegate on Merger Proposal: Shellharbour City Council and Wollongong City Council.....	2
ITEM 2	Proposed Phase 1 Amendments to the Local Government Act 1993.....	10
ITEM 3	Submission on the NSW Coastal Reform Framework.....	23
ITEM 4	West Dapto Urban Release Area - Darkes Road South West Precinct Planning Proposal - Post Exhibition Report.....	37
ITEM 5	Draft Planning Proposal - Port of Port Kembla .....	42
ITEM 6	Draft Quarterly Review Statement - December 2015 .....	51
ITEM 7	Approval for Councillor Attendance - Australian Local Government Women's Association (ALGWA) 2016 NSW Conference, Gunnedah.....	53
ITEM 8	City of Wollongong Traffic Committee - Minutes of Meeting held 20 January 2016.....	55
ITEM 9	Bi-Monthly Tabling of Returns of Disclosures of Interests and Other Matters .....	60

ITEM A

NOTICE OF MOTION - COUNCILLOR COLACINO - FEASIBILITY AND ASSOCIATED COSTS - HEATING OF HELENSBURGH POOL

Councillor Colacino has submitted the following Notice of Motion –

“I formally move that –

- 1 Council -
  - a Undertake a comprehensive examination which will look at the feasibility of, and costs associated with, the heating of Helensburgh Pool.
  - b Investigate what would be the expected catchment area of residents who might make use of the Pool when heated.
  - c Investigate what catchment area of schools might make use of the Pool after it is heated and what purposes it could be utilised for.
  - d Include in the report what would be the charge for entry after the heating works have been finished, and would that fee also be charged during the summer period.
  - e Include what would be the annual ongoing costs associated with the heating of Helensburgh Pool.
- 2 The above investigations be the subject of a report which is to be finalised and presented to the newly-elected Council not later than four months of that Council being elected.”

ITEM 1

SUBMISSION TO DELEGATE ON MERGER PROPOSAL:  
SHELLHARBOUR CITY COUNCIL AND WOLLONGONG CITY COUNCIL

This report seeks Council endorsement of a submission to the Delegate of the Chief Executive of the Office of Local Government on the NSW State Government's *Merger Proposal: Shellharbour City Council Wollongong City Council*.

The report seeks resolution of preferred Lord Mayoral election process; ward structure; and council name.

## RECOMMENDATION

### Council -

- 1 Receive the report by the General Manager on the Submission to Delegate on Merger Proposal: Shellharbour City Council and Wollongong City Council.
- 2 Determine its preferred option, in the event a merger proceeds, for the process of electing the Lord Mayor.
- 3 Determine its preferred option, in the event a merger proceeds, for the number of Elected Representatives.
- 4 Determine its preferred option, in the event a merger proceeds, for Ward Structure of the resulting Local Government Area.
- 5 Determine its preferred option, in the event a merger proceeds, for a name of the resulting Local Government Area.
- 6 Authorise the General Manager to finalise the submission to reflect the resolutions of Council regarding the Merger Proposal, and submit Council's response to the Delegate.

## ATTACHMENTS

- 1 Draft Submission to Delegate on Merger Proposal: Shellharbour City Council and Wollongong City Council
- 2 Declaration and Ordination of Lord Mayor of the City of Wollongong - 28 August 1974

## REPORT AUTHORISATIONS

Report of: Clare Phelan, Executive Strategy Manager  
Authorised by: David Farmer, General Manager

## COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

Not applicable.



## BACKGROUND

On 18 December 2015, the NSW State Government announced a proposal to merge Wollongong City Council and Shellharbour City Council. On 6 January 2016, the Merger Proposal: Shellharbour City Council Wollongong City Council (the Merger Proposal) was released, and referred to a Delegate of the Chief Executive of the Office of Local Government for examination and reporting.

As part of the proposal process, the Delegate conducted a public inquiry, held in three sessions on 2 February 2016 in Wollongong and Shellharbour. The Delegate is inviting formal written submissions on the Merger Proposal through to 5pm 28 February 2016.

Council considered a report analysing the Merger Proposal at its meeting of 1 February 2016 (Minute No 9), and resolved the following:

- ‘1 Council receive the report on the proposed merger of Wollongong City Council and Shellharbour City Council.*
- 2 The Lord Mayor be authorised to present the views of Council to the Delegate of the Chief Executive of the Office of Local Government at Public Inquiry meetings on 2 February 2016, based on the report and the following.*
- 3 Council prepare a comprehensive written submission to the Delegate to be approved at a future meeting of Council.*
- 4 Council welcomes the opportunity to further work with the State Government, our local community and other local government areas to continue to improve the strength, capacity and reputation of local government.*
- 5 Council recognises that a renewed and reformed local government sector has the potential to better deliver services to residents and ratepayers while strengthening the economy and protecting our area’s natural and cultural assets.*
- 6 Council urges the State Government to continue to explore a significant review of the roles and responsibilities of state and local government to avoid duplication or conflict of roles and to assign functions to the level best able to deliver outcomes for our communities.*
- 7 Council believes the major issue of alternatives for council financing should be reconsidered and options be further explored by all stakeholders.*
- 8 Council has supported the proposed Joint Organisation (JO) model for local government and invested significant effort into building the pilot Illawarra JO. Council believes that many of the efficiencies suggested for the proposed amalgamation could be realised by co-operation within a JO structure.*
- 9 Council is concerned that the proposed merger between Wollongong and Shellharbour was a late inclusion in the four year process of local government reform and believes the local communities have had insufficient time to fully assess its implications.*

- 10 Council is proud of being declared 'Fit for the Future' as this has followed several years of rigorous examination of our finances and significant engagement with our community to strengthen the City's capacity.
- 11 Council is unable to confirm the quantum of the purported financial benefits of the proposed merger, which is advanced as the prime reason to merge councils. In any case, Wollongong Council has found similar efficiencies by internal processes.
- 12 Council recognises that the factors for merger consideration, under S263(3) of the Act, can lead to either a supportive or oppositional case for the merger, however, in totality they do not show a major benefit to the residents of Wollongong.
- 13 Council notes the IRIS community survey that shows no overwhelming trend in support or opposition to the amalgamation proposal or the importance or perceived impact of it.
- 14 Council affirms that regardless of the outcomes of the merger proposal, it is committed to being supportive of making the existing or any new Council a success, and looks forward to help shaping its future.
- 15 A meeting be requested between Shellharbour City Council staff and Wollongong City Council staff to share information required for comparative cost analysis which will enable both Councils to remove the restrictions embedded in the current report.'

A detailed background is presented in the attached draft submission.

## PROPOSAL

### **The Submission**

In accordance with Point 3 of the resolution, a draft Submission to the Delegate on the Merger Proposal is presented to Council (Attachment 1) for consideration. The draft Submission (Submission) provides background on the local government reform process; outlines Wollongong City Council's own transformation to being independently assessed as Fit for the Future; and addresses each of the relevant criteria for examination of a merger as set out in Section 263 of the Local Government Act 1993.

The Submission is consistent with the report presented to the 1 February 2016 Council meeting, updated to reflect the results of the recent community poll on resident and ratepayer attitudes towards the proposed merger, and some further commentary regarding financial impacts.

In accordance with Point 15 of the resolution, relevant staff from Wollongong City Council met with staff of Shellharbour City Council to facilitate the exchange of information required for comparative cost analysis. This did not include the exchange of any information subject to commercial-in-confidence restrictions. The meeting did provide greater detail regarding the timing, funding, key milestones, and risks associated with major projects such as the new Shellharbour Civic Centre, Shell Cove development including the Marina and Golf Course, and Dunmore Recycling & Waste

Disposal Depot, as well as greater insight into some of the underlying assumptions of Shellharbour City Council's long term financial plan. Given the deadline for submissions to the Merger Proposal, and the fact the bulk of any potential savings as identified by the State will be reliant upon decisions made by the Council of the day, there is no material change to the financial analysis undertaken by Council officers as part of the report to the 1 February 2016 Council meeting. Ultimately, the benefits and obligations borne by the two separate councils remain, and do not change directly, as a result of an amalgamation.

The final Submission will need to be further updated to reflect Council's views with respect to Lord Mayoral election processes; Ward structure; and preferred council name.

### ***Title of Lord Mayor***

On 10 April 1970, Lord Mayoralty was granted by Queen Elizabeth II for the City of Wollongong, with letters patent received in 1974 (Attachment 2). The granting of the title of Lord Mayor is of significant value to Council, and recognises the importance of Wollongong as a major city of New South Wales. Only four councils in New South Wales have the honour of Lord Mayor status, being City of Sydney, Parramatta City, Newcastle City, and Wollongong City.

It is recommended Council include its views on retention of the Lord Mayor title in the submission. In the event a merger was to proceed, the Governor's Proclamation should include a decree providing for the continuation of the Lord Mayor title.

### ***Lord Mayoral Election Process***

As set out in Section 282 of the Local Government Act 1993, the Mayor of an area may either be elected by the electors, or elected by the Councillors, from among their number.

The Merger Proposal is silent on the existing differences for election of the Lord Mayor, who is popularly elected at Wollongong, compared to Shellharbour where the Mayor is Councillor elected. Historically, Shellharbour City Council has had a popularly elected Mayor, however, this practice was abolished by the State Government in 2011. The Independent Panel recommended direct election of mayors by voters as the preferred model.

In the event that the merger proceeds, it is recommended that the Lord Mayor be popularly elected by the electors, in accordance with s228 and s282 of the Act.

### ***Number of Elected Representatives***

The Merger Proposal documents model changes in the Residents to Elected Representatives ratio based on the current number of Elected Representatives of the larger council encompassed by the proposal. In this case, Wollongong City Council with 13 Elected Representatives. Shellharbour City Council currently has 7 Elected Representatives, and has had since the 2011 elections.

Section 224 of the Local Government Act 1993 provides that a council must have at least 5 and not more than 15 councillors (one of whom is the mayor). Council may wish to consider including in its final Submission a recommendation to the Delegate to the preferred number of Elected Representatives, should the merger proceed.

### ***Ward Structure***

Wollongong City Council has a long history of Ward structures:

Period	Structure
1980 – 1987	5 Wards of 3 Alderman.
June 1987	Minister abolished Wards.
1987 – 1991	No Wards. 15 Alderman.
February 1989	Poll of Electors conducted on reintroduction of Wards. Results: YES 68,531 NO 22,220 INFORMAL 6,074
1991 – 1995	5 Wards of 3 Alderman.
1995 – 2008	6 Wards of 2 Councillors.
2008 – 2011	Administration
2011 –	3 Wards of 4 Councillors.

Section 210 of the Local Government Act 1993 stipulates the provisions around ward boundaries. There are no restrictions on the number of wards, however, consideration will need to be given to accord with restrictions on elected representation. Section 224 of the Local Government Act 1993 identified that a Council must have at least 5 and not more than 15 councillors inclusive of the mayor.

Council is aware that as part of the Local Government Act Review, the OLG is considering changes to section 224 of the Act, so that councils must have an uneven number of elected representatives. With those factors taken into consideration, the following are options available to Council for Ward Structure:

- 1 Two (2) Wards of 6 Councillors;
  - 2 Two (2) Wards of 7 Councillors;
  - 3 Three (3) Wards of 4 Councillors;
  - 4 Four (4) Wards of 3 Councillors;
  - 5 Seven (7) Wards of 2 Councillors;
  - 6 No Wards with 12 Councillors; or
  - 7 No Wards with 14 Councillors; and
- a popularly elected Lord Mayor.

## ***Preferred Name***

In the event a merger proceeds, the resulting Local Government Area will require a name. The name of the new council will be handed down in the Governor's Proclamation. Submission of name options would not prevent any future council seeking a Governor's Proclamation to rename the area. However, renaming and rebranding of organisations incurs a significant cost, and previous local government amalgamations in NSW demonstrate the name handed down in the Proclamation is rarely changed by a new council. As such, it is prudent for Council to consider its preferred name options. These could include:

- Wollongong City
- City of Greater Wollongong
- Wollongong Regional
- Illawarra Regional.

### *Wollongong City*

The existing LGA of Wollongong City Council was named as such in October 1970, following the conferral of Lord Mayoralty by Queen Elizabeth II in April of that year. Transfer of the name Wollongong City Council to the new entity presents a number of benefits, including:

- establishing an immediate connection to the name of the largest city encompassed within the local government area;
- recognises city status;
- consistent with other major NSW cities, such as Parramatta City Council, Newcastle City Council, and City of Sydney;
- alignment with the bestowal of Lord Mayor title to the City of Wollongong;
- compliments regional destination marketing and branding of Wollongong; and
- financial impact of rebranding is minimised. Only 18% of the resulting LGA by area or 25% by population would require rebranding.

### *City of Greater Wollongong*

The existing LGA was named City of Greater Wollongong in 1947 as a result of the amalgamation of the City of Wollongong, Bulli Shire, Central Illawarra Shire, and the Municipality of North Illawarra. This name continued until 1970. Key considerations for this name include:

- establishing an immediate connection to the name of the largest city encompassed within the local government area;
- recognises city status;
- recognises the LGA covers more than just Wollongong city;
- somewhat consistent with other major NSW cities, such as Parramatta City Council, Newcastle City Council, and City of Sydney; and

- degree of alignment with regional destination marketing and branding of Wollongong.

However, selection of this name would require significant resources to be allocated towards rebranding across the entire new LGA.

### *Wollongong Regional*

- establishing an immediate connection to the name of the largest city encompassed within the local government area;
- recognises Wollongong as a distinct region in its own right, as opposed to an adjunct to Sydney metro area;
- recognises the LGA covers more than just Wollongong city; and

degree of alignment with regional destination marketing and branding of Wollongong.

The name Wollongong Regional Council does not capture the city status proclaimed in 1942. Further, selection of this name would require significant resources to be allocated towards rebranding across the entire new LGA.

### *Illawarra Regional*

Key considerations relating to this name:

- the name creates a connection to the NSW region in which the LGA falls;
- recognises regional status;
- recognises the LGA covers more an area greater than Shellharbour and Wollongong cities.

This name presents a number of disadvantages. The new LGA as promoted in the Merger Proposal does not reflect the entirety of the Illawarra Region, which also includes the LGA of Kiama Municipal Council. It loses the immediate connection to Wollongong city, a major NSW city. Potentially Illawarra does not have the same degree of national or international recognition as the name Wollongong. It potentially places the title of Lord Mayor of City of Wollongong at risk. It does not align as closely with regional promotion and destination marketing campaigns.

Further, selection of this name would require significant resources to be allocated towards rebranding across the entire new LGA.

## CONSULTATION AND COMMUNICATION

In preparing the draft submission, Council commissioned a representative community survey seeking the attitude of residents and ratepayers to the proposed merger. The results of the survey have informed the draft.

## CONCLUSION

This report presents options to Council for consideration on Lord Mayoral election process; ward structure; and preferred names in the event a merger was to proceed. The views of Council on these matters will be incorporated into the draft Submission, for finalisation by the General Manager, and lodgement with the Delegate for the Chief Executive of the Office of Local Government, prior to the 28 February 2016 deadline.



ITEM 2

PROPOSED PHASE 1 AMENDMENTS TO THE LOCAL GOVERNMENT ACT 1993

The Office of Local Government has distributed a Circular and an Explanatory Paper for consultation purposes in relation to Phase 1 of the proposed amendments to the Local Government Act 1993.

RECOMMENDATION

- 1 Council note the Office of Local Government's proposed Phase 1 amendments to the Local Government Act 1993.
- 2 The General Manager be authorised to respond to the Office of Local Government survey on the Phase 1 amendments to the Local Government Act 1993 generally in accordance with the comments set out in this report.

ATTACHMENT

Circular 16-01 and Explanatory Paper – Proposed Phase 1 Amendments to the Local Government Act 1993

REPORT AUTHORISATIONS

Report of: Kylee Cowgill, Manager Governance and Information  
Authorised by: Greg Doyle, Director Corporate and Community Services - Creative, Engaged and Innovative City

COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

BACKGROUND

The Office of Local Government (the OLG) has published Circular 16-01 and accompanying Explanatory Paper in relation to Phase 1 of proposed amendments to the Local Government Act 1993 (the Act).

The Phase 1 amendments focus on governance and strategic business planning processes and later phases will focus on revenue raising processes and regulatory functions as well as a program of restructuring and updating local government legislation.

The OLG has invited feedback on the Phase 1 amendments by completion of an online survey by 15 March 2016.



The online survey form provides for any person or organisation to respond with an indication of support or otherwise for the proposed amendments and the opportunity to provide additional comments.

## PROPOSAL

The Phase 1 amendments to the Act are intended by the OLG to:

- clarify roles and responsibilities of Councillors, Mayors, Administrators and General Managers;
- introduce new guiding principles for local government;
- improve governance of councils and professional development for councillors;
- expand on the framework for strategic business planning and reporting;
- prioritise community engagement and financial accountability; and
- streamline council administrative processes, including delegations and community grants.

By reference to the OLG's Explanatory Paper the following amendments to the Act are proposed.

### 1 GUIDING PRINCIPLES FOR THE ACT AND LOCAL GOVERNMENT

**1.1** The current purposes of the Act set out in section 7 are proposed to be updated and streamlined to:

- establish a legal framework for the NSW system of local government, in accordance with section 51 of the Constitution Act 1902 (NSW);
- describe the nature and extent of the responsibilities and powers of local government; and
- 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.

*Comment:* Amendment supported.

**1.2** The council charter (section 8) be replaced and 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.

*Comment: Amendment supported, on the proviso that the existing provision at section 8(2) be retained, namely that nothing in the principles can give rise to any civil cause of action.*

**1.3** The new **guiding principles** to be observed in local government should enable councils to:

- actively engage local communities, including through IPR;
- 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.

*Comment: Amendment supported.*

## **2 STRUCTURAL FRAMEWORK OF LOCAL GOVERNMENT**

**2.1** The **role of the governing body** (current section 223) will be replaced and the role defined to:

- provide effective civic leadership to the community;
- consult regularly with community organisations and other key stakeholders and keep them informed of council's activities and decisions;
- direct and control the affairs of the council in consultation with the general manager and in accordance with the Act;
- ensure as far as possible the financial sustainability of the council;
- determine and adopt the community strategic plan, delivery program and other strategic plans and policies;
- 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;
- make decisions in accordance with those plans and policies;
- make decisions necessary for the proper exercise of the council's regulatory functions;
- keep under review the performance of the council and its delivery of services;
- 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.

*Comment: Amendment supported.*

## **2.2 Number of Councillors** (amend current sections 224 & 224A)

Proposal to retain current section 224 as to number of councillors (requires between 5 and 15 councillors, one of whom is the mayor) but to amend section to require that councils must have an odd number of councillors, one of whom is the mayor.

*Comment:* Amendment supported.

## **2.3 Rural Councils:** Not relevant to this Council

# **3 THE GOVERNING BODY OF COUNCILS**

## **3.1 The role of the mayor** (replace current section 226)

The mayor should have all the prescribed responsibilities of a councillor plus:

- be the leader of the council and the community of the local government area, and advance community cohesion;
- promote civic awareness and, in conjunction with the general manager, ensure adequate opportunities and mechanisms for engagement between the council and the local community;
- be the principal member and spokesperson of the governing body and to preside at its meetings;
- ensure that the business of meetings of the governing body is conducted efficiently, effectively and properly in accordance with provisions of the Act;
- lead the councillors in the exercise of their responsibilities and in ensuring good governance;
- 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;
- exercise, in cases of necessity, the policy-making functions of the governing body between meetings of the council;
- represent the governing body on regional organisations and in inter-government forums at regional, State and federal levels;
- advise, manage and provide strategic direction to the general manager in accordance with the council's strategic plans and policies;
- lead performance appraisals of the general manager;
- carry out the civic and ceremonial functions of the mayoral office; and
- exercise such other functions as the governing body determines.

*Comment:* Amendment supported.

## **3.2 The mayor's term of office:** Not relevant to this Council

### **3.3 The role of councillors** (replace current section 232)

Section 232 be amended to focus on individual responsibilities of councillors rather than their responsibilities as members of the governing body.

The role of an individual councillor, including the mayor, should be to:

- be an active and contributing member of the governing body;
- make considered and well informed decisions;
- represent the collective interests of residents, ratepayers and the wider community of the local government area;
- facilitate communication between the community and the governing body;
- be accountable to the community for the local government's performance; and
- uphold and represent accurately the policies and decisions of the governing body.

*Comment:* Amendment supported.

### **3.4 Councillors' term of office:** Not relevant to this Council

### **3.5 Oath or affirmation of office** (new provision)

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.

*Comment:* Amendment supported.

### **3.6 Councillors' expenses and facilities** (amend current sections 252 & 253)

Proposed amendments replace the current requirement to annually adopt an expenses and facilities policy with a requirement to adopt a policy within the first 12 months of term of office.

The amendments remove the requirement to provide OLG annually with copy of adopted policy and assessment of public submissions.

*Comment:* Amendment supported.

### **3.7 Mayor/councillor professional development** (new provisions)

The proposed additional provisions to the Act are:

- 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.

*Comment:* Amendment supported.

### **3.8 Role and functions of administrators** (amend current sections 255-259)

New provisions to align role of administrator with proposed prescribed role of mayor and councillors.

*Comment:* Amendment supported.

### **3.9 Financial controllers** (new provision)

The amendments will allow the Minister, following a process of giving notice and investigation, to appoint a financial controller to a council that is performing poorly financially or is at high financial sustainability risk, in conjunction with issuing a performance improvement order.

*Comment:* Amendment supported.

### **3.10 Meetings** (amend current sections 9-11 & 360-376)

Amendments will prescribe a Model Meeting Code comprising mandatory and non-mandatory best practice provisions.

Councils will be required to adopt a meeting code incorporating the mandatory provisions but not the non-mandatory and will be able to include supplementary consistent provisions.

The mandatory provisions will largely incorporate existing provisions but will be updated to address existing procedural ambiguities and to modernise procedural requirements.

*Comment:* Amendment supported.

### **3.11 Delegation of Functions** (amend current sections 377-381)

Proposed removal of restriction on the delegation of the acceptance of tenders.

Allow councils to delegate provision of community financial assistance 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.

*Comment: Amendment supported.*

## **4 ELECTIONS** (amend current section 310B)

Proposal to provide that the option of universal postal voting be available to all councils (currently available only to City of Sydney) at the election after the next ordinary election.

*Comment: Amendment supported.*

## **5 COUNCIL'S WORKFORCE**

### **5.1 Determination of the organisation structure** (amend current sections 332-333)

Proposed amendments 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.

*Comment: Amendment supported however greater clarity required in relation to the meaning and extent of the term "advice" as set out in the first dot point.*

### **5.2 The role of the General Manager** (amend current section 335)

Proposal to expand and describe the role and responsibilities of the General Manager:

- 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.

*Comment:* Amendment supported.

### **5.3 The requirement to report annually to the council on senior staff contractual conditions** (omit current section 339)

It is proposed to omit the requirement for general managers to report annually to the council on the contractual conditions of senior staff.

The OLG Paper states that senior staff are now all employed under the approved standard contract for senior staff rendering this requirement redundant.

*Comment:* Amendment supported.

## **6 ETHICAL STANDARDS** (amend current sections 441-459)

Proposed amendments are to replicate the provisions in the Act and Regulation relating to the disclosure of pecuniary interests and the management of pecuniary conflicts of interests in the Model Code of Conduct.

The amendments will consolidate all ethical obligations of Council officials into a single instrument (the Model Code of Conduct).

*Comment:* Amendment supported.



## 7 COUNCIL'S STRATEGIC FRAMEWORK

### 7.1 Integrated planning and reporting principles (amend current sections 402-406)

New provisions to establish overarching IPR principles and require councils to undertake strategic business planning in accordance with those principles including:

- 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.

Comment: Amendment supported.

### 7.2 Streamlining the existing IPR provisions (amend current sections 402-406)

The current IPR provisions in sections 402 to 406 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.

Comment: Amendment supported.

### 7.3 Council's IPR to reflect regional priorities (amend current sections 402 and 404)

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.

Comment: Amendment supported.

### 7.4 Expanded scope of delivery programs (amend current sections 404 and 406)

Section 404 be expanded to clarify that delivery programs are to capture all council activities as set out in the mandatory IPR guidelines.

Comment: Amendment supported.



## **7.5 Fiscal sustainability** (amend current clause 201 of the Regulation)

The Regulation, which provides for an annual statement of revenue policy in each operational plan, 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 council's 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 IPR guidelines to help councils produce more robust and useful strategies in these key areas.

*Comment:* Amendment supported.

## **7.6 Expanded scope of councils' community engagement strategies** (amend current sections 14, 18-20, 402)

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 IPR 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 IPR 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.

*Comment:* Amendment supported.

# **8 COUNCIL PERFORMANCE**

## **8.1 Annual Reports** (amend current sections 428 & 428A)

It is proposed to require the information reported in councils' annual reports to be endorsed as factually accurate by an internal audit committee.

*Comment:* Amendment supported however clarification required as to whether this relates to the whole of the Annual Report or merely the financial components. Query whether the Committee is able to arrive at a position where it can endorse any aspect of the Annual Report as "factually accurate".

## **8.2 State of the environment reports** (amend current section 428A)

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 in their community strategic plans (that is, through their annual reports and the 4 yearly end of term report).

*Comment: Amendment supported subject to clarification as to whether the mandatory aspects of the existing section are to be maintained in reporting on environmental issues in the community strategic plan.*

## **8.3 Performance measurement** (amend current section 429)

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.

*Comment: Amendment supported subject to greater clarification as to whether the proposed indicators and benchmarks are appropriate.*

## **8.4 Internal audit** (amend current section 23A guidelines)

It is proposed to introduce a mandatory requirement for 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 OLG 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.

*Comment: Amendment supported.*

### **8.5 Sector-wide performance audits by the Auditor-General** (new provision)

To identify trends and opportunities for improvement across the sector as a whole, it is proposed to complement the mandated requirement for internal audit by empowering the Auditor-General to conduct issue-based performance audits in key areas of local government activity.

*Comment: Amendment supported.*

### **8.6 Financial management** (amend current sections 408 – 411)

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 will set out objectives and principles that are to inform councils' financial management practices and that align them with the objectives set through councils' IPR 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;
  - asset maintenance and enhancement;
  - 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.

*Comment: Amendment supported.*

## **8.7 Financial reporting** (amend current sections 412 – 421)

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.

*Comment:* Amendment supported.

## **8.8 External audit** (amend current sections 422 – 427)

It is proposed to place Local Government audits under the aegis of the NSW Auditor-General.

There will also be transitional arrangements 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 NSW.

*Comment:* Amendment supported.

## **PLANNING AND POLICY IMPACT**

This report contributes to the delivery of Wollongong 2022 goal "We are a connected and engaged community".

It specifically delivers on core business activities as detailed in the Governance and Information Service Plan 2015-16.

## **CONCLUSION**

The proposed Phase 1 amendments to the Local Government Act 1993 have been published for community consultation and any person or organisation is invited to complete an online survey in relation to the proposed amendments.

## ITEM 3 SUBMISSION ON THE NSW COASTAL REFORM FRAMEWORK

The NSW Government is seeking feedback on its Coastal Reform Framework, released for public consultation in November 2015. This report provides a draft response for Council's consideration as the submission from Wollongong City Council, and an overview of the implications of the proposed reforms for the Draft Wollongong Coastal Zone Management Plan, which was put on hold when the reforms were announced.

### RECOMMENDATION

- 1 The draft submission on the NSW Coastal Reform Framework be endorsed for finalisation by the General Manager and provided to the State Government (Attachment 3).
- 2 The Draft Wollongong Coastal Zone Management Plan not be submitted to the State Government for certification at this stage.

### ATTACHMENTS

- 1 Objects and management objectives of the proposed Coastal Management Act and Coastal Management Areas
- 2 Mandatory requirements and essential elements for Coastal Management Programs
- 3 Draft Submission – NSW Coastal Reform Framework

### REPORT AUTHORISATIONS

Report of: Renee Campbell, Manager Environmental Strategy and Planning  
Authorised by: Andrew Carfield, Director Planning and Environment – Future, City and Neighbourhoods

### COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

### BACKGROUND

In 2009, Council engaged consultants to prepare a Coastal Zone Management Plan (CZMP) for Wollongong in accordance with the State direction on this matter. In 2010, the State Government updated its policy framework and released the Guidelines for Preparing Coastal Zone Management Plans, which required the use of State-endorsed sea level rise benchmarks for assessing the risks from climate change. The Wollongong CZMP was drafted in accordance with these new guidelines, using a two-staged process.

On 27 July 2010, Council endorsed the report from the first stage – the Wollongong Coastal Zone Study, which identified the areas likely to be affected by coastal hazards now and into the future. On 13 February 2012, Council endorsed the second stage, the Draft Wollongong CZMP, which addresses the risks from climate change and sea level rise on our coast, for public exhibition. The draft report was exhibited from 20 February to 30 March 2012, and seventy submissions were received.

On 9 July 2012, Council considered the response to the submissions and deferred making a decision on the Draft Wollongong CZMP, given that the NSW Government had announced a further reform of the policy framework guiding the preparation of these plans.

The reform is being undertaken in two stages. The first stage is complete, and addressed three main areas:

- removing the State-wide sea level rise planning benchmarks of a rise in sea level above 1990 levels of 40 cm and 90 cm to 2050 and 2100 respectively, and allowing councils the flexibility to consider their own local circumstances;
- relaxing the criteria for installation of temporary protection works (sand bags) to reduce erosion impacts during minor storms;
- clarifying the information to be placed on Section 149 certificates relating to sea level rise, through the release of a planning circular.

The second stage was proposed to deal with the following:

- replacing the current legislation with a new Coastal Management Act;
- new arrangements to better support council decision making, including a decision support framework, a new coastal management manual, and improved technical advice;
- more sustainable arrangements for funding and financing coastal management activities.

In November 2015, key elements of the proposed new policy framework were released for public consultation. The closing date for submissions is 29 February 2016. Understanding the implications of this new policy framework for Council requires comparison of the framework that currently applies with the proposed new one.

### **Current Policy Framework for Coastal Management**

The current framework consists of the Coastal Protection Act and Regulations, several State Environment Planning Policies (SEPPs), and various supporting policy and other documents that have evolved over time as new coastal management challenges were encountered. As a result, there appears to be a lack of cohesion between the different instruments, and the provisions for coastal use and management are sometimes duplicated from instrument to instrument. In some cases, detailed supporting information is lacking for councils to implement the policy objectives. More information on some of the key instruments is provided below.

## **Coastal Protection Act (1979)**

The object of this Act is to provide for the ecologically sustainable use and enjoyment of the coastal zone, mapped for the purposes of this Act as generally 1 km inland of coastal waters and 3 nautical miles out to sea. The Act establishes certain agencies, including all coastal councils, as coastal authorities and gives them powers for the administration of certain functions of the Act. A Coastal Panel is also established for providing advice to the State and to councils on matters relating to this Act, and to grant development consent for coastal protection works in certain circumstances. When Ministerial concurrence would be required for coastal management activities are also described. It also makes provisions for the preparation of CZMPs and states the requirements for doing so. A significant section of the Act deals with provisions for temporary coastal protection works, these being coastal erosion protection works that landowners or people acting on their behalf can install in authorised locations without regulatory approval.

## **Coastal Protection Regulation (2011)**

The regulations support the Act and provide for the requirements for temporary coastal protection works to be included in a Code of Practice.

## **Code of Practice under the Coastal Protection Act (1979)**

This document describes the minimum requirements that must be met for the placement, maintenance and removal of temporary coastal protection works. Twenty-seven authorised locations are listed, none of which are in the Wollongong LGA.

## **A guide to the statutory requirements for temporary coastal protection works**

This document contains more detailed information and is meant to assist landowners and people acting on their behalf to understand the requirements for placing temporary coastal protection works.

## **SEPP 14 Coastal Wetlands**

The aim of this planning instrument is to ensure the preservation and protection of coastal wetlands, in the environmental and economic interests of the State. Development controls applying to these wetlands are included. The wetlands concerned are identified in maps held by the NSW Department of Planning and are shown on Council's mapping system. Within the Wollongong LGA, the identified coastal wetlands include three patches located on the western margins of Lake Illawarra.

## **SEPP 26 Littoral Rainforests**

This instrument provides matters that must be considered for development in littoral rainforests and their buffer areas for development that is likely to damage or destroy littoral rainforests. These areas are identified in maps held by the NSW Department of Planning. There are no mapped areas within the Wollongong LGA affected by this policy.



## **SEPP 71 Coastal Protection**

The aim of this planning instrument is to ensure the ecologically sustainable use and development of the coastal zone. It includes matters that must be considered in preparing local environment plans and in granting development consent for development in the coastal zone, which includes considering the likely impact of coastal processes and hazards. It also requires certain development applications for development in sensitive coastal locations to be referred to the Director-General for comment, and identifies master plan requirements for certain developments in the coastal zone.

### **SEPP Infrastructure (Sections 128, 129 and 129A relating to coastal protection works)**

These sections address definitions for coastal protection works and require the NSW Coastal Panel to be the consent authority for these works, if a coastal zone management plan does not apply to the land in question.

### **NSW Coastal Policy 1997**

This policy sets the goals, objectives, and strategic actions for coastal zone management and planning in NSW. All local councils are required to consider and give effect to this policy in preparing their LEPs.

### **Guidelines for preparing coastal zone management plans**

This is the document referenced in the Coastal Protection Act (1979) that local councils need to use in preparing their CZMPs. It specifies the minimum requirements that must be met, but does not have much detail on the processes that must be followed. It also now allows for councils to use their own sea level rise projections for planning for future coastal hazards. This document is supposed to be supported by a series of guide notes to assist councils with more detailed information for preparing CZMPs, but these are yet to be prepared.

### **Standard Instrument –Principal Local Environment Plan (Clause 5.5)**

The Wollongong LEP 2009 is based on the standard LEP template. Clause 5.5 of the LEP template and the LEP deals with matters that must be considered for development within the coastal zone, and includes most of what is included in SEPP 71, including the likely impact of coastal processes and hazards.

## **PROPOSAL**

### **Proposed New Framework for Coastal Management**

The framework proposed attempts to bring together the various existing legislative and policy instruments into a framework that is intended to be simpler, more strategic and supportive for coastal councils. It is proposed to consist of three main components: a Coastal Management Act, a Coastal Management SEPP, and a Coastal Management Manual.



## Coastal Management Act

A draft Coastal Management Bill 2015 has been released for consultation on the proposed Coastal Management Act. The overall objects of the Act are to promote the principles of ecologically sustainable development in managing the coast. The coastal zone is to be defined as comprising four distinct coastal management areas, each with its own specific management objectives, and the land making up these areas to be mapped by a Coastal Management SEPP.

These four management areas are proposed to be:

- the **Coastal Wetlands and Littoral Rainforests Area**, being land which displays the hydrological and floristic characteristics of coastal wetlands or littoral rainforests and land adjoining those features,
- the **Coastal Vulnerability Area**, being land subject to coastal hazards,
- the **Coastal Environment Area**, being land containing coastal features such as the coastal waters of the State, estuaries, coastal lakes, coastal lagoons and land adjoining those features, including headlands and rock platforms, and
- the **Coastal Use Area**, being land adjacent to the Coastal Environment Area where development is or may be carried out (at present or in the future).

The objects of the Act and the management objectives of the four coastal management areas are given in Attachment 1. The management objectives of the four management areas are to be given effect through the preparation and implementation of coastal management programs (CMPs) by local councils with areas within the coastal zone. These programs are to be prepared in accordance with the coastal management manual. The requirements for CMPs and the contents of the coastal management manual are specified. The Act also establishes a NSW Coastal Council whose role would be to provide advice to the Minister on coastal management matters. It can also be given responsibility for auditing the implementation of CMPs by councils.

## Coastal Management SEPP

The provisions proposed under the new SEPP are explained in an Explanation of Intended Effect document. The new SEPP will map the four coastal management areas and councils can change the boundaries through detailed studies and planning proposals. The proposed maps have not been released for consultation and the information that will be used to map these coastal management areas has also not been made clear. When this information is released, there is expected to be further opportunity to provide feedback.

For each of the management areas, development controls are specified, which are similar to the requirements in the existing SEPPs relating to these areas. In addition to this, development controls are now proposed to be also applied to a 100m buffer area around coastal wetlands, as is currently done around littoral rainforests.

The SEPP will also detail the approval pathways for coastal protection works, including emergency coastal protection works. No special provisions are made for temporary coastal protection works to be undertaken by landowners or their agents without regulatory approval, as is the case under the current framework. Whether the coastal protection works are intended to be temporary or permanent, the same approval pathways will apply, with a Joint Regional Planning Panel (JRPP) being involved in certain cases.

When this new SEPP comes into force, the current planning policies relating to coastal management will be revoked. These include SEPP 14, 26, 71, Sections 128 and 129 of the Infrastructure SEPP, and Clause 5.5 of the Standard template. The NSW Coastal Policy is also proposed to be revoked when the entire new framework is in place.

## **Coastal Management Manual**

The Coastal Management Manual will replace the current Guidelines for Preparing Coastal Zone Management Plans, and it is intended to provide detailed information to councils for the preparation, implementation and review of the proposed CMPs. The manual is proposed to consist of three parts.

### **Part A – Mandatory Requirements for Coastal Management Programs**

Part A has been released for public consultation and it lists the mandatory requirements and essential elements that CMPs will need to comply with. Attachment 2 shows what these mandatory requirements and essential elements are. CMPs can be prepared for any part of the coastal zone, and must be prepared if directed to do so by the Minister. They should be prepared through a staged and consultative process, including neighbouring councils if sharing the same coastal sediment compartment. The management issues and opportunities affecting the area or areas under consideration and the actions to be undertaken to address them must be identified in accordance with guidance provided in the manual. Management actions that are councils' responsibility must be implemented through their integrated planning and reporting (IPR) framework or their landuse planning responsibilities, and they must be accompanied by detailed business case analysis. The final draft can be submitted to the Minister for certification, after which it can be adopted and implemented.

### **Part B – A Five-Stage Process for Coastal Management Programs**

Part B describes a detailed five-staged process to be followed in preparing, implementing, and reviewing CMPs, noting that not all stages may need to be completed. Documents relating to all five stages are on exhibition.

**Stage 1** – this is a scoping study which all councils would need to complete. It requires identification of issues and opportunities affecting the areas under consideration, and the adequacy of current management arrangements to address them. Where issues and opportunities are not adequately managed, councils need to identify whether additional information is necessary to manage them. If this is the case, councils would then need to complete Stages 2 and 3. Otherwise, they can proceed directly to Stage 4. In any case, councils will need to prepare a scoping study report and have it endorsed

by the Office of Environment and Heritage and the Coastal Council before proceeding to subsequent stages.

**Stage 2** – in this stage, councils would need to undertake detailed studies to understand the issues and opportunities and enable them to be prioritised for management. In doing this, councils must follow a risk assessment process in accordance with the guidance provided in Part C of the manual. The types of studies relating to the various management issues and opportunities and the matters they must cover are identified.

**Stage 3** – this stage describes potential management options that councils can use to address the various issues and opportunities. A cost-benefit analysis must be undertaken for the potential management options to identify those actions that are feasible.

**Stage 4** – describes the requirements for composing, exhibiting, finalising, certifying, and adopting the CMP. A CMP must include the following:

- A summary statement of the overall CMP strategy.
- Management actions to be implemented by council through the IPR and landuse planning processes, and actions by adjoining councils (where relevant) and public authorities.
- A brief summary of the business plan supporting the funding strategy.
- A coastal erosion emergency action sub-plan if the CMP includes a coastal vulnerability area.
- A map or maps showing linked actions for each coastal management area covered by the CMP.

Supporting documentation for a CMP must include:

- A detailed Coastal Strategy Statement which provides the context and objectives and establishes council's strategic direction for the coast.
- A detailed business plan for implementation of the CMP.
- A listing of all detailed reports used for the CMP and information on how they can be publically accessed.

**Stage 5** – describes the requirements for implementing, evaluating, monitoring and reporting of CMPs. It includes information on how these activities can be linked to council's IPR responsibilities, such as the Resourcing Strategy, Asset Management and Delivery and Annual Plans, and its land use planning strategies.

## **Part C – Toolbox containing guidance documents**

The toolbox is intended to provide further guidance on preparing, implementing and reviewing CMPs. It is web based and will be updated as new information becomes available. It includes reference material and reports already published by OEH or other agencies, as well as four draft documents released for public comment.

Other guidance that the manual is supposed to provide has not yet been prepared, and is expected to be released later for comment. This includes technical advice on sea level rise to use for planning purposes and methods to use in identifying coastal vulnerability areas.

The four documents in the toolbox that are currently on exhibition are:

- Glossary: providing definitions of terms that are in common use when describing coastal processes and coastal management.
- Using Cost-Benefit Analysis to assess coastal management options: Guidance for councils. This document explains how a cost-benefit analysis can be used to identify coastal management actions that are feasible.
- Funding mechanisms to implement coastal management actions: Guidance for local councils. This document explains who the beneficiaries of a management action might be and how they can be involved in funding management actions.
- A guide to managing estuary ecosystems. This document describes potential management issues and responses for estuarine ecosystems.

### **Key differences between the Current and the Proposed Policy Framework**

The proposed policy framework is still to release some important information for councils, such as guidance on sea level rise, and the methods to use to define hazard areas, so the full extent of the differences between the two frameworks cannot be established. But there are areas where differences are already apparent, and these are described below.

### **Legislative Framework**

The legislative framework for coastal management currently consists of several instruments, including four different SEPPs, and there is duplication in the provisions between them. The proposed framework is attempting to simplify this by incorporating the provisions into three major instruments – the Coastal Management Act, the Coastal Management SEPP, and the Coastal Management Manual.

### **Definition and Mapping of the Coastal Zone**

Under the current framework, the coastal zone is defined as a uniform area, generally extending 3 nautical miles out to sea and 1 km inland from coastal waters of the State. All the relevant planning, management and development controls are required to be applied uniformly throughout this area, even though this may not be necessary because of different vulnerabilities occurring across this area. There is also no provision for the boundaries to be altered by councils.

The reforms propose to compartmentalise the coastal zone into four coastal management areas, each with its own management objectives and development controls. The four coastal management areas are to be mapped and Councils can apply for their boundaries to be modified through detailed supporting studies and planning proposals. As noted, the maps are yet to be released; therefore their

adequacy for Council purposes cannot be established. However, at least for the coastal vulnerability area, Council may require variations, as the information released so far suggests that the State vulnerability mapping will only be a first pass assessment and not address all hazards. This will have resource and other implications for Councils which possess their own mapping from previous studies.

There is a concern about the proposed scale of the maps, and whether the scale will be suitable for implementation at a property level. Broad scale maps will not provide sufficient detail and accuracy to implement at a property level. If errors are found, Council will be required to prepare a draft Planning Proposal to amend the SEPP maps, and justify the change.

### **Development Controls around coastal wetlands**

The SEPP relating to coastal wetlands (SEPP 14) currently does not have any specific development controls relating to their adjoining land, but the SEPP relating to littoral rainforests (SEPP 26) does have controls for their adjoining land. The reforms propose to introduce development controls for the land adjoining coastal wetlands as well, this being a 100 m buffer area around the wetland boundary. While the development controls applying to this buffer area are not proposed to be as stringent as those applying to the wetlands themselves, it will mean an additional assessment need for planning and development activities in this area.

### **Preparation and Implementation of coastal management programs/plans**

Under the current framework, councils can, and must if directed to do so by the Minister, prepare CZMPs to give effect to the management objectives for the coastal zone. The guidance available to councils to do this is fairly high level, with no detailed guidance on how to undertake the planning process. There is also no flexibility to focus on issues and areas of priority to councils. There are also no requirements relating to the process to be followed for implementing these plans, or for auditing the extent of their implementation. As such, councils with CZMPs have been able to implement these plans in an opportunistic manner in line with their business priorities.

Under the proposed framework, councils can, and must if directed to do so by the Minister, prepare what will now be called coastal management programs to give effect to the management objectives of the coastal zone. This time, however, the coastal management manual will provide detailed guidance on the preparation, implementation and review of these programs. A staged approach will need to be undertaken, which is meant to build on the work already completed by councils. There will be flexibility to focus on the issues and areas of importance to councils, but there are other requirements in the manual that could have considerable additional resource implications for councils in the future.

The framework proposed states that after completing the initial desk-based scoping stage (Stage 1), some councils may be able to bypass subsequent stages and proceed to preparing a CMP (Stage 4) without much additional work or studies being undertaken. However, the circumstances in which this may be done are limited, and include new information being available for assessing coastal vulnerabilities. Given that

the proposed framework is likely to have new information about sea level rise and vulnerability assessment methods, not many councils will be able to bypass the stages that require additional detailed studies to be carried out. The types of studies required are fairly complex and could take up a lot of council resources. The requirements for subsequent stages, such as, undertaking detailed cost-benefit analyses, and preparing detailed business plans will also mean additional resources than under the present system.

Under the new framework, councils are also required to implement actions they are responsible for through the IPR and landuse planning processes, and have them audited, if required. All these changes mean that councils preparing CMPs could face greater resource implications under the new framework than under the existing one.

### **Approval pathways for coastal protection works**

The approval pathways for coastal protection works are also different. Currently, a significant part of the legislative framework is permitting landowners or their agents to install temporary coastal erosion protection works in authorised locations without regulatory approval. Under the new system, they will no longer be able to do this without regulatory approval. For the Wollongong LGA, this does not make any difference, as there are no authorised locations in this LGA.

For installation of coastal protection works in general, the approval process currently depends on the proponent and whether or not a CZMP exists for the area in question. Where no CZMP exists, private landowners need consent from the NSW Coastal Panel, and public authorities need to consult the Coastal Panel. Where a CZMP applies, the council can be the consent authority for private proponents, and public authorities such as councils can proceed without consent.

Under the proposed framework, the role of the Coastal Panel for coastal protection works will be taken over by the relevant JRPP, but the approval process will again depend on the proponent and whether or not a CMP exists which identifies a coastal protection work for the area. Where a CMP is in place that identifies new coastal protection works, a private landowner will require council consent whereas a public authority, such as council, can proceed to install the works without consent. Where no CMP is in place or where coastal protection works are not identified in a CMP, a private landowner will require consent from the JRPP for all types of coastal protection works, whereas a public authority is permitted to undertake beach nourishment or sandbag installation without consent, but will require consent from the JRPP for other works. Emergency protection works undertaken in accordance with a Coastal Erosion Emergency Action Sub-Plan prepared as part of a CMP is exempt development and can only be undertaken by public authorities.



## Requirements of Coastal Erosion Emergency Action Sub-Plans

A Coastal Erosion Emergency Action Sub-plan is currently required and will continue to be required under the new framework for coastal vulnerability areas to indicate what actions will be taken by councils and others in emergency coastal erosion situations. However, under the new framework, councils appear to be required to also protect private property. This is not specifically stated in the requirements for coastal erosion emergency action sub-plans under the existing system. The reason for this could be that private landowners currently have provisions for placing temporary coastal protection works without regulatory approval, and these provisions will no longer apply under the new framework.

## Good faith provisions under Section 733 of the Local Government Act (1993)

Councils often are anxious about liability issues when providing advice about potential current and future risks to property, including those related to coastal hazards. Section 733 of the Local Government Act (1993) can protect councils against such liability, if the advice is demonstrated to be provided in good faith, and it currently states:

### Section 733 (4)

*Without limiting any other circumstances in which a council may have acted in good faith, a council is, unless the contrary is proved, taken to have acted to good faith for the purposes of this section if the advice was furnished, or the thing was done or omitted to be done, substantially in accordance with the principles contained in the relevant manual most recently notified under subsection (5) at that time.*

The manual currently applying in the area of coastal management is the Guidelines for Preparing Coastal Zone Management Plans, and, according to the above clause, substantial compliance with the principles of these guidelines can be sufficient to demonstrate good faith. This could mean that the guidelines do not have to be followed to the letter. Under the new framework, this flexibility is to be removed and councils will be required to comply with the requirement more stringently. The modification is:

### Proposed Section 733 (4)

*Without limiting any other circumstances in which a council may have acted in good faith, a council is, unless the contrary is proved, taken to have acted to good faith for the purposes of this section if the advice was furnished, or the thing was done or omitted to be done:*

- (a) substantially in accordance with the principles contained in the relevant manual most recently notified under subsection (5) at that time. or*
- (b) in accordance with the principles and mandatory requirements set out in the current coastal management manual under the Coastal Management Act 2015.*

Although the demonstration of good faith is not limited to compliance with a manual, a concern for councils in relation to coastal management could be the reference to the current coastal management manual. The new framework proposes to update the manual as new information becomes available, and this could present problems for

councils in demonstrating compliance with the updated manual if it is changed as councils are going through the process of preparing programs on the basis of previous versions of the manual.

## **Implications of the Reforms for the Draft Wollongong Coastal Zone Management Plan**

As noted, Council deferred finalising the Draft Wollongong CZMP, pending further advice on the coastal reforms. However, Council did resolve to utilise the information from the Draft Wollongong CZMP for its planning and development decisions, including placing coastal hazard notations on Section 149 planning certificates, in accordance with legal advice received on this matter. This situation continues to be the case. Recent developments in the reform process require this situation to be reassessed.

In February 2015, Council received a letter from the Minister for the Environment, Mr Rob Stokes, providing options for councils to progress draft CZMPs that were put on hold because of the reforms. The Minister had resumed certifying CZMPs, and advised that councils that had already undertaken a substantial amount of work recently in completing these plans could submit their plans without waiting for the reforms to be completed, or they may wish to delay it to ensure consistency with the coming reforms. The advice in regard to the Draft Wollongong CZMP was that it could be considered for certification, as it was prepared relatively recently, and therefore was likely to be consistent with recent guidelines and legislation.

Council officers considered the advice at the time and proposed to await further developments in the reform process before making a recommendation to Council on this matter. Some of the more contentious matters relating to the sea level rise projections and methodologies used for preparing these plans were expected to be clarified in the proposed reforms, and for Council to formalise the Draft Plan in the absence of such supporting guidance was considered to be unwise at that stage.

The information awaited has still not been provided in the policy framework documentation released so far, but yet again, the advice is that councils that have completed a substantial amount of work may wish to submit their plans for certification under the existing framework up to such time as the reforms are fully implemented and the current Act is repealed. If the plans are certified by the Minister, then these councils will have until December 2021 to update their plans to reflect the new framework. Other councils would not have this timeframe, and would need to show compliance with the new framework immediately. The implications for Council in choosing to submit or not submit its Draft CZMP for certification at this stage are considered below.

### **Draft Wollongong CZMP is submitted**

- 1 Council will be pursuing certification in the absence of further advice on sea level rise projections and the methodology for assessing their impact on the coast, for which it has been waiting all this time. This could create the perception that Council now approves of the information, including the sea level rise projections used in the Draft Wollongong CZMP.



- 2 If the Draft CZMP is certified, and future advice suggests different sea level rise values and methodologies need to be utilised, which appears will be the case, then there would be community expectation for the Wollongong plan to be updated immediately. If Council decides to do this, then the resources utilised to have the Draft Wollongong CZMP certified now would have been in vain.
- 3 If the Draft Wollongong CZMP is certified, then there could be greater legitimacy for Council using the information from it for its planning and development decisions, and for notating its Section 149 Planning certificates and this will apply until December 2021. Council would then not need to undertake any update work immediately. However, this could be at the expense of community displeasure at Council not updating its plans to reflect the new advice.

### **Draft Wollongong CZMP is not submitted**

- 1 Until the new policy framework is introduced, Council can continue using the information from the Draft Wollongong CZMP with business as usual.
- 2 After the new policy framework is introduced, Council would have to start to update its work to reflect the new framework. This could take some time, so the legitimacy of continuing to use the information from the Draft Wollongong CZMP in the current way needs to be considered.
- 3 Until the Draft Wollongong CZMP is updated to comply with the new framework, Council can continue to use the information from it, because it will be the best information available, and the good faith provisions under the Local Government Act (1993) can continue to be met, on the basis that they are not limited to just demonstrating compliance with the manual.
- 4 Council would be demonstrating to the community the commitment to update its plans and programs to comply with the latest advice available from the State Government.

### **Draft Submission**

Attachment 3 is the draft submission for Council's consideration. It consists of two parts – Part A providing concerns of Council on the overall policy framework, and Part B providing more specific comments on the component documents that are on exhibition. Council is recommended to endorse it for finalisation by the General Manager and providing it to the NSW Government by the closing date of 29 February 2016.

The decision in regard to the future of the Draft Wollongong CZMP also needs to be considered. This decision needs to be informed by the implications of the proposed reforms on the Draft Wollongong CZMP and the actions taken by Council. These have been considered in the previous section. In view of those implications, Council is recommended not to pursue certification of the Draft Wollongong CZMP at this stage.

## CONSULTATION AND COMMUNICATION

Council officers from the Land Use Planning and Environment Planning teams have had input into the preparation of the draft submission. The Wollongong Estuary and Coastal Zone Management Committee have also been given an opportunity to provide input.

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal “We value and protect our environment”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2015-16
Strategy	5 Year Action	Annual Deliverables
1.2.1 A suite of actions to manage and protect against the future risks of sea level rise is enacted.	1.2.1.1 Finalise and implement the Coastal Zone Management Plan.	Monitor the NSW Coastal Reform process and provide updates to Council.

## RISK ASSESSMENT

The risks associated with Council being liable for continuing to use information from a non-certified CZMP after the new reforms are enacted have been assessed, and are considered to be manageable. This is because protection against liability provisions under the Local Government Act (1993) can continue to apply, as they are not limited to just following the new policy framework.

## FINANCIAL IMPLICATIONS

There will be financial implications for Council from the proposed new policy framework regardless of whether Council seeks to have its Draft Wollongong CZMP certified at this stage, or chooses to update it to comply with the new framework soon after it is introduced. The former option will however mean that Council will have until December 2021 to undertake the update work required, and this will therefore not require allocating resources to this activity in the immediate term. The amount of funding required to undertake the update work cannot be known with certainty until the reform process is completed, and a gap analysis is undertaken.

## CONCLUSION

The NSW Government is exhibiting its proposed new framework for coastal management in the State. By providing a submission on the reforms, Council can bring its concerns on the reforms to the attention of the State Government.

ITEM 4

WEST DAPTO URBAN RELEASE AREA - DARKES ROAD SOUTH  
WEST PRECINCT PLANNING PROPOSAL - POST EXHIBITION  
REPORT

On 24 March 2014, Council endorsed the Neighbourhood Plan for the Darkes Road South West Precinct. Council also endorsed a draft Planning Proposal for minor amendments for exhibition. During the exhibition process, a landholder raised objections to the draft Planning Proposal.

On 3 August 2015, Council considered a report on the exhibited draft Planning Proposal and resolved to seek a revised “Gateway” determination and re-exhibit an amended Planning Proposal. The revised draft Planning Proposal was subsequently exhibited from 7 November 2015 to 23 November 2015. It is recommended that Council adopt the Planning Proposal.

## RECOMMENDATION

Council -

- 1 Proceed with the Planning Proposal for 105 Darkes Road, Kembla Grange (Lot 202 DP 1192033), 109 Darkes Road, Kembla Grange (Lot 1 DP 795839 and Lot 3 DP 1008723), 141 Darkes Road, Kembla Grange (Lot 1 DP 770451), Lot 111 West Dapto Road, Kembla Grange (Lot 111 DP 718106), Lot 4 West Dapto Road, Kembla Grange (Lot 4 DP 1008723), Lot 201 West Dapto Road, Kembla Grange (Lot 201 DP 1192033), and Lot 3 Darkes Road, Kembla Grange (Lot 3 DP 1008723), with corresponding amendments to the Land Zoning, Floor Space Ratio, Lot Size, Height of Building and Land Reservation Acquisition maps.
- 2 Refer the finalised Planning Proposal to the NSW Department of Planning and Environment to arrange for the drafting of the amending instrument.
- 3 Note that the General Manager will exercise delegation issued by the NSW Department of Planning and Environment under Section 69 in relation to the proposal.

## ATTACHMENTS

- 1 Location Map – Air photo
- 2 Proposed Zoning, Floor Space Ratio, Minimum Lot Size, Height of Building and Land Reservation Acquisition maps

## REPORT AUTHORISATIONS

Report of: Tony Miskiewicz, Manager Environment Strategy and Planning (Acting)

Authorised by: Andrew Carfield, Director Planning and Environment – Future, City and Neighbourhoods

## COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

### BACKGROUND

The Darkes Road South West Precinct is part of the West Dapto Urban Release Area. The precinct covers an area of 50 hectares and is bounded by Darkes Road, West Dapto Road and Robins Creek. The precinct is currently a mixture of grazing land and open woodland in the northern sections, with new subdivision works underway in the southern section. The precinct is owned by three separate landholdings. A map of the precinct is at Attachment 1.

In April 2013, a draft Neighbourhood Plan was lodged for the Darkes Road South Neighbourhood Precinct. Council at its meeting of 25 November 2013 resolved to exhibit the draft Neighbourhood Plan and a draft revised Chapter D16 – West Dapto Release Area, of Wollongong Development Control Plan 2009 for a minimum 28 day period. The exhibition of these documents took place between 30 November 2013 and 31 January 2014.

On 24 March 2014, Council resolved to adopt the revised Development Control Plan chapter, which incorporated the Darkes Road South West Neighbourhood Plan. Council also resolved to prepare a draft Planning Proposal to amend the Wollongong Local Environmental Plan 2009 to make alterations to the precinct, outlined below:

- Rezone the proposed “Ridge Park” from part R2 Low Density Residential and RE1 Public Recreation to E2 Environmental Conservation, with no minimum lot size, floor space ratio and a 9m building height limit;
- Realignment of the R3 Medium Density Residential and R2 Low Density Residential boundary, with associated changes to the floor space ratio, minimum lot size and building height limits; and
- Amend Clause 4.1 minimum subdivision lot size to enable the consistency with the minimum lot size map where a subdivision is consistent with an endorsed Neighbourhood Plan.
- Council also resolved to update the West Dapto Release Area Section 94 Plan to include the “Ridge Park”. On 22 June 2015, Council resolved to exhibit the revised draft Section 94 Plan, including the enlarged “Ridge Park”, and it was endorsed on 19 October 2015.

A Gateway determination was issued in August 2014, with the draft Planning Proposal being exhibited from 26 August to 26 September 2014. During this period, one submission on behalf of a landholder and two agency submissions were received.

On 23 February 2015, Council considered a report on the Sheaffes Road Neighbourhood Plan (located on the opposite side of West Dapto Road) and resolved to

prepare a draft Planning Proposal for that precinct which includes relocation of the B2 Local Centre zone from being on both sides of West Dapto Road to being entirely located on the western side of West Dapto Road. The area formerly zoned as B2 Local Centre within the Darkes Road South West precinct then being rezoned to R3 Medium Density Residential.

On 3 August 2015, Council considered a report on the exhibition of the Darkes Road South Precinct Planning Proposal and resolved to amend the draft Planning Proposal to correct anomalies between the written Planning Proposal and the accompanying maps. The revised draft Planning Proposal was then sent to the NSW Department of Planning and Environment for an amended Gateway determination and re-exhibition of an amended draft Planning Proposal. The draft Planning Proposal was subsequently exhibited from 7 November 2015 to 23 November 2015, through Council's website and the Illawarra Mercury. Copies of the exhibition documents were available on Council's website, at Council's Customer Service Centre and at Wollongong and Dapto libraries. During the exhibition period, two agency submissions were received.

## PROPOSAL

The following amendments to the Wollongong LEP 2009 are proposed:

- a) Amend the Zoning Map by:
  - i Rezoning the proposed 'Ridge Park' passive open space recreation area within Lots 201 and 202 DP 1192033, Lot 4 DP 1008723, Lot 1 DP 795839 and Lot 3 DP 1008723 from part R2 Low Density Residential and RE1 Public Recreation to E2 Environmental Conservation;
  - ii Realign the R3 Medium Density Residential and R2 Low Density Residential zone boundary within Lot 1 DP 795839 to follow the proposed road network with the R3 Medium Density Residential zoned land having a floor space ratio of 0.75:1, minimum lot size of 300m<sup>2</sup> and building height limit of 13 metres and the R2 Low Density Residential land having a floor space ratio of 0.5:1, minimum lot size of 300m<sup>2</sup> and building height limit of 9 metres; and
  - iii Remove the B2 Local Centre zone and replace this with R3 Medium Density Residential zone.
- b) Amend the Minimum Lot Size Map by:
  - i Making corresponding changes to introduce a minimum lot size on the land proposed to be zoned E2 Environmental Conservation of 10 hectares;
  - ii Make corresponding changes to introduce a minimum lot size of 300m<sup>2</sup> on the land proposed to be zoned R2 Low Density Residential and R3 Medium Density Residential; and
  - iii The boundary between the 300m<sup>2</sup> and 450m<sup>2</sup> minimum lot size be amended to contain all R3 Medium Density Residential zoned land in the precinct and follow the indicative road layout.

- c) Amend the Floor Space Ratio Map by making corresponding changes to allow for a floor space ratio of 0.5:1 for land zoned R2 Low Density Residential, 0.75:1 for land zoned R3 Medium Density Residential and no floor space ratio restriction for land zoned E2 Environmental Conservation.
- d) Amend the Height of Buildings Map by making corresponding changes to allow for a maximum building height of 9 metres for land zoned R2 Low Density Residential, 13 metres for land zoned R3 Medium Density Residential and 9 metres for land zoned E2 Environmental Conservation.
- e) Amend the Land Reservation Acquisition map to include the “Ridge Park” as land for Council acquisition, and minor changes to road width acquisition.
- f) Amend Clause 4.1 Minimum Subdivision Lot Size to include sub-clause (4D) to read ‘Despite sub-clause 3, Council may consent to a development application for subdivision in an Urban Release Area which results in an inconsistency with the Lot Size Map where it has endorsed a Neighbourhood Plan under Clause 6.2, and the subdivision is consistent with the endorsed Neighbourhood Plan’.

## CONSULTATION AND COMMUNICATION

In accordance with the amended Gateway determination, the Planning Proposal was exhibited from 7 November 2015 to 23 November 2015. Copies of the exhibition documents were available on Council’s website, at Council’s Customer Service Centre and at Wollongong and Dapto libraries. During the exhibition period, two agency submissions were received, as outlined in the table below:

Submission	Comment
<p>NSW Office of Environment and Heritage:</p> <ul style="list-style-type: none"> <li>· Support the E2 Environmental Conservation zoning of the “Ridge Park” and acquisition by Council.</li> <li>· The subdivision works have commenced for Stage 1 and are yet to commence for Stages 2 and 3. The boundaries of an Aboriginal Potential Archaeological Deposit (PAD) are largely encompassed by the E2 zoning for the “Ridge Park”. An AHIP would be needed for any ground disturbance works within the “Ridge Park” and any areas of the PAD within Stages 2 and 3 that are outside the E2 zoning.</li> <li>· The relocation of the B2 zone to the other side of West Dapto Road will require an Aboriginal cultural heritage assessment in accordance with OEH guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>· Noted.</li> <li>· Advice noted. This Planning Proposal provides for a greater level of protection compared to the existing zoning for the precinct.</li> <li>· This relocation is part of a separate Planning Proposal. There is no additional impact on potential artefacts as a result of the change in zoning, compared to the existing zoning. Additional controls were added to the Neighbourhood Plan within Chapter D16 West Dapto Release Area to require these additional site investigations and consultation with the Aboriginal community.</li> </ul>



Submission	Comment
NSW Rural Fire Service: No objection to the Planning Proposal.	Noted.

## PLANNING AND POLICY IMPACT

The endorsed Neighbourhood Plan accommodates approximately 72% of the Illawarra Lowland Grassy Woodland (ILGW) Endangered Ecological Community (EEC) that would be retained in the proposed 'Ridge Park'. This draft Planning Proposal would enact the amendments sought by the amended Neighbourhood Plan. The Ridge Park is to be rezoned E2 Environmental Conservation under this draft Planning Proposal, which is considered to afford a high level of protection to the existing EEC. The draft Planning Proposal would result in a greater area of land being protected for Aboriginal artefacts compared to the current zoning (which has a greater area for development to occur within). An Aboriginal Heritage Impact Permit (AHIP) may be required if future development is determined to impact on the identified archaeological sites. This will be determined at development application stage. To address this, additional controls have been added to Section 5.4 of the Neighbourhood Plan within Chapter D16 – West Dapto Release Area, to require additional site investigations and consultation with the local Aboriginal community.

This report contributes to the delivery of Wollongong 2022 goal *"We are a healthy community in a liveable city"* through the objective *"Residents have improved access to a range of affordable housing options"* and Wollongong 2022 goal *"We have sustainable, affordable and accessible transport"* through the objective *"Walking, cycling and public transport is an accessible and well resourced means of transport, and the use of private cars is reduced"*.

It specifically delivers on core business activities as detailed in the *"Continue to review and assess Neighbourhood Plans"* Service Plan 2015-16.

## FINANCIAL IMPLICATIONS

There are no immediate financial implications to Council from the recommendations of this report. However, the draft Planning Proposal does nominate Council as the acquisition authority for the amended "Ridge Park", which would then be acquired, developed and maintained by Council. This acquisition is included in the West Dapto Section 94 Development Contributions Plan (2015) and the draft West Dapto Section 94 Contributions Plan (2016) which has recently been exhibited.

## CONCLUSION

It is recommended that Council resolve to finalise the Planning Proposal, and forward this to the NSW Planning and Environment for amending Local Environmental Plan to be made.



## ITEM 5 DRAFT PLANNING PROPOSAL - PORT OF PORT KEMBLA

Council has received requests for amendments to the State Environmental Planning Policy (Three Ports) 2013. Although this is a State Government document, the NSW Department of Planning and Environment has advised that Council would need to consider and progress the requested changes as part of a draft Planning Proposal. This report considers the requests in consideration of the long term strategies for the Port.

### RECOMMENDATION

- 1 A draft Planning Proposal be prepared to amend the State Environmental Planning Policy (Three Ports) 2013, for the Port Kembla precinct to enable the land use, exempt and complying development, and mapping changes.
- 2 The draft Planning Proposal be referred to the NSW Department of Planning and Environment for a Gateway determination and, if approved, exhibited for a minimum period of 28 days.
- 3 Council advise the NSW Department of Planning and Environment that it is willing to accept plan making delegation should the Department agree.

### ATTACHMENTS

- 1 Locality map for the Three Ports area site
- 2 Heritage sites map

### REPORT AUTHORISATIONS

Report of: Tony Miskiewicz, Manager Environmental Strategy and Planning (Acting)  
Authorised by: Andrew Carfield, Director Planning and Environment – Future, City and Neighbourhoods

### COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

### BACKGROUND

The Port of Port Kembla is State significant infrastructure. The zoning and planning controls for the Port are provided by the State Environmental Planning Policy (Three Ports) 2013. In 2012, the State leased the operation of the Port to the Port Authority of NSW for 99 years.

In 2006-2007, Council carried out the Port Kembla Land Use Strategy, with the intention of this strategically guiding the zoning and planning controls for the Port. In 2009, the

NSW Government undertook the Three Ports Proposal to create State Environmental Planning Policy controls over port development; the Port Kembla Land Use Strategy was used in formulating the planning controls for the Port. More recently, these controls have evolved into the current State Environmental Planning Policy (Three Ports) 2013.

In 2015 with the downturn in steelmaking, BlueScope announced that it would need to save approximately \$200 million per annum, or there was the possibility that the steelmaking use may cease.

Council indicated its support for the continuation of local steelmaking and highlighted its importance to the local and regional economics, and offered its assistance. On 24 August 2015, Council considered a Lord Mayoral Minute concerning the need to strengthen local economic capacity through strategic procurement, and resolved that:

- 1 *Council write to relevant Federal and State Ministers, local Members of Parliament and relevant Trade Unions, seeking their support and advocacy to maximise Australian steel content in all State and Federal Government procurement contracts and tenders.*
- 2 *Council explore options to support the viability of BlueScope Steel Port Kembla, including prioritising the development of a strategic centre-led approach to procurement policies and procedures to further strengthen the local economic capacity. A meeting/briefing be held with Councillors and Senior Managers, within the next six weeks, to consider various options.*
- 3 *Council seek the support of all stakeholders to commit to working collaboratively to support the steelmaking industry and the steel value chain to achieve a positive outcome for our region.*

This report includes requests from BlueScope seeking assistance in improving the flexibility of State planning controls as well as enabling the utilisation of vacant buildings. The report also addresses two requests for the use of BlueScope land by other community organisations which are supported by BlueScope.

## PROPOSAL

Council has received a number of requested changes to the State Environmental Planning Policy (Three Ports) 2013, as outlined below:

- 1 *Healthy Cities Illawarra request for use of a site for a Men's Shed*

Healthy Cities Illawarra is a charitable organisation that has operated for many years in the Illawarra. Healthy Cities Illawarra have submitted a Planning Proposal request to permit an additional use on Lot 1 DP 606434 (the BlueScope Visitors Centre) to allow for the use of a "Men's Shed" on the site, which will be used to operate programs such as "Building Healthy Men" and "Healthy Ageing". A Men's Shed would provide former BlueScope employees with a facility to meet and undertake constructive projects utilising their skills. BlueScope Steel have agreed to enable Healthy Cities Illawarra to use a portion of the site.

The location of the proposed Men's Shed on Lot 1 DP 606434 is off Visitor Road. The location is to the south of Springhill Road, near the entrance to BlueScope Steel and "Industry World" Visitor Centre, adjacent to a railway line to the west (see Attachment 1). The site is zoned IN3 Heavy Industrial under the State Environmental Planning Policy (Three Ports) 2013. A Men's Shed is defined as a community facility which is not permitted in the zone.

The proposal would require an amendment to the State Environmental Planning Policy (Three Ports) 2013 to enable the additional use for the community facility. Healthy Cities Illawarra have requested that "community facilities" be added as an additional use, either in the land use table, or within Clause 23 Additional Permitted Uses.

The proposal would not have any environmental impacts and would have social benefits.

**Recommendation:** It is recommended that Council support the preparation of a draft Planning Proposal to enable a Community Facility (Men's Shed) on Lot 1 DP 606434 Visitor Road.

## 2 *BlueScope Steel request for alternative uses for under-utilised buildings and sites*

BlueScope Steel have identified a number of surplus buildings and sites within their Port Kembla landholdings which are currently unutilised. BlueScope have submitted a Planning Proposal request seeking greater flexibility of permitted uses within the IN3 Heavy Industrial zone (to enable additional uses such as storage/warehousing and office uses) and utilisation of Exempt and Complying Development provisions for a number of industrial uses. The uses sought under Exempt and Complying Development include:

### Exempt development:

- Construction or installation or both of electrical supply equipment and associated structures;
- Maintenance of existing fittings, fixtures, plant and equipment; and
- Advertising structures and displays where the advertisement relates to a proposed sale or lease of BlueScope's land.

### Complying development:

- New industrial and warehouse buildings or additions to such buildings;
- Construction or installation or both of materials handling equipment and plant;
- Construction or installation or both of processing equipment and plant and associated structures; and
- Change in use from a use for the purpose of one type of heavy industry to a use for another type of heavy industry.

The SEPP is inconsistent in how it controls development within and outside the leased area. The SEPP permits a range of exempt and complying uses within the leased area, which are not available to the companies, like BlueScope, that operate outside the leased area. BlueScope relies on other legislation including the Code SEPP and the Wollongong LEP 2009 to enable some minor uses to be classed as Complying Development. A more simple, transparent and consistent approach would be to amend the Three Ports SEPP to expand the permitted Exempt and Complying Development for the non-leased area.

**Recommendation:** It is recommended that Council support the preparation of a draft Planning Proposal to expand the range of Exempt and Complying Development in the non-leased area.

BlueScope have requested the flexibility to use a number of former administration buildings for office use and warehouse buildings for light industrial or bulky goods use, as summarised in the following table:

Property Name	Property Type	Area	Suggested Flexibility
<b>Steelhaven Precinct</b>			
Clyde Curruthers Building	Warehouse	2,500m <sup>2</sup> (total yard 6,500m <sup>2</sup> )	Bulky goods storage / distribution facility
The 'Garage'	Office and workshop	800m <sup>2</sup> (total yard 4,600m <sup>2</sup> )	Office (commercial / general or light industry) and general workshop
HV Warehouse	Office and workshop	1,500m <sup>2</sup>	Office (commercial / general or light industry) and general workshop
<b>CRM Precinct</b>			
CRM BSL Water Building	Office	800m <sup>2</sup>	Office (commercial / general or light industry)
CRM BSL Admin Building	Office	1,000m <sup>2</sup>	Office (commercial / general or light industry)
CRM Hardstand	Hardstand	55,000m <sup>2</sup>	Commercial, general or light industry
<b>Other Precinct</b>			
Whitehouse Building	Office, change room, car park	450m <sup>2</sup>	Office (commercial / general or light industry)
Cabana	Offices	1,500m <sup>2</sup>	Office (commercial / general or light industry)
Commercial Building	Office, car park	3,500m <sup>2</sup>	Office (commercial / general or light industry)

Property Name	Property Type	Area	Suggested Flexibility
Steel Direct Building 2	House	1,000m <sup>2</sup>	Office (commercial / general or light industry)
Christy Drive	Office, crib rooms and change facilities	800m <sup>2</sup>	Office (commercial / general or light industry)
Stainless Facility	2 x Warehouses 2 x Offices Hardstand	Total warehouse approximately 30,000m <sup>2</sup> Total Hardstand approximately 20,000m <sup>2</sup>	Bulky goods storage / distribution facility Office (commercial, general or light industry)

- The location of the buildings is identified on Attachment 1.

The Administration buildings are currently vacant, but could be leased to provide additional B or C grade office space in the City. The risk is that these buildings will compete with office space in the City Centre. The benefits are the reuse of existing buildings, providing BlueScope with an additional income stream, providing additional office space in the City and may attract additional businesses to the Illawarra.

To provide short term assistance to BlueScope it is proposed that the alternate use of the surplus buildings be permitted with a sunset clause while they are in BlueScope ownership. The sunset clause would require the additional use to cease if the sites were sold. The additional uses could be included in Clause 23 Additional Permitted Use.

**Recommendation:** It is recommended that Council support the preparation of a draft Planning Proposal to enable the use of the surplus buildings as office premises, light industries and bulky goods storage with a sunset provision specifying that the additional use is only permitted while they remain in BlueScope ownership.

### 3 Heritage items

The SEPP lists six heritage items under Clause 31 – Heritage Conservation; however it does not contain a heritage item map for the Port of Port Kembla. It would be useful for the map layers in the SEPP to include a map of the heritage items (Attachment 2). This would be consistent with the Wollongong LEP 2009 and the Major Development SEPP which applies to Sandon Point and Calderwood. While amending the State Environmental Planning Policy to include the mapping layer, it would also be prudent to undertake a review of heritage item descriptions, to ensure that the items are correctly listed.

One item, the “Gardens around Former House and Adjacent Driveway” at 2 Electrolytic Street (Gloucester Boulevard), also needs to be removed from the listing. This item was proposed to be removed as part of Wollongong Local Environmental Plan 2009, but it was retained in the SEPP. There is little of the garden remaining and it does not warrant retention in the heritage listing.

**Recommendation:** It is recommended that Council support the preparation of a draft Planning Proposal to map the heritage items within the Port Kembla area and delete the heritage listing of “Gardens around Former House and Adjacent Driveway”.

#### 4 Use of part of Lot 1 DP 606432, 1-3 Newcastle Street, Cringila for car parking

The Islamic Society of Illawarra have a mosque (Place of Worship) at 1-3 Bethlehem Street, Cringila with car parking also provided at the two properties to the rear, being 2 and 4 Newcastle Street.

The Islamic Society has approached BlueScope to use part of Lot 1 DP 606432 (formerly Lots 171 and 172 or 1-3 Newcastle Street) on the opposite side of Newcastle Street for car parking. This land is zoned IN3 Heavy Industrial under the Three Ports SEPP and reflects BlueScope’s ownership rather than a planning strategy. The land is separated from the BlueScope site by a landscaped mound and is currently a grassy area. The extra car park area would provide additional off-street parking.

BlueScope have agreed to the request. To enable the use to proceed, either “place of worship” or “car parking” need to be made permissible on 1-3 Newcastle Street. Alternatively, the land could be zoned R2 Low Density Residential, consistent with the rest of Newcastle Street, which would permit the use and a range of other uses. This option is not supported.

**Recommendation:** It is recommended that Council support the preparation of a draft Planning Proposal for the use of part of Lot 1 DP 606432, 1-3 Newcastle Street, Cringila for car parking.

## CONSULTATION AND COMMUNICATION

Should Council proceed with a draft Planning Proposal to carry out these amendments, consultation would be required with BlueScope, the Port Authority of NSW, NSW Department of Industry, NSW Department of Planning and Environment, NSW Office of Environment and Heritage, and the Port Kembla Quarter Group. Further work, in consultation with stakeholders, would consider the available options to enable flexibility for BlueScope, whilst maintaining the integrity of the long term strategies for the port area.

## PLANNING AND POLICY IMPACT

The use of strategically valuable industrial land within the Port Kembla area needs to consider a number of relevant strategies and the economic impact on the Port and nearby commercial centres. These policies and strategies are considered below:

### *The Illawarra Shoalhaven Regional Plan (2015)*

This Plan, recently released by the NSW Department of Planning and Environment, includes Action 4.1 – *Investigate opportunities to better utilise industrial landholdings at Port Kembla*. The Regional Plan states that there needs to be an understanding on the matters to be resolved before surplus land can be made available for alternative uses



including access, servicing, land constraints, land use conflict and tenure issues. The utilisation of surplus lands may require infrastructure planning and/or master-planning of key sites.

*Port Kembla Land Use Strategy (2007)*

This was prepared to provide a policy and planning framework to guide future planning for the Port of Port Kembla and was incorporated into the Three Ports Proposal, which has evolved into the State Environmental Planning Policy (Three Ports) 2013. This strategy sought to protect land within the vicinity of the port for port and port-related uses.

*Employment Lands Guidelines for the Illawarra (2008)*

This document contains a set of guidelines to support the intentions of the Illawarra Regional Strategy, and to promote good planning and orderly development of the region's employment lands. The guidelines define the Port Kembla Industrial Precinct and the Port of Port Kembla as "lands of regional significance for employment generating use". The guidelines also seek to restrict the amount of office space and retail uses within the industrial precincts.

*Wollongong Local Government Area Employment Lands Strategy (2006)*

This strategy was prepared as part of the suite of documents that informed the creation of Wollongong Local Environmental Plan 2009. This strategy also seeks to protect industrial lands from inappropriate uses by other retail/office uses.

*Wollongong Retail Centre Study (2004)*

Council's Retail Centre Study recommends that Council support the retail hierarchy to focus retail and business uses within existing or planned centres. Council has undertaken a number of town and village centres planning projects over recent years to focus growth in areas such as Wollongong City Centre, Warrawong and Wentworth Street (Port Kembla).

*State Environmental Planning Policy (Three Ports) 2013*

This policy seeks to protect vital land within the vicinity of the port from land uses that would compete with port-related and industrial uses. The aims of the policy are set out below:

- a to provide a consistent planning regime for the development and delivery of infrastructure on land in Port Botany, Port Kembla and the Port of Newcastle;
- b to allow the efficient development, re-development and protection of land at Port Botany, Port Kembla and the Port of Newcastle for port purposes;
- c to identify certain development within the Lease Area as exempt development or complying development;
- d to specify matters to be considered in determining whether to grant consent to development adjacent to development for port purposes;



- e to provide for development at Port Botany that does not, by its nature or scale, constitute an actual or potential obstruction or hazard to aircraft;
- f to identify certain development as State significant development or State significant infrastructure; and
- g to ensure that land around the Lease Area is maintained for port-related and industrial uses, including heavy industry on land around Port Kembla.

It is important to consider the compatibility of the requests with the aims of the State Environmental Planning Policy to ensure that the intent is maintained. It is intentional that the SEPP does not permit a wide variety of uses, in order that the overall objective of protecting scarce land within the port and surrounding area for port and port-related uses.

In considering the draft Planning Proposal, consideration needs to be given to the economic impact of the use of this industrial land for non-industrial purposes. Sterilisation of industrial land from future industrial uses needs to be avoided. Impacts of non-industrial uses on the ability of neighbouring industrial uses to operate effectively also need to be considered for the long-term viability of these vital functions. The potential economic impact of non-industrial uses which could have been located to reinforce existing commercial centres (such as the City Centre, Warrawong, Wentworth Street, Port Kembla) also needs to be considered to avoid undermining strategies designed to enhance or revitalise those centres.

The proposed Men's Shed and car parking uses are small, involve minor building works and are located in areas that do not conflict with access and security requirements for the Port. These are minor uses that would not compromise the Port or undermine the viability of nearby centres.

BlueScope Steel are seeking a number of alternative uses for a variety of sites. Whilst supportive of interim uses that enable BlueScope to make a productive use of underutilised land, Council is still mindful of the potential impacts on nearby centres and the potential for land use conflict between the proposed uses and existing industrial/port uses. The use of areas for storage/distribution facilities or warehousing would fit within the range of uses that would suit an industrial area. The use of significant areas for office facilities does present some concern, as these are uses that Council would be encouraging to be located within the city centre, or alternatively areas such as Wentworth Street, Port Kembla, which Council and the local community have been seeking to encourage revitalisation for a number of years. Careful drafting of alternative clauses and consideration of sunset agreements will be necessary to ensure that the additional uses sought are only temporary, do not sterilise land within the Port or surrounding industrial area, and do not undermine the viability of nearby centres. BlueScope have suggested that such additional uses only be allowed for the period during which they own the land. This partly reduces the long term impact as the land would not be sold, however long term rental of the land could still result in land being locked away from port or port-related uses for a considerable period.

The request for additional uses to be considered within Exempt and Complying development are largely in keeping with the intent of the SEPP and Council's strategy for the Port. Again, as the overall aim of the State Environmental Planning Policy is to protect such land for port and port-related uses, the potential for other uses to take up scarce land within the vicinity of the port needs to be carefully considered. The addition of a heritage map layer is logical and does not contradict the intent of the SEPP and the background strategies.

This report contributes to the delivery of Wollongong 2022 goal *"We have an innovative and sustainable economy"* through the objective 2.1 *"Local employment opportunities are increased within a strong economy"* and objective 2.2 *"The region's industry base is diversified"*.

## FINANCIAL IMPLICATIONS

There are no immediate financial implications to Council from the recommendations of this report.

## CONCLUSION

It is important that Council does not undermine the integrity of the policies protecting the State significant port infrastructure and surrounding supporting industrial lands. A draft Planning Proposal will give Council opportunities to consider better utilisation of industrial landholdings at Port Kembla. The Regional Plan states that there needs to be an understanding on the matters to be resolved before surplus land can be made available for alternative uses including access, servicing, land constraints, land use conflict and tenure issues. The utilisation of surplus lands will require careful drafting of planning provisions to ensure that reasonable short term opportunities are available for economic use of unutilised sites, while not undermining the potential for these sites to be redeveloped for port, port-related or industrial uses. It is recommended that Council prepare a draft Planning Proposal to explore these options.

## ITEM 6 DRAFT QUARTERLY REVIEW STATEMENT - DECEMBER 2015

The draft Quarterly Review Statement December 2015 outlines the progress made to achieve Council's Wollongong 2022 Strategic Management Plans, in particular the Delivery Program 2012-17 and Annual Plan 2015-16. It addresses the financial and operational performance of Council for the second quarter of 2015-16. The draft Quarterly Review also includes the Quarterly Review Budget Report.

### RECOMMENDATION

- 1 The draft Quarterly Review Statement December 2015 be adopted.
- 2 The Budget Review Statement as at December 2015 be adopted and revised totals of income and expenditure be approved and voted.

### ATTACHMENTS

Draft Quarterly Review Statement December 2015

### REPORT AUTHORISATIONS

Report of: Clare Phelan, Executive Strategy Manager  
Authorised by: David Farmer, General Manager

### COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendations of this report satisfy the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

### BACKGROUND

Council's draft Quarterly Review Statement December 2015 outlines the operational and financial performance of Council's Wollongong 2022 Strategic Management Plans, in particular the Delivery Program 2012-17 and Annual Plan 2015-16.

This report also provides an overview of the significant achievements against priority areas and demonstrates organisational performance through the inclusion of performance indicators.

During the quarter there were a number of significant highlights:

- 1 City Centre hosted a number of key events, which included:
  - Viva la Gong
  - Christmas and New Year's Eve Music Concerts in Globe Lane
  - New Year's Eve Event at Wollongong Harbour
  - Blender Festival

- 2 Hosting a Climate Change Forum.
- 3 Opening of the latest Blue Mile works at Endeavour Drive, Wollongong.
- 4 Council won a major award for Beach Safety initiatives in the Westpool Risk Management Excellence Awards.

The quarterly overview of how Council is tracking against its budgets and expenditure is a concise visual summary of Council's financial situation for the quarter, including budget, capital budget and expenditure.

## CONSULTATION AND COMMUNICATION

Executive Management Committee  
Senior Management Group

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal 4 “We are a connected and engaged community”. It specifically delivers on the following:

It specifically delivers on core business activities as detailed in the Corporate Strategy Service Plan 2015-16.

## FINANCIAL IMPLICATIONS

Full financial performance details and implications on Council's financial position are contained within the attached Budget Review Statement.

The revised projections at the December Quarterly Review for the year ending 30 June 2016 indicate an improvement of \$0.9M in the projected Operating Result [pre capital]. This net improvement has not created additional discretionary operating or capital expenditure capacity (Operational Funds Available for Capital Variation \$0), as the net improvements are almost entirely related to restricted Domestic Waste Funds and Restricted Interest on Investments that must be used for prescribed purposes.

This Quarterly Review does include the recognition of a number of adverse operational results, considered to be most non-recurrent, that have been offset by a combination of improved income estimates and contingency.

## CONCLUSION

This draft quarterly Review Statement December 2015 has been prepared following input and assistance from all Divisions within the organisation. It is submitted for consideration by Council.

ITEM 7

APPROVAL FOR COUNCILLOR ATTENDANCE - AUSTRALIAN LOCAL GOVERNMENT WOMEN'S ASSOCIATION (ALGWA) 2016 NSW CONFERENCE, GUNNEDAH

Councillors Curran, Martin and Merrin have requested approval to attend the 2016 NSW Conference of the Australian Local Government Women's Association (ALGWA) in Gunnedah from 10 to 13 March 2016, which includes travel and three nights' accommodation.

## RECOMMENDATION

Council approve the attendance of Councillors Curran, Martin and Merrin at the 2016 NSW Conference of the Australian Local Government Women's Association in Gunnedah, including travel and three nights' accommodation.

## ATTACHMENTS

Program: ALGWA Conference 2016 (Draft)

## REPORT AUTHORISATIONS

Report of: Deanne Heidrich, Executive Officer to Lord Mayor  
Authorised by: David Farmer, General Manager

## COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

## BACKGROUND

In 2016, the ALGWA's NSW Annual Conference will be hosted by Gunnedah Shire Council.

This conference is a significant opportunity to network with other NSW elected representatives, discuss the issues facing women in local government, and to also develop agreed positions which can inform NSW Local Government policy development in the coming year. Through this conference, local government representatives can engage directly, hear from a range of subject matter experts, and network with local government colleagues from around the State.

## CONSULTATION AND COMMUNICATION

Consultation was undertaken with the Lord Mayor, and Councillors were asked to indicate their availability and interest in attending the Conference.

## PLANNING AND POLICY IMPACT

This report complies with the approval requirements of the *Payment of Expenses and Provision of Facilities to Lord Mayor and Councillors Policy*.

This report relates to the commitments of Council as contained within the Strategic Management Plans.

The report contributes to the Wollongong 2022 Objective 'our local Council has the trust of the community' under the Community Goal 'we are a connected and engaged community'.

## FINANCIAL IMPLICATIONS

Council has provided funds in its budget to enable Councillors to attend conferences and to meet costs associated with such attendance.

2015/16 Councillor Conference Attendance and Travel Budget			
Description	Budget	Expended	Funds Available
<b>Training, Seminars &amp; Travel</b>	\$35,000	\$18,500	\$16,500

The estimated total cost, excluding GST, of attendance at the 2016 ALGWA conference for three (3) delegates including registration, travel and accommodation expenses is \$5,245.

The estimated individual costs of attendance at the ALGWA conference 2016 are as follows:

Delegate	Travel	Reg.	Accomm.	Incidental	Total
Cr Curran	250	970	477	118	\$1815
Cr Martin	250	870	477	118	\$1715
Cr Merrin	250	870	477	118	\$1715
<b>Total</b>	<b>\$750</b>	<b>\$2710</b>	<b>\$1431</b>	<b>\$354</b>	<b>\$5245</b>

## CONCLUSION

This report includes estimated costs for the three (3) Councillors who indicated they would be requesting approval to attend. However, the report does not preclude any other Councillor who may wish to attend, from nominating at the time of consideration of this report by Council.

ITEM 8

CITY OF WOLLONGONG TRAFFIC COMMITTEE - MINUTES OF  
MEETING HELD 20 JANUARY 2016

A meeting of the City of Wollongong Traffic Committee was held on 20 January 2016.

Items 1 – 9 and 14 – 18 of the meeting have been adopted by Council through delegated authority.

Items 10 – 13 of the meeting must be determined by Council and are recommended to Council for approval for the temporary regulation of traffic on public roads for works or events by independent parties.

### RECOMMENDATION

In accordance with the powers delegated to Council, the minutes and recommendations of the City of Wollongong Traffic Committee Meeting held on 20 January 2016 in relation to Regulation of Traffic be adopted.

### ATTACHMENTS

- 1 Standard Conditions for Road Closures
- 2 Events at WIN Stadium and Wollongong Entertainment Centre for 2016
- 3 'Splash and Dash' Festival
- 4 'Fitness Five Fun Run'
- 5 'Ride Around the Lake'

### REPORT AUTHORISATIONS

Report of: Mike Dowd, Manager Infrastructure Strategy and Planning  
Authorised by: Mike Hyde, Director Infrastructure and Works – Connectivity, Assets and Liveable City

### COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

### BACKGROUND

#### 10 WOLLONGONG

**Harbour, Crown and Burelli Streets and Marine Drive: Events at WIN Stadium and the Wollongong Entertainment Centre for 2016**

**Background:**

As in previous years the General Manager of the WIN Sports and Entertainment Centre has requested approval for road closures and the regulation of traffic associated with the major events in 2016.



Date	WIN Stadium Major Events
Sunday 27 <sup>th</sup> March - 1pm to 6pm	Dragons V Penrith Panthers - 3pm Game
Saturday 28 <sup>th</sup> May - 5.30pm to 10.30pm	Dragons V North Qld Cowboys - 7.30pm Game
Saturday 18 <sup>th</sup> June - 5.30pm to 10.30pm	Dragons V Melbourne Storm - 7.30pm Game
Weekend of 5 <sup>th</sup> - 8 <sup>th</sup> August	Dragons V Brisbane Broncos
26 <sup>th</sup> and 27 <sup>th</sup> August	Southern Stars School Spectacular
Thursday 17 <sup>th</sup> November - 11am to 1pm	KidzWish Christmas Party
December 2016 - Date to be confirmed	The Wiggles
Nitro-Circus and Motocross	Dates to be confirmed

**NRL Events** - Under arrangements with the NRL there are now just four home games for the St George Illawarra Dragons at WIN Stadium in 2016. The crowds expected for these four home games are in the range of 10 – 15,000 and accordingly it is proposed to use the Type 2 Traffic Management Plans (Attachment 2).

The NRL events will involve the closure of the southbound lane of Harbour Street between Crown and Burelli Streets and the closure of Harbour Street between Burelli and Stewart Streets. There will also be traffic controllers at the intersection of Crown and Harbour Streets during the period before each games commences and at the conclusion of the games.

The applicant also proposes to install variable message board signs on the key routes in and out of Wollongong with permission from NSW RMS. These signs will direct the attendees to the most appropriate routes to and from the venue.

**Southern Stars Event** - on the main performance days on the 26<sup>th</sup> and 27<sup>th</sup> August involves a Type 2 Traffic Management Plan (Attachment 2) the same as NRL games. The closures of Harbour Street will take effect during the day on the 26<sup>th</sup> of August with the closures extending into the evening on the 27<sup>th</sup> and covering the evening performance.

During performances on the 26<sup>th</sup> and 27<sup>th</sup> traffic controllers will be in place at the intersection of Crown and Harbour Streets between 6pm and 7pm and from 10pm to 11pm. It is proposed to close Marine Drive between Crown Street and Cliff Road on 26<sup>th</sup> August between 8am and 3pm to provide the bus parking and manoeuvring area.

**KidzWish Christmas Party** – This will involve a Type 1 Traffic Management Plan (Attachment 2) as proposed with the development application for the current WEC and WIN Stadium, to accommodate 5 – 10,000 attendees. This traffic management plan involves the closure of Harbour Street between Stewart and

Burelli Streets and the closure of the southbound lane of Harbour Street between Crown and Burelli Streets.

For all the events scheduled above for NRL events, Southern Stars and KidzWish at the WEC and WIN Stadium, there will be temporary 'No Parking' zones set up on the northern side of Burelli Street between Corrimal and Harbour Street and in Stewart Street immediately to the west of the Steelers Car Park.

**Nitro-Circus and Motocross** - It is understood negotiations are underway to have these two events in Wollongong during 2016, but the dates are yet to be fixed. The Type 2 Traffic Management Plan (Attachment 2) is expected to be adequate to accommodate the crowd numbers to each of these events, where the one way section of Harbour Street (between Stewart and Burelli Streets) and the south bound section between Crown and Burelli Streets will close for the duration, and traffic controllers in place to manage crowds at the start and finish of the events.

All the road closures at the WEC and WIN stadium are subject to Council's Standard conditions for road closures, (Attachment 1) including the permits required under section 138 of the State Roads Act and permission from NSW Roads and Maritime Services.

**PROPOSAL SUPPORTED UNANIMOUSLY**

**The submitted Type 2 Traffic Management Plans (Attachment 2) for the NRL, Nitro-Circus and Motocross events be approved, together with the Type 1 Traffic Management Plan (Attachment 2) for the Kids Wish event. The submitted Type 2 Traffic Management Plan (Attachment 2) for Southern Stars also be approved.**

**11 WOLLONGONG**

**Endeavour Drive – 'Splash and Dash' Festival - Sunday 20 March 2016 – 8am to 12 Noon**

**Background:**

The event known as the 'Splash and Dash' Festival is to be held on Sunday 20<sup>th</sup> March 2016. The organisers will not need to use Lang Park as was the case in 2015 and the event involves a closure of Endeavour Drive between the access road from the Harbour and the surface car parks. The closure will take effect from 8am until 12 noon.

**PROPOSAL SUPPORTED UNANIMOUSLY**

**The proposed road closure be approved subject to the submitted traffic management plans (Attachment 3) and Council's Standard Conditions (Attachment 1).**

## 12 WOLLONGONG

### **Crown Street, Marine Drive, Endeavour Drive and Cliff Road – ‘Fitness Five Fun Run’ Event - Sunday 3 April 2016 from 8am to 10am**

#### **Background:**

Kembla Joggers are proposing to hold the 2016 ‘Fitness Five Fun Run’ event on Sunday the 3rd April 2016 with road closures from 8am to 10am. This year the event will include a 10km event in memory of Kerryn McCann and the road closures are 1 hour longer than in previous years.

It is expected that normal traffic flows, particularly in Cliff Road, will be restored by 10am. Access to the Novotel Northbeach from Bourke Street will be maintained at all times.

As the event starts and finishes in lower Crown Street, Crown Street is to be closed between Kembla Street and Marine Drive with traffic diversions to the north via Smith, Corrimal and Market Streets and to the south via Corrimal to either Burelli and/or Stewart Streets. Marine Drive and Crown Street will be closed for the duration of event, but buses will be permitted to cross the route when safe to do so, rather than require any of the bus services to be diverted.

Only the out bound part of the event will use the carriageway of Cliff Road, with the return leg using the shared path north to Towradgi and then return via Endeavour Drive between North Beach and the eastern end of Crown Street; accordingly Cliff Road will be re-opened as soon as the last competitor reaches North Beach.

#### **PROPOSAL SUPPORTED UNANIMOUSLY**

**The regulation of traffic for the 2016 ‘Fitness Five Fun Run’ event (Attachment 4) be approved subject to the submitted traffic management plans and Council’s Standard Conditions for Road Closures (Attachment 1).**

## 13 KANAHOOKA – YALLAH – WINDANG - KANAHOOKA

### **Kanahooka Road to Yallah Bay Road – ‘Ride Around the Lake’**

#### **Background:**

The 2016 ‘Ride around the Lake’ Event is to be held on Saturday the 7th May 2016 and is a community bike ride which raises funds for local charities. The event begins and finishes at Kanahooka Point and on Wollongong local roads involves the regulation of traffic but no road closures. The event is held as much as possible on the shared paths in both Shellharbour and Wollongong and in the case of several narrow bridges participants will be directed to dismount to ensure a safe passage. The traffic controls are required on Northcliffe Drive, Berkeley at each of the M1 ramps. A temporary 40 kph speed limit will be installed on Northcliffe Drive for westbound traffic for the period 4.30am to 11.30am on the day.

It is understood the single lane closure of the M1 at the crossing of the Macquarie Rivulet Bridge is acceptable to NSW Roads and Maritime Services.

**PROPOSAL SUPPORTED UNANIMOUSLY**

**The regulation of traffic for the 2016 'Ride around the Lake' event (Attachment 5) be approved subject to the submitted traffic management plans and Council's Standard Conditions for Road Closures (Attachment 1).**

**PLANNING AND POLICY IMPACT**

This report contributes to the delivery of Wollongong 2022 goal under the objective Community Goal 6 – We have sustainable, affordable and accessible transport.

It specifically delivers on core business activities as detailed in the Transport Services Plan 2015-16.

ITEM 9

BI-MONTHLY TABLING OF RETURNS OF DISCLOSURES OF INTERESTS AND OTHER MATTERS

The Local Government Act 1993 requires the General Manager to table all Returns of Disclosures of Interest lodged by persons nominated as designated persons. Returns are submitted to Council on a bi-monthly basis.

RECOMMENDATION

Council note the tabling of the Returns of Disclosures of Interest as required by Section 450A of the Local Government Act 1993.

ATTACHMENTS

Returns of Disclosures of Interests and Other Matters (to be tabled)

REPORT AUTHORISATIONS

Report of: Kylee Cowgill, Manager Governance and Information  
Authorised by: Greg Doyle, Director Corporate and Community Services – Creative, Engaged and Innovative City

COMPLIANCE WITH OFFICE OF LOCAL GOVERNMENT GUIDELINES ON COUNCIL DECISION MAKING DURING MERGER PROPOSAL PERIODS

The recommendation in this report satisfies the requirements of the OLG Guidelines - Council Decision Making During Merger Proposal Periods.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Wollongong 2022 goal “*We are a connected and engaged community*”.

It specifically delivers on core business activities as detailed in the Governance and Administration Service Plan 2015-16.

## MINUTES

# ORDINARY MEETING OF COUNCIL

at 6.00 pm

**Monday 1 February 2016**

### Present

Lord Mayor – Councillor Bradbery OAM (in the Chair), Councillors Kershaw, Connor, Brown, Takacs, Martin, Merrin, Blicavs, Dorahy, Colacino, Crasnich and Curran

### In Attendance

General Manager – D Farmer, Director Corporate and Community Services – Creative, Engaged and Innovative City – G Doyle, Director Infrastructure and Works – Connectivity, Assets and Liveable City – M Hyde, Director Planning and Environment – Future, City and Neighbourhoods – A Carfield, Manager Governance and Information – K Cowgill, Manager Finance – B Jenkins, Manager Property and Recreation – P Coyte, Manager Infrastructure Strategy and Planning – M Dowd, Manager Community Cultural and Economic Development – K Hunt and Manager City Works and Services - M Roebuck

### Apology

The apology tendered on behalf of Councillor Petty was accepted.

# INDEX

	PAGE NO.
Disclosures of Interest .....	1
Call of the Agenda .....	1
Confirmation of Minutes of Ordinary Council Meeting held on 14 December 2015 .....	1
Confirmation of Minutes of Closed Council Session held on 14 December 2015 .....	1
Confirmation of Minutes of Extraordinary Council Meeting held on 18 January 2016.....	1
ITEM A Lord Mayoral Minute - Roadside Maintenance - State-Controlled Roads and Motorways .....	2
ITEM B Notice of Motion - Councillor Merrin - Container Deposit Scheme .....	3
ITEM C Lord Mayoral Minute – Reaffirmation of ‘Freedom of Entry to the City’ to HMAS Wollongong .....	3
Suspension of Standing Orders.....	4
ITEM 15 Proposed Council Merger - Wollongong and Shellharbour.....	4
ITEM 1 Draft Sandon Point Aboriginal Place Joint Management Agreement .....	8
ITEM 2 Proposed New Lease to Illawarra Shoalhaven Local Health District for 9 Princes Highway, Figtree .....	9
ITEM 3 Proposed Acquisition of Easement for Drainage over Lot 2 DP 747729 Wongawilli Road, Wongawilli.....	9
ITEM 4 Tender T15/33 - Towradgi Tidal Pool Concourse (Partial) Replacement .....	10
ITEM 5 Tender T15/34 - Bald Hill Reserve Upgrade Stage 3 - Public Amenities, Coffee Spot and Associated Works.....	10
ITEM 6 Tender T15/36 – Provision of Proposed Skate Park Revitalisation for Guest Park, Fairy Meadow and Unanderra Park, Unanderra .....	11



PAGE NO

ITEM 7	Tender T15/37 - Slade Park, Austinmer Retaining Wall .....	11
ITEM 8	Tender T15/39 – Provision of Design and Construction Services for Water Quality Device and Maintenance Facilities at Elliotts Road, Fairy Meadow .....	12
ITEM 9	Volunteering Illawarra - Proposed Fees and Charges - Post Exhibition.....	12
ITEM 10	Policy Review: Property Addressing.....	13
ITEM 11	Stanwell Park Rock Pool Reserve .....	13
ITEM 12	Audit Committee Membership - Recommendation for Appointment.....	14
ITEM 13	December 2015 Financials.....	14
ITEM 14	Statement of Investments - November and December 2015.....	14
ITEM 15	Proposed Council Merger - Wollongong and Shellharbour.....	15

## **DISCLOSURES OF INTERESTS**

Councillor Colacino declared a non-significant, non-pecuniary interest in Item 11 as this Item affects the suburb of Stanwell Park and he has been a resident of the suburb for nearly 40 years.

Councillor Curran advised of the possibility of an actual or perceived pecuniary conflict of interest in Item 15. However, as the matter involved the whole Wollongong local government area, she proposed to remain in the Chamber during deliberation on the matter.

## **CONFIRMATION OF MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON MONDAY, 14 DECEMBER 2015**

- 2 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Blicavs that the Minutes of the Ordinary Meeting of Council held on Monday, 14 December 2015 (a copy having been circulated to Councillors) be taken as read and confirmed.

## **CONFIRMATION OF MINUTES OF CLOSED COUNCIL SESSION HELD ON MONDAY, 14 DECEMBER 2015**

- 3 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Blicavs that the Minutes of the Closed Council Session held on Monday, 14 December 2015 (a copy having been circulated to Councillors) be taken as read and confirmed.

## **CONFIRMATION OF MINUTES OF EXTRAORDINARY MEETING OF COUNCIL HELD ON MONDAY, 18 JANUARY 2016**

- 4 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Colacino that the Minutes of the Extraordinary Meeting of Council held on Monday, 18 January 2016 (a copy having been circulated to Councillors) be taken as read and confirmed.

## **CALL OF THE AGENDA**

- 5 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Brown seconded Councillor Dorahy that the staff recommendations for Items 2 to 4, 6 to 10, and 12 to 14 inclusive, be adopted as a block.

Minute No.

A PROCEDURAL MOTION was MOVED by Councillor Brown seconded Councillor Crasnich that Item 15 be considered before Item 1, under Suspension of Standing Orders. The PROCEDURAL MOTION on being PUT to the VOTE was CARRIED.

**ITEM A – LORD MAYORAL MINUTE - ROADSIDE MAINTENANCE - STATE-CONTROLLED ROADS AND MOTORWAYS**

**6 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Bradbery that Wollongong City Council -

- 1 Write to the Director General of Roads and Maritime Services seeking urgent action on roadside maintenance and vegetation management of State-controlled roads and motorways across the Wollongong City Council Local Government Area and the Illawarra Region. The letter -
  - a Highlight the infrequency of vegetation maintenance, mowing and litter reduction activities, especially in the summer months;
  - b Request greater monitoring and consistent effort to keep the visual amenity of State-controlled roads and motorways in a higher order than it is at present; and,
  - c Request a greater effort from Roads and Maritime Services for the implementation of a campaign of surveillance to reduce litter and illegal dumping on State-controlled roads and motorways in the Illawarra.
- 2 Write to all Members of State Parliament within the Illawarra Region, asking they make representations to the Minister for Roads, Maritime and Freight, The Hon. Duncan Gay MP, and Minister for Transport and Infrastructure, The Hon. Andrew Constance, MP, reinforcing the need for urgent action on roadside maintenance and vegetation management of State-controlled roads and motorways and rail corridors across the Wollongong City Council Local Government Area and the Illawarra Region.

**Variation** *The variation moved by Councillor Takacs to add the words 'and Minister for Transport and Infrastructure, The Hon. Andrew Constance, MP' and the words 'and rail corridors' to Part 2, was accepted by the mover and seconder.*

## **DEPARTURE OF COUNCILLORS**

During debate and prior to voting on Item B, Councillor Crasnich departed and returned to the meeting, the times being from 6.22 pm to 6.24 pm.

Councillor Kershaw departed the meeting at 6.23 pm and was not present for the vote taken for Item B.

## **ITEM B – NOTICE OF MOTION - COUNCILLOR MERRIN - CONTAINER DEPOSIT SCHEME**

- 7** **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Merrin seconded Councillor Connor that Council provide a submission to the NSW Government on its proposed Container Deposit Scheme by 26 February 2016.

## **ATTENDANCE OF COUNCILLOR**

At the start of debate and prior to voting on Item C, Councillor Kershaw returned to the meeting, the time being 6.28 pm.

## **ITEM C – LORD MAYORAL MINUTE - REAFFIRMATION OF 'FREEDOM OF ENTRY TO THE CITY' TO HMAS WOLLONGONG**

- 8** **COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor Bradbery that Wollongong City Council bestow the “Freedom of Entry to the City” on HMAS Wollongong, observing military protocols prescribed for the occasion.

## **DEPARTURE OF COUNCILLORS**

During debate and prior to voting on Item 15, the following Councillors departed and returned to the meeting -

- Councillor Kershaw from 7.02 pm to 7.06 pm;
- Councillor Colacino from 7.28 pm to 7.31 pm;
- Councillor Dorahy from 7.37 pm to 7.43 pm;
- Councillor Connor from 7.47 pm to 7.49 pm; and
- Councillor Blicavs from 7.59 pm to 8.00 pm.

## **SUSPENSION OF STANDING ORDERS**

### **ITEM 15 - PROPOSED COUNCIL MERGER - WOLLONGONG AND SHELLHARBOUR**

PROCEDURAL MOTIONS were MOVED and CARRIED to allow additional time for the following Councillors to address the meeting in relation to Item 15 –

- Moved Councillor Martin seconded Councillor Crasnich – an additional five minutes for Councillor Brown;
- Moved Councillor Crasnich seconded Councillor Martin – an additional five minutes for Councillor Colacino;
- Moved Councillor Crasnich seconded Councillor Merrin – an additional five minutes for Councillor Curran;
- Moved Councillor Crasnich seconded Councillor Dorahy – an additional five minutes for Councillor Martin;
- Moved Councillor Crasnich seconded Councillor Martin – an additional five minutes for Councillor Dorahy;
- Moved Councillor Colacino seconded Councillor Martin – an additional five minutes for Councillor Crasnich;
- Moved Councillor Crasnich seconded Councillor Martin – an additional five minutes for Councillor Takacs;
- Moved Councillor Crasnich seconded Councillor Martin – an additional five minutes for Councillor Blicavs; and,
- Moved Councillor Takacs seconded Councillor Martin – an additional five minutes for Councillor Merrin.

### **9 COUNCIL'S RESOLUTION** – MOVED by Councillor Brown seconded Councillor Dorahy that -

- 1 Council receive the report on the proposed merger of Wollongong City Council and Shellharbour City Council.
- 2 The Lord Mayor be authorised to present the views of Council to the Delegate of the Chief Executive of the Office of Local Government at Public Inquiry meetings on 2 February 2016, based on the report and the following.
- 3 Council prepare a comprehensive written submission to the Delegate to be approved at a future meeting of Council.
- 4 Council welcomes the opportunity to further work with the State Government, our local community and other local government areas to continue to improve the strength, capacity and reputation of local government.

Minute No.

- 5 Council recognises that a renewed and reformed local government sector has the potential to better deliver services to residents and ratepayers while strengthening the economy and protecting our area's natural and cultural assets.
- 6 Council urges the State Government to continue to explore a significant review of the roles and responsibilities of state and local government to avoid duplication or conflict of roles and to assign functions to the level best able to deliver outcomes for our communities.
- 7 Council believes the major issue of alternatives for council financing should be reconsidered and options be further explored by all stakeholders.
- 8 Council has supported the proposed Joint Organisation (JO) model for local government and invested significant effort into building the pilot Illawarra JO. Council believes that many of the efficiencies suggested for the proposed amalgamation could be realised by co-operation within a JO structure.
- 9 Council is concerned that the proposed merger between Wollongong and Shellharbour was a late inclusion in the four year process of local government reform and believes the local communities have had insufficient time to fully assess its implications.
- 10 Council is proud of being declared 'Fit for the Future' as this has followed several years of rigorous examination of our finances and significant engagement with our community to strengthen the City's capacity.
- 11 Council is unable to confirm the quantum of the purported financial benefits of the proposed merger, which is advanced as the prime reason to merge councils. In any case, Wollongong Council has found similar efficiencies by internal processes.
- 12 Council recognises that the factors for merger consideration, under S263(3) of the Act, can lead to either a supportive or oppositional case for the merger, however, in totality they do not show a major benefit to the residents of Wollongong.
- 13 Council notes the IRIS community survey that shows no overwhelming trend in support or opposition to the amalgamation proposal or the importance or perceived impact of it.
- 14 Council affirms that regardless of the outcomes of the merger proposal, it is committed to being supportive of making the existing or any new Council a success, and looks forward to help shaping its future.

Minute No.

- 15 A meeting be requested between Shellharbour City Council staff and Wollongong City Council staff to share information required for comparative cost analysis which will enable both Councils to remove the restrictions embedded in the current report.

**Variation** *The variation moved by Councillor Curran (the addition of Part 15) was accepted by the mover and seconder.*

An AMENDMENT was MOVED by Councillor Curran seconded Councillor Merrin that -

- 1 Council receive the report on the proposed merger of Wollongong City Council and Shellharbour City Council.
- 2 The Lord Mayor be authorised to present the views of Council to the Delegate of the Chief Executive of the Office of Local Government at Public Inquiry meetings on 2 February 2016, based on the report and the following.
- 3 Council prepare a comprehensive written submission to the Delegate to be approved at a future meeting of Council.
- 4 The report outlined in Point 3 (above) include an analysis of the Joint Organisation (JO).
- 5 A meeting be held with Shellharbour City Council staff to share information required for comparative cost analysis which will enable both Councils to remove the restrictions embedded in the current report.
- 6 Council welcomes the opportunity to further work with the State Government, our local community and other local government areas to continue to improve the strength, capacity and reputation of local government.
- 7 Council recognises that a renewed and reformed local government sector has the potential to better deliver services to residents and ratepayers while strengthening the economy and protecting our area's natural and cultural assets.
- 8 Council urges the State Government to continue to explore a significant review of the roles and responsibilities of state and local government to avoid duplication or conflict of roles and to assign functions to the level best able to deliver outcomes for our communities.
- 9 Council believes the major issue of alternatives for council financing should be reconsidered and options be further explored by all stakeholders.



Minute No.

- 10 Council has supported the proposed JO model for local government and invested significant effort into building the pilot Illawarra JO. Council believes that many of the efficiencies suggested for the proposed amalgamation could be realised by co-operation within a JO structure.
- 11 Council is concerned that the proposed merger between Wollongong and Shellharbour was a late inclusion in the four year process of local government reform and believes the local communities have had insufficient time to fully assess its implications.
- 12 Council is proud of being declared 'Fit for the Future' as this has followed several years of rigorous examination of our finances and significant engagement with our community to strengthen the City's capacity.
- 13 Council is unable to confirm the quantum of the purported financial benefits of the proposed merger, which is advanced as the prime reason to merge councils. In any case, Wollongong Council has found similar efficiencies by internal processes.
- 14 Council recognises that the factors for merger consideration, under S263(3) of the Act, can lead to either a supportive or oppositional case for the merger, however, in totality they do not show a major benefit to the residents of Wollongong.
- 15 Council notes the IRIS community survey that shows no overwhelming trend in support or opposition to the amalgamation proposal or the importance or perceived impact of it.
- 16 Council affirms that regardless of the outcomes of the merger proposal, it is committed to being supportive of making the existing or any new Council a success, and looks forward to help shaping its future.

Councillor Curran's AMENDMENT on being PUT to the VOTE was LOST.

In favour  
Against

Councillors Merrin and Curran

Councillors Kershaw, Connor, Brown, Martin, Takacs, Blicavs, Dorahy, Colacino, Crasnich and Bradbery

Councillor Brown's MOTION on being PUT to the VOTE was CARRIED UNANIMOUSLY.

**Standing Orders were resumed.**

## DEPARTURE OF COUNCILLORS

During debate and prior to voting on Item 1, the following Councillors departed and returned to the meeting –

- Councillor Curran from 8.15 pm to 8.17 pm;
- Councillor Brown from 8.17 pm to 8.18 pm; and,
- Councillor Crasnich from 8.18 pm to 8.20 pm.

## ITEM 1 - DRAFT SANDON POINT ABORIGINAL PLACE JOINT MANAGEMENT AGREEMENT

**10 COUNCIL'S RESOLUTION** – MOVED by Councillor Kershaw seconded Councillor Colacino that –

- 1 The Sandon Point Aboriginal Place Joint Management Agreement be endorsed.
- 2
  - a Ongoing consultation take place with the five Aboriginal community organisations to seek their views on the possibilities and the way forward to achieve a purpose built facility to be erected north of the carpark at the end of Point Street, Bulli.
  - b This facility –
    - i could have an educational role and oversight role to ensure that the Sandon Point Aboriginal Place is protected, and to also manage and maintain the Aboriginal culture and heritage values within the Sandon Point and McCauley's Beach Plan of Management; and,
    - ii will eventually enable the Embassy to move into this purpose built facility to continue its highly respected role, honouring the custodians of the site and to protect this highly significant Aboriginal place for future generations.

**Variation** *The variation moved by Councillor Connor to replace the words 'to look at' with 'to seek their views on' in Part 2a, and replace the word 'should' with 'could' in Part 2b(i) was accepted by the mover and seconder.*

An AMENDMENT was MOVED by Councillor Takacs seconded Councillor Merrin that the Sandon Point Aboriginal Place Joint Management Agreement be endorsed.

Councillor Takacs' AMENDMENT on being PUT to the VOTE was LOST.

In favour  
Against

Councillors Brown, Martin, Takacs and Merrin

Councillors Kershaw, Connor, Blicavs, Dorahy, Colacino, Crasnich, Curran and Bradbery

Councillor Kershaw's MOTION on being PUT to the VOTE was CARRIED UNANIMOUSLY.

## **ITEM 2 - PROPOSED NEW LEASE TO ILLAWARRA SHOALHAVEN LOCAL HEALTH DISTRICT FOR 9 PRINCES HIGHWAY, FIGTREE**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

**COUNCIL'S RESOLUTION** – Council enter into a lease for a three year term with a further two year option with Illawarra Shoalhaven Local Health District for the premises located at Lot 5 DP1136414, 9 Princes Highway, Figtree.

## **ITEM 3 - PROPOSED ACQUISITION OF EASEMENT FOR DRAINAGE OVER LOT 2 DP 747729 WONGAWILLI ROAD, WONGAWILLI**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION** –

- 1 Council authorise the acquisition of an Easement for Drainage variable width over that portion of Lot 2 DP 747729 "White Abbey" Wongawilli Road, Wongawilli, shown shaded yellow on the attachment to the report.
- 2 Council authorise the payment of \$49,000 (GST exc) in compensation for the acquisition of the Easement for Drainage to the landowners of Lot 2 DP 747729 "White Abbey" Wongawilli Road, Wongawilli, with Council to be responsible for all costs associated with the acquisition including valuation, survey and plan lodgement and legal costs.

## **ITEM 4 - TENDER T15/33 - TOWRADGI TIDAL POOL CONCOURSE (PARTIAL) REPLACEMENT**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION –**

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Land and Marine Ocean Engineering Pty Ltd for Towradgi Tidal Pool Concourse (Partial) replacement, in the sum of \$234,935, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

## **DEPARTURE OF COUNCILLOR**

During debate on Item 5, Councillor Merrin departed the meeting, the time being from 8.50 pm. Councillor Merrin was not present for the vote on Item 5.

## **ITEM 5 - TENDER T15/34 - BALD HILL RESERVE UPGRADE STAGE 3 - PUBLIC AMENITIES, COFFEE SPOT AND ASSOCIATED WORKS**

- 11** **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Colacino seconded Councillor Takacs that -

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Zauner Construction Pty Ltd for Bald Hill Reserve Upgrade Stage 3 – Public Amenities, Coffee Spot and Associated Works, in the sum of \$1,749,200 excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

## **ITEM 6 - TENDER T15/36 – PROVISION OF PROPOSED SKATE PARK REVITALISATION FOR GUEST PARK, FAIRY MEADOW AND UNANDERRA PARK, UNANDERRA**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION –**

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of VFG Skateparks for proposed skate park revitalisation for Guest Park, Fairy Meadow and Unanderra Park, Unanderra, in the sum of \$399,809, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

## **ITEM 7 - TENDER T15/37 - SLADE PARK, AUSTINMER RETAINING WALL**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION –**

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Cadifern Pty Ltd for the construction of a retaining wall at Slade Park, Austinmer, in the sum of \$276,700, excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required, to give effect to this resolution.

## **ITEM 8 - TENDER T15/39 – PROVISION OF DESIGN AND**

## **CONSTRUCTION SERVICES FOR WATER QUALITY DEVICE AND MAINTENANCE FACILITIES AT ELLIOTTS ROAD, FAIRY MEADOW**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION –**

- 1 In accordance with the Local Government (General) Regulation 2005, Clause 178 (1) (a), Council accept the tender of Optimal Stormwater Pty Ltd for the design and construction of water quality device and maintenance facilities at Elliotts Road, Fairy Meadow (Option 3), in the sum of \$170,000 excluding GST.
- 2 Council delegate to the General Manager the authority to finalise and execute the contract and any other documentation required to give effect to this resolution.
- 3 Council grant authority for the use of the Common Seal of Council on the contract and any other documentation, should it be required to give effect to this resolution.

## **ITEM 9 - VOLUNTEERING ILLAWARRA - PROPOSED FEES AND CHARGES - POST EXHIBITION**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

**COUNCIL'S RESOLUTION** – The proposed schedule of Volunteering Illawarra membership fees for the 2015/2016 Financial Year, be adopted.

## **ITEM 10 - POLICY REVIEW: PROPERTY ADDRESSING**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

**COUNCIL'S RESOLUTION** – The revised Property Addressing Policy be adopted.

## ATTENDANCE AND DEPARTURE OF COUNCILLORS

During debate and prior to voting on Item 11 –

- Councillor Merrin returned to the meeting, the time being 8.54 pm; and,
- Councillors Dorahy and Blicavs departed and returned to the meeting, the times being from 9.02 pm to 9.10 pm, and from 9.08 pm to 9.10 pm, respectively.

## ITEM 11 - STANWELL PARK ROCK POOL RESERVE

A PROCEDURAL MOTION was MOVED by Councillor Crasnich seconded Councillor Martin that Councillor Colacino be granted an additional five minutes to address the meeting in relation to Item 11.

### **12 COUNCIL'S RESOLUTION** - MOVED by Councillor Colacino seconded Councillor Kershaw that -

- 1 The report and its findings be noted.
- 2 Council retain the Stanwell Park Rock Pool Reserve for application to future recreation assets in Stanwell Park, including exploring additional works on the existing Coalcliff Pool and surrounds, in consultation with the Stanwell Park and Coalcliff residents.

An AMENDMENT was MOVED by Councillor Curran seconded Councillor Merrin that -

- 1 The report and its findings be noted.
- 2 Council retain the Stanwell Park Rock Pool Reserve for application to future recreation assets in Stanwell Park, including exploring additional works on the existing Coalcliff Pool and surrounds, in consultation with residents of Stanwell Park and Coalcliff, and the Stanwell Park Rock Pool Committee.

Councillor Curran's AMENDMENT on being PUT to the VOTE was LOST.

In favour  
Against

Councillors Takacs, Merrin and Curran

Councillors Kershaw, Connor, Brown, Martin, Blicavs, Dorahy, Colacino, Crasnich and Bradbery

Councillor Colacino's MOTION on being PUT to the VOTE was CARRIED UNANIMOUSLY.



## **ITEM 12 - AUDIT COMMITTEE MEMBERSHIP - RECOMMENDATION FOR APPOINTMENT**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION –**

- 1 Council endorse the appointment of Mr Stephen Horne as an Independent Member of the Audit Committee.
- 2 Council formally thank Ms Kylie McRae and acknowledge her contribution and commitment to the Audit Committee and Council through her role as Independent Member and (former) Chairperson of the Committee.

## **ITEM 13 - DECEMBER 2015 FINANCIALS**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

### **COUNCIL'S RESOLUTION –**

- 1 The report be received and noted.
- 2 Proposed changes in the Capital Works Program be approved.

## **ITEM 14 - STATEMENT OF INVESTMENTS - NOVEMBER AND DECEMBER 2015**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 5).

**COUNCIL'S RESOLUTION** – Council receive the Statements of Investments for November and December 2015.

## **ITEM 15 - PROPOSED COUNCIL MERGER - WOLLONGONG AND SHELLHARBOUR**

Item 15 was considered under Suspension of Standing Orders (refer Minute Number 9).

### **THE MEETING CONCLUDED AT 9.14 PM**

---

Confirmed as a correct record of proceedings at the Ordinary Meeting of the Council of the City of Wollongong held on 22 February 2016.

---

Chairperson

# Submission from Wollongong City Council to the NSW State Government's Merger Proposal: Shellharbour City Council Wollongong City Council

---

## EXECUTIVE SUMMARY

At its meeting of 1 February 2016, Council considered a report on the NSW State Government's *Merger Proposal: Shellharbour City Council Wollongong City Council*, and resolved the following:

*That:*

- 1 Council receive the report on the proposed merger of Wollongong City Council and Shellharbour City Council.*
- 2 The Lord Mayor be authorised to present the views of Council to the Delegate of the Chief Executive of the Office of Local Government at Public Inquiry meetings on 2 February 2016, based on the report and the following.*
- 3 Council prepare a comprehensive written submission to the Delegate to be approved at a future meeting of Council.*
- 4 Council welcomes the opportunity to further work with the State Government, our local community and other local government areas to continue to improve the strength, capacity and reputation of local government.*
- 5 Council recognises that a renewed and reformed local government sector has the potential to better deliver services to residents and ratepayers while strengthening the economy and protecting our area's natural and cultural assets.*
- 6 Council urges the State Government to continue to explore a significant review of the roles and responsibilities of state and local government to avoid duplication or conflict of roles and to assign functions to the level best able to deliver outcomes for our communities.*
- 7 Council believes the major issue of alternatives for council financing should be reconsidered and options be further explored by all stakeholders.*
- 8 Council has supported the proposed Joint Organisation (JO) model for local government and invested significant effort into building the pilot Illawarra JO. Council believes that many of the efficiencies suggested for the proposed amalgamation could be realised by co-operation within a JO structure.*
- 9 Council is concerned that the proposed merger between Wollongong and Shellharbour was a late inclusion in the four year process of local government reform and believes the local communities have had insufficient time to fully assess its implications.*
- 10 Council is proud of being declared 'Fit for the Future' as this has followed several years of rigorous examination of our finances and significant engagement with our community to strengthen the City's capacity.*
- 11 Council is unable to confirm the quantum of the purported financial benefits of the proposed merger, which is advanced as the prime reason to merge councils. In any case, Wollongong Council has found similar efficiencies by internal processes.*
- 12 Council recognises that the factors for merger consideration, under S263(3) of the Act, can lead to either a supportive or oppositional case for the merger, however, in totality they do not show a major benefit to the residents of Wollongong.*

- 13 Council notes the IRIS community survey that shows no overwhelming trend in support or opposition to the amalgamation proposal or the importance or perceived impact of it.
- 14 Council affirms that regardless of the outcomes of the merger proposal, it is committed to being supportive of making the existing or any new Council a success, and looks forward to help shaping its future.
- 15 A meeting be requested between Shellharbour City Council staff and Wollongong City Council staff to share information required for comparative cost analysis which will enable both Councils to remove the restrictions embedded in the current report.

## BACKGROUND

The Independent Local Government Review Panel was appointed by State Government in April 2012 to formulate options for governance models, structural arrangements, and boundary changes to improve the effectiveness and strength of local government in New South Wales, and to help drive the key strategic directions set out in the Destination 2036 Action Plan.

The review was carried out in four stages to canvass various ideas and directions for change with councils and communities. The Independent Panel prepared and released three separate papers and a final report with recommendations for consideration by the State Government.

Wollongong City Council has actively participated in the NSW Local Government reform process in a balanced and considered manner, contributing to sector forums; providing formal submissions to each of the Panel's reports; and cooperating with the State Government in both its Pilot Joint Organisation process, and the Illawarra-Shoalhaven Government Network (led by the Regional Department of Premier and Cabinet).

The second report by the Independent Panel included commentary around the potential for changing existing boundaries; and canvassed governance structures such as County Councils and Regional Organisations of Councils (ROCs). The paper states 'the evidence suggests that NSW has too many local councils and that various forms of consolidation should be pursued to strengthen capacity and sustainability'. In response to this paper, Council at its meeting of 11 March 2013, resolved the following:

46 1(a) "...Council does not support amalgamations in our region unless:

- there can be demonstrated economic efficiencies and financial benefit for ratepayers;
- there will be an improvement in community services resulting from any financial benefits;
- there is maintained a 'community of interest'; and
- there is a degree of public support for the proposal."

The final report of the Independent Panel released in October 2013 recommended closer collaboration through a Joint Organisation model for the Illawarra region, which would "enable a sufficient response to regional challenges for some time to come" (NSW Independent Local Government Review Panel, 2013, p. 110). Council mergers were not recommended for the Illawarra region due to four key factors:

- Each council appears sustainable for at least the medium term;
- Existing boundaries do not pose significant urban management problems;
- Water supply and sewerage are handled separately by Sydney Water; and,
- Kiama's distinctive rural and coastal setting and 'country town' character compared to Wollongong and Shellharbour.

(NSW Independent Local Government Review Panel, 2013, p. 110)

In 2014, the NSW Government released the Fit for the Future – Local Government Reform package in response to the Independent Local Government Review Panel's final report. This required councils to demonstrate how they would meet four criteria: financial sustainability, service and infrastructure management, efficiency, and scale and capacity.

Councils were required to provide a submission to the NSW Independent Pricing and Regulatory Tribunal (IPART) by June 2015 outlining their 'roadmap' to be 'Fit for the Future'.

Wollongong City Council was assessed as "Fit for the Future" by the IPART in its October 2015 independent assessment of NSW councils, based on the following:

- Scale and Capacity – Council's proposal was consistent with the Independent Local Government Review Panel's preferred option which was for the Council to remain stand alone.
- Financial Sustainability – the proposal satisfied the benchmarks for operating performance, own source revenue, and building and infrastructure asset renewal ratio by 2019-20.
- Service and Infrastructure Management – the proposal satisfied the benchmarks for asset maintenance and debt service ratio by 2019-20, and signs of improvement with the infrastructure backlog benchmark.
- Efficiency – the proposal satisfied the benchmark for real operating expenditure per capita over the period to 2019-20.

Shellharbour City Council was assessed as being "unfit", primarily due to it not satisfying the financial sustainability criterion – that being, it did not meet the benchmarks for the operating performance ratio and the building infrastructure renewal ratio by 2019-20. It did, however, satisfy the two other performance ratios, and also met the State Government's scale and capacity measure.

The State provided councils 30 days to comment on the IPART's report, and identify their merger preferences. Feedback provided by Council supported the IPART's findings, and hence no merger preferences were provided.

It should be noted here, the efforts of significant internal cost containment since 2008 are largely the reasoning behind this positive appraisal. Following the Independent Inquiry into the Financial Sustainability of Local Government in 2006, Council implemented a number of operational improvements as part of its Financial Sustainability Program to enable more funds to be made available for capital improvements. The Program aimed to achieve recurrent reductions in operational expenditure without having a negative impact on the community. It has achieved this primarily through service and operational reviews, annual reviews of expenditure, review of employee resources, and realignment of fees and charges. To date, this has achieved \$27.3 million in operational funds being made available on an annual basis for asset maintenance and renewal in a concerted effort to address Council's infrastructure renewal challenge.

Council has been on a clearly defined program to strengthen its governance framework. This has been achieved by a majority of the key elements that are associated with good governance practices including clearly articulated and embedded ethics and values; risk management and internal control frameworks; clear decision-making protocols; ongoing monitoring and review of Council practices; and developing Council Registers. Council has established highly effective Corporate Governance and Audit Committees, who fulfil their responsibilities in relation to strong corporate governance, management of financial affairs, compliance with laws, ethical behaviour, and risk management.

Wollongong City Council has a well established reputation for being a capable partner with State and Federal agencies, as demonstrated by the Illawarra Shoalhaven Regional Plan. It has been an active and supportive participant in the Illawarra Pilot Joint Organisation along with the other 3 member councils, working together in collaboration with State Government to lead, advocate and collaborate to maximise the region's potential and service the interests of regional communities.

Further, there has been demonstrated continuous improvement in community satisfaction ratings since the election of the current Council in 2011. Satisfaction levels have continued on a strong upward trend for a number of years, recording the highest ever results in the latest independent community survey. Council's 2014 Community Survey showed that 90% of residents are satisfied with Council's overall performance. Further, the majority of residents agree this Council is an organisation they can trust, and one that makes wise decisions with respect to the allocation of resources.

Wollongong City Council has established itself as a successful organisation, demonstrated by a best-practice corporate governance framework; a long term financially sustainable business model; and a satisfied local community.

### **Announcement of Merger Proposals**

On 18 December 2015, the Minister for Local Government announced a series of proposed mergers across the state, including Wollongong City Council and Shellharbour City Council. The announcement on 18 December 2015 was the first notification Council received that it was the subject of a proposed merger.

At its Extraordinary Meeting of 18 January 2016, Council resolved that:

- 1 *Council prepare responses to the recent merger proposal announced by the NSW Government.*
- 2 *Council fund a representative sample public opinion poll on the proposed amalgamation from the Strategic Projects Reserve.*
- 3 *Expenditure in relation to the opinion poll be limited to \$10,000.*
- 4 *Information regarding the proposed merger between Wollongong and Shellharbour City Councils be placed on Council's website.*

## **PROPOSAL**

### **The Merger Proposal**

The NSW State Government Merger Proposal for Shellharbour and Wollongong City Councils (the Merger Proposal) has been initiated in accordance with section 218E(1) of the Local Government Act. The Merger Proposal sets out the impacts, benefits and opportunities of creating the new council, as seen by the State.

KPMG undertook a financial analysis for the State Government to help inform the Merger Proposals across the state. KPMG found that the new council has the potential to generate savings and efficiencies in operations, leading to \$75 million in net financial savings over 20 years (\$95 million total financial benefit over 20 years). Their analysis also shows the proposed merger is expected to generate, on average, around \$6 million in savings every year from 2020 onwards. A funding package of \$10 million towards merger costs and \$10 million for provision of community infrastructure by the newly merged council has also been offered.

Further, the Merger Proposal suggests the efficiencies and savings generated by a merger will allow greater range of services and assist with local infrastructure priorities, including infrastructure at West Dapto and supporting the revitalisation of Wollongong and Shellharbour centres.

Other benefits claimed in the Merger Proposal include:

- Greater efficiencies through streamlining senior management roles, increased purchasing power of materials and contracts, and reduced expenditure on councillor fees;
- Greater capacity to effectively manage and reduce the infrastructure backlog across the Shellharbour and Wollongong area by maintaining and upgrading community assets;
- Reducing the reliance on rate increases through Special Rate Variations (SRVs) to fund local community infrastructure projects and services;
- Better integrating strategic planning and economic development to more efficiently respond to the changing needs of the community, such as an ageing population and emerging industries;
- Building on the shared communities of interest and strong local identity across the area;
- Providing effective representation through a council with the required scale and capacity to meet the future needs of the community; and
- Being a more effective advocate for the area's interest and better able to deliver on priorities in partnership with the NSW and Australian governments.

Each of these elements will be explored in further detail below, set out in accordance with the relevant criteria of the Act.

### **Analysis of the Merger Proposal**

Wollongong City Council has invested significant energy and commitment into its own long term strategic direction in order to achieve sustainability. Council's Resourcing Strategy forecasts surpluses into the future, alongside a steady increase in its population and asset portfolio (Wollongong City Council, 2012).

Section 263(3) of the Local Government Act stipulates the factors that must be considered when considering boundary adjustments. An analysis of the available information in the Merger Proposal based on these factors has been undertaken, and is presented under subheadings in the sections below. It is anticipated the analysis will assist Council in establishing a formal position on the proposed merger. The analysis should be read in conjunction with the State's Merger Proposal, a copy of which is attached to this report.

## **1 Financial Impacts**

Wollongong City Council is the third largest NSW Council by population (NSW Office of Local Government, 2015), with an annual operating budget of more than \$250 million. It delivers in excess of \$90 million of capital works annually and has an extensive asset base with a replacement value close to \$4 billion. Wollongong City Council and its community has worked diligently towards and successfully achieved a financially sustainable position, while maintaining and expanding high levels of service that can be managed effectively in the long term.

The Independent Pricing and Regulatory Tribunal's (IPART) Fit for the Future assessment of Wollongong City Council has independently confirmed that it is financially sustainable.

Any proposal to merge with Shellharbour City Council appears to be propagated on the basis of achieving the same financially sustainable position across the joint area and/or further improving the provision of service or reducing the cost to the community of existing service level into the future. It would be surmised that financial sustainability is the priority of the Government's proposal.



## 1.1 Savings & Merger Costs

The Merger Proposal references a financial analysis undertaken by KPMG on the proposed merger. Unfortunately, Council is not privy to the full KPMG paper commissioned by the State, which would have allowed for a more comprehensive analysis of the financial assertions made within the Merger Proposal. Council has been provided with a copy of KPMG's *Outline of Financial Assumptions for Local Government Merger Proposals*, a technical paper which outlines KPMG's financial analysis assumptions applied to estimate the financial impacts of the proposed mergers.

The financial assumptions applied by KPMG consider two types of council, 'Metropolitan' and 'Regional', with differing assumptions for each. Council has received confirmation that for the purposes of the KPMG analysis, the Wollongong/Shellharbour Merger Proposal has been classified as 'Regional'.

The KPMG analysis identified that the merged council has the potential to generate savings and efficiencies in operations, leading to \$75 million in net financial savings over 20 years. It attributed the gross savings over 20 years to:

- Efficiencies generated through increased purchasing power of materials and contracts (\$19 million).
- A reduction in the overall number of elected officials that will in turn reduce expenditure on councillor fees (estimated at \$2.5 million).
- Streamlining of senior management roles (\$8 million).
- The redeployment of back office and administrative functions (\$56 million).

The KPMG Technical Paper makes it clear that the estimated \$75 million savings is a Net Present Value (NPV) estimate based on a 9.5% required return on investment (discount rate). This expression implies the \$75 million is the positive value after a 9.5% return. The amount expressed in real (current day) dollars of actual savings would be in the order of \$150 million. That aside, the projected annual savings of \$6 million per year from 2020 onwards, represents a modest estimated savings at less than 1.5% of the projected operating revenue of the merged council.

While Council's analysis shows there may be some savings overstated and others potentially understated based on KPMG's Technical Paper, overall it is not unreasonable to assume financial savings would be available from the streamlining of senior management roles, back office, and administrative functions; and to a lesser extent the costs attributable to elected officials; and purchasing. Council is not in a position to appropriately quantify those savings with accuracy at this point in time due to the limited information available in relation to Shellharbour City Council's structures, operations and accounting methodologies, and an absence of agreed assumptions for any post-merger structure and operations, which have not been considered at this stage.

Any financial savings created by the streamlining of internal operations would presumably be directed to addressing financial sustainability across the joint council area in the first instance. This would mean redirecting any resources saved toward asset maintenance and renewal to an optimum level. Savings above that level may be directed to providing consistent and/or improved levels of service across the region, or reducing the cost to the community of existing service into the future. The KPMG analysis does not attempt to reflect post-merger decisions that would be made by the governing body at that time.

The following provides an overview of the specific assumptions in the KPMG Technical Paper, and highlights the potential issues in applying broad assumptions at a local level. In many instances the quantum of savings forecast by KPMG are not considered accurate for Wollongong City Council.

#### **1.1.1 Materials & Contracts**

The suggested Materials & Contracts savings in the Merger Proposal of \$19 million (NPV) is based on a savings of 2% applied to 80% of purchases, which appears to be overstated. Data for this component of the analysis was drawn from Council's 2013/14 Long Term Financial Plan (LTFP). Council's LTFP includes a significant level (\$34 million out of \$78 million) of expenditure categorised as 'other' which includes State Government levies, utility costs, and donations, none of which would be subject to purchasing savings.

In addition, Wollongong City Council's large value spend items remaining in this category relate to external service provision contracts, including waste management, that have often been purchased through aggregated State contracts or joint purchase arrangements with Shellharbour City and/or other Councils. While a merger would provide some additional purchasing power and would create efficiency in the administration of the procurement process, Council reasonably anticipates the opportunity created by the proposed merger may be much lower than forecast by KPMG.

#### **1.1.2 Elected Officials Expenditure**

The KPMG Technical Paper shows that the assumption applied to Councillor's Expenditure is based on the proposed new council having the same number of councillors as the largest council in the proposal. In this case, it would be 13 Councillors based on Wollongong City Council's current number of elected officials. The savings calculated for the Merger Proposal assumes that all newly elected councillors, both metro and regional, will receive a fee of \$30,000 per annum. The savings forecast is therefore based on the expected cost of having 13 councillors less the current cost of councillors, based on the 2013/14 Financial Statements of the respective councils and indexed to current dollars.

While the matter of elected representatives' remuneration is understood to be under review as part of the broader local government reform package, allowance has not been made for any impacts outside the Merger Proposal.

#### **1.1.3 Senior Management Roles**

Wollongong and Shellharbour City Councils have been assessed as 'Regional' councils that, according to the KPMG assumptions, will have a General Manager and two Directors, creating a saving of four director level positions.

Any decision by the council of the day with respect to organisational structure would influence the suggested savings in this category.

#### **1.1.4 Redeployment of Back Office and Administrative Functions**

The KPMG Technical Paper includes an assumption that the proposed \$56 million dollar savings would be generated from a reallocation of duplicated back office, administration, and corporate support roles to front line services. The efficiencies forecast equate to 3.7% to 5% of Council's employee salary and wage costs. KPMG have stated that a larger 'Regional' council would have greater capacity to achieve higher staffing efficiency. This savings component would include senior and middle management roles within the councils. This assumption is not considered unreasonable.

### **1.1.5 Redundancy Costs**

The assumptions relating to the cost of redundancies and employee leave entitlements applied generically by KPMG across all regional councils do not reflect the realities of Wollongong City Council's workforce profile or Enterprise Agreement.

Wollongong City Council has a significantly higher level of longer term employees than most other councils due to low turnover, which has typically ranged from 2-4% per annum (Wollongong City Council, 2012, p. 47) compared to the industry average used by KPMG of 10%. Based on this data, Council considers that the employee separation costs included in the Merger Proposal may be understated.

### **1.1.6 ICT Costs**

The assumed cost put forward in the Merger Proposal for information technology (presumably \$2.8M + 30% contingency for a Medium Regional Cluster based on the KPMG Technical Paper) provides for a short term veneer solution that allows access and reporting across two disparate systems. It does not give consideration to the longer term costs of converting data and implementing a single technology environment.

A decision on a longer term approach would be a post-merger decision that cannot be accurately forecast without detailed information in relation to existing systems, contracts, and skills of the respective councils, and an agreed ICT strategy to inform development. It is envisaged that this will be a significant cost of a future council, possibly in the order of \$6 to \$10 million, should a merger progress.

### **1.1.7 Costs of Transition**

In addition to transition costs associated with ICT there are assumptions in the Merger Proposal to allow for the one off costs associated with office relocation, staff training, and other general transition-related expenditures. The provision made in the KPMG analysis is equal to 2% of the merged entity's Operating Expense. Based on the 2013/14 expense of each Council (indexed to 2016/17 dollars), this would equate to approximately \$6.9 million.

While Council has not had sufficient time to allow for detailed analysis of merger implementation costs, it is reasonable to assume that a substantial amount of resources would be required for a transition. Research undertaken into the processes and outcomes of the 2004 amalgamations concluded that the costs of amalgamation and time required for implementing new systems, cultures and operating structures are generally underestimated (Jeff Tate Consulting, 2013, p. 33).

### **1.1.8 Assets and Infrastructure 'Backlog'**

The Merger Proposal suggests the financial sustainability of the proposed new council would be enhanced by a range of factors, including establishing a larger entity with revenue that is expected to exceed \$455 million per year by 2025, and creating a combined asset base of approximately \$1.9 billion to be managed by the merged council.

The cause and effect linkage between the increased revenue streams and/or asset base of a merged council, and an enhanced level of financial sustainability has not been established in the Merger Proposal. Neither of these factors by themselves without savings would improve annual operating results or cashflow; however they may present an opportunity for greater flexibility in the allocation of funds across the extended area to better address short term priorities.

In addition, Council would strongly reject the implication that it has a large infrastructure 'backlog' as stated in the Merger Proposal. Wollongong City Council has been independently assessed as financially sustainable, and is not in a position where it has assets which are required to be renewed or are past 'due for renewal date' that are being delayed due to financial constraints. The Merger Proposal is relying on 2013/14 data relating to a State Government measure that reflects a notional 'Cost to bring Assets to a Satisfactory Standard'. The methodology prescribed by the State in measuring this performance indicator is widely criticised, and is not one that is utilised for the purposes of effective asset management in local government.

If the data is updated to reflect 2014/15 figures, the so called 'backlog' as it is referred to in the Merger Proposal, would have been \$106 million in total across the two local government areas - \$96 million for Wollongong City Council. Wollongong's number in reality reflects the nominal cost to bring assets, that are within 1 and 5 years of reaching their expected remaining life (renewal date), up to a notional condition they would have been in between 75% and 95% of the way through their expected life cycle. The assets that make up the total value of this indicator are planned for renewal as and when required and would be funded through Council's annual Capital Budget. Council's current financial plans demonstrate that we fund in excess of \$60 million per year for the renewal of assets.

Overall, while the KPMG assumptions and resulting savings estimates do not withstand rigorous scrutiny at a detailed level, it would appear that there is the potential for financial benefits to be achieved over the longer term as a result of a merger. However, the potential extent of any financial advantages across the region will not be evident unless the two parties subject of the Merger Proposal were in a position to work together to analyse current structures and operations; and to propose and cost options for a future viable organisational and its transition arrangements. This avenue is currently not available under the forced amalgamation proposal.

## **1.2 Financial Profiles of Wollongong City Council and Shellharbour City Council**

An assessment of the two Councils' existing financial profiles has been undertaken based solely on publically available information. Much like Shellharbour City Council will not have access to our underlying drivers, nor do we have access to theirs, including key risks or details of high value projects such as the Shellharbour Civic Centre and the Shell Cove Joint Venture including the Marina and Golf Course. However, on the whole, the analysis demonstrates a number of similarities across the two organisations.

There are comparable labour and cost structures, the Fit for the Future indicators are analogous and on a similar path into the future, and own source revenue is on par. Shellharbour City Council has a younger asset profile, for example, Shellharbour City Council has 85% roads in condition 2 or better compared to Wollongong City Council at 18% - refer Graph 3. Shellharbour City Council also carries less debt than Wollongong, evidenced by Debt Service Ratios of 0.73% and 2.56% respectively. The operating result for Shellharbour City Council, whilst not performing as well as Wollongong City Council, is forecasted to balance in six years.

A series of tables and charts are presented below to convey some key financial comparisons of the two organisations. Table 1 demonstrates the composition of revenue sources and operating expenditure types of each of the Councils', both in dollar and percentage terms. It excludes capital grants and contributions, and profit or loss on disposal of assets, and any revaluation movements direct to Income Statement.

**Table 1: Revenue and Expenses: Wollongong City Council and Shellharbour City Council**

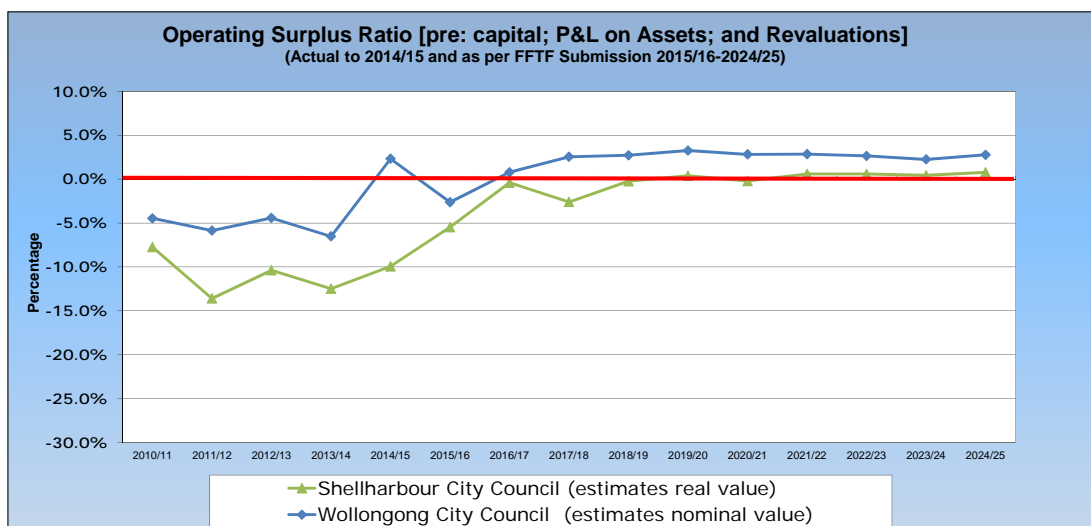
	Wollongong City Council		Shellharbour City Council	
	%	\$'000s	%	\$'000s
<b>Income</b>				
Rates & Annual Charges	67.4	166,849	58.6	44,016
User Fees & Charges	13.3	32,851	21.5	16,161
Interest & Investment Revenue	2.3	5,689	4.7	3,491
Other Revenues	4.8	11,965	3.6	2,685
Grants & Contributions – Operating	12.2	30,319	11.6	8,699
<b>Total</b>	<b>100.0</b>	<b>247,673</b>	<b>100.0</b>	<b>75,052</b>
<b>Expenses</b>				
Employee Costs	39.5	95,399	39.5	31,462
Borrowing Costs	1.7	4,037	0.9	735
Materials & Contracts	18.9	45,647	19.4	15,446
Depreciation	25.1	60,763	23.3	18,568
Other Expenses	14.8	35,777	16.9	13,497
<b>Total</b>	<b>100.0</b>	<b>241,623</b>	<b>100.0</b>	<b>79,708</b>

Source: 2014/15 Annual Financial Statements

As can be seen from Table 1, the mix of operating income and expenditure is comparable across the two entities. Note, Shellharbour City Council has advised that forward estimates of revenue and expenditure associated with the Marina have not been included in long term financial plans due to the uncertainty surrounding amounts and timing. This has the potential to materially alter key financial indicators of Shellharbour City Council. Further, forward estimates of Shellharbour City Council's Materials & Contracts and Other Expenses spend have a 3.5% efficiency target in-built (excluding statutory items). Finally, Shellharbour City Council continue to refine their asset accounting methodology, and are anticipating further reductions in annual depreciation expense in the vicinity of \$2.5 million, which is not currently reflected in forward financial plans.

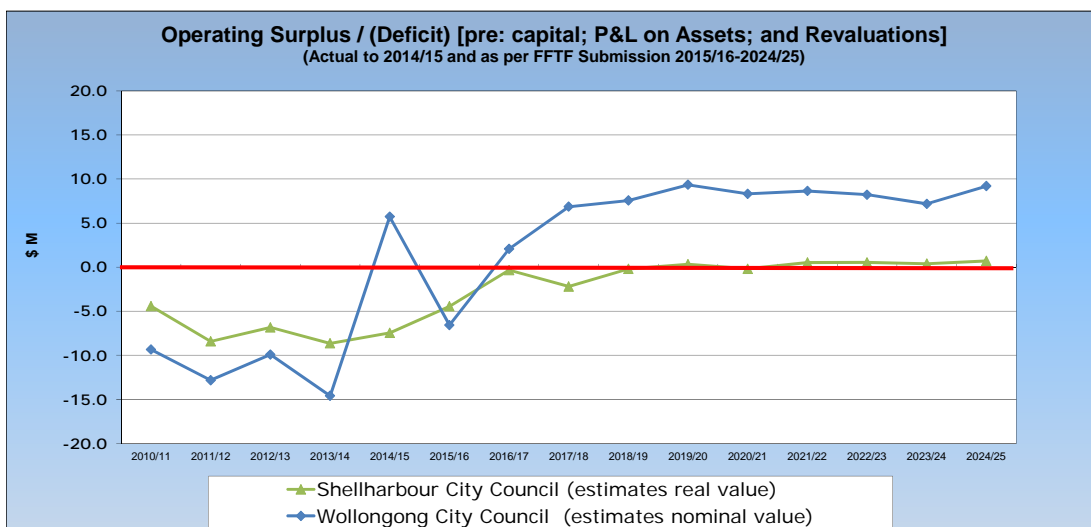
Graphs 1 and 2 demonstrate the historical operating result (before capital grants and contributions and excluding any profit or loss on disposal of assets, and revaluation movements direct to Income Statement), together with forward projections, based on each Council's respective Fit for the Future submissions. Graph 1 is the Operating Result expressed as a percentage of Revenue to provide comparative position of the varying size of councils.

**Graph 1: Operating Result Ratio – Wollongong City Council and Shellharbour City Council**



Graph 2 is the Operating Result expressed in dollars.

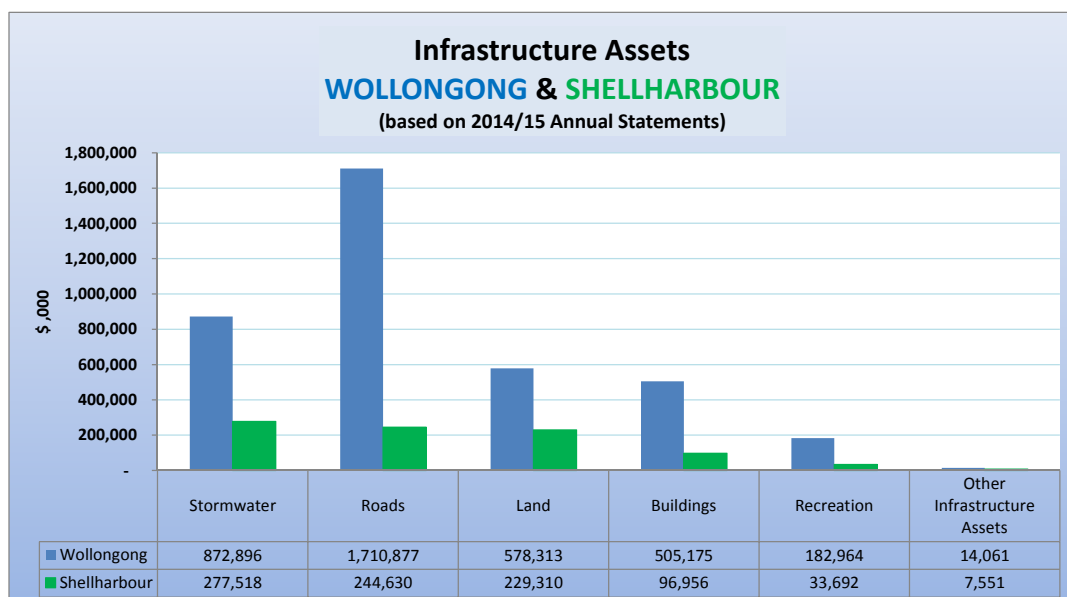
**Graph 2: Operating Result – Wollongong City Council and Shellharbour City Council**



Graphs 1 and 2 demonstrate Wollongong City Council is consistently achieving operating surpluses across future years. Shellharbour City Council is projecting consistent balanced, or small surplus, operating results in the longer term.

Graph 3 sets out the respective replacement values for both councils across key infrastructure categories, as reported in the 2014/15 financial statements.

**Graph 3: Current Replacement Values by Asset Class – Wollongong City Council and Shellharbour City Council**



In interpreting Graph 3, it is important to bear in mind that the reported replacement value will depend on the underlying assumptions and valuation methodology applied by the individual Councils.

Graph 4 is a visual presentation of the asset condition information contained in Special Schedule 7: Report on Infrastructure Assets from the 2014/15 financial statements, narrowed down to the largest infrastructure category, Roads.

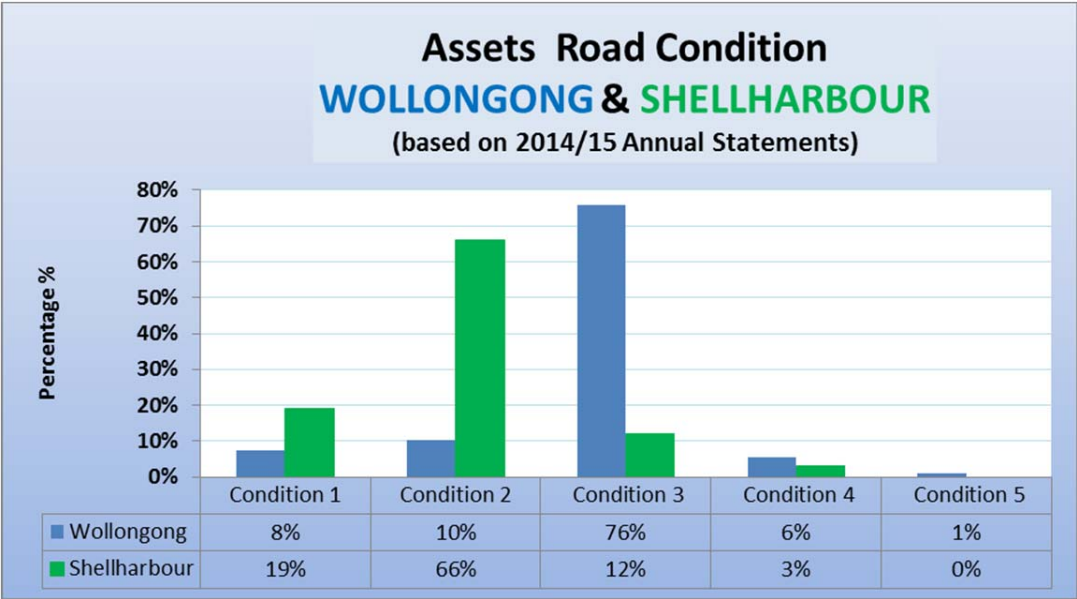
Asset conditions for Wollongong City Council are defined as:

**Table 2: Asset Condition Ratings: Wollongong City Council**

Condition Rating	Description
1	As new. 95 – 100% of asset life remaining.
2	Good. 75 – 95% of asset life remaining.
3	Fair. Between 75% and 5 years of existing life remaining.
4	Poor. Between 1 and 4 years of expected life remaining.
5	To be replaced. Asset due to be replaced with one year remaining life expected.



Graph 4: Road Assets Condition Rating – Wollongong City Council and Shellharbour City Council



In reviewing Graph 4, it is important to note that Special Schedule 7 is not subject to audit scrutiny; it relies significantly on the application of professional judgement; and will be influenced by the methodology applied by each individual council.

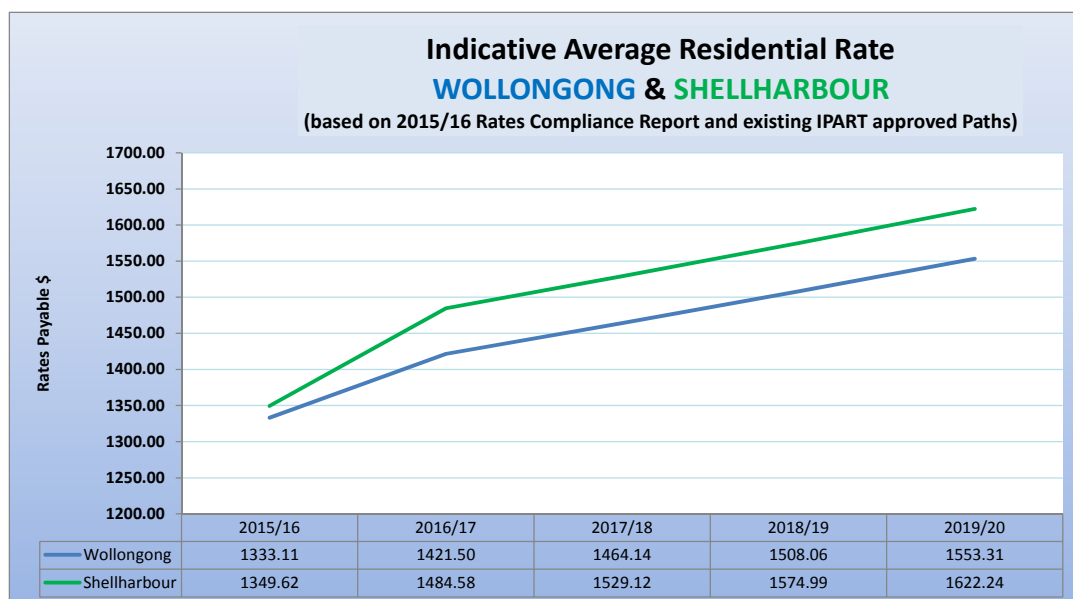
**Overall, based on a comparison of the available information, there is numerous similarities with respect to the financial positions of both organisations, that present neither significant advantages nor disadvantages with respect to a merger.**

**1.3 Impact on Rates**

Wollongong has a diverse mixture of property valuations across the local government area. Currently, average residential rates for Shellharbour City Council are higher than those of Wollongong City Council Rates (Wollongong City Council, 2015/16 Rates Compliance Report; Shellharbour City Council, 2015/16 Rates Compliance Report).

The State Government announced as part of the series of proposed mergers, its intention to freeze the rates of existing councils, post amalgamation for a period of four years, with annual increases to be restricted to currently approved price paths. Based on the existing rate structures and adopted rates paths resulting from each Council’s approved Special Rate Variations, Shellharbour City Council’s average residential rate would remain higher than that of Wollongong City Council. This is demonstrated in Graph 5.

**Graph 5: Forecast Average Residential Rates – Wollongong City Council and Shellharbour City Council**



The Merger Proposal suggests that the new council will have a large rate base on which to set rating policies and improve the sustainability of council revenue. No evidence is provided to suggest how the expanded rate base of the new council provides an enhanced level of sustainability or reduced reliance on revenue to fund additional or enhanced community infrastructure.

**Overall, there is not sufficient information available on the State's proposed policy position of freezing approved rates paths for a period of 4 years, to understand fully the implications for the council of the day's rating structure.**

#### **1.4 Regulatory Benefits**

The Merger Proposal suggests that a merged council provides an opportunity to streamline and harmonise regulations, and adopt best practice regulatory activities which will deliver benefits for local residents and businesses. Wollongong and Shellharbour City Councils already consistently apply land use and development regulations through their 'Standard Instrument' Local Environmental Plans. There are many examples of regional cooperation between Wollongong and Shellharbour City Councils in the delivery of regulations, including the shared use of a pound facility (operated by the RSPCA) for impounding animals, and the development of a shared governance arrangement for the management of Lake Illawarra.

It could be argued that there are (unnecessary) differences in the detailed controls for new development contained within the Wollongong City Council and Shellharbour City Council Development Control Plans. However, standard state-wide controls are in place for *exempt* and *complying* development and there is further scope to refine *exempt* and *complying* provisions and other local development regulations at a regional level. Greater consistency in the application of local planning regulations in the region can be achieved without merging Wollongong and Shellharbour City Councils.

Notably, community satisfaction with controls for residential development; controls for development in Wollongong City Centre; and planning policies that control development in the Wollongong Local Government Area all recorded significant improvement in the 2014 Community Survey.

Further, Wollongong City Council has in place best practice approaches to development assessment through its use of an Independent Hearing and Assessment Panel, online development application lodgement and tracking systems, peer review, and public notification procedures to ensure transparent, consultative, rigorous and efficient decision making.

**Overall, the Merger Proposal does not demonstrate how a merged council would deliver material benefits to the community through its reshaped regulatory functions that, on balance, outweigh the costs of a merger.**

## 2 Community of Interest and Geographic Cohesion

The Merger Proposal document identified a number of common characteristics and connections between the Wollongong and Shellharbour communities. The information presented is generally well supported by reputable data sources (ABS statistics, NSW Department of Planning & Environment, Socio-Economic Indexes for Areas (SEIFA)). It drew on those elements of commonality across the business profile and the corresponding workforce, to assert that a merged council will be better placed to deliver the necessary supporting services and infrastructure in a coordinated manner.

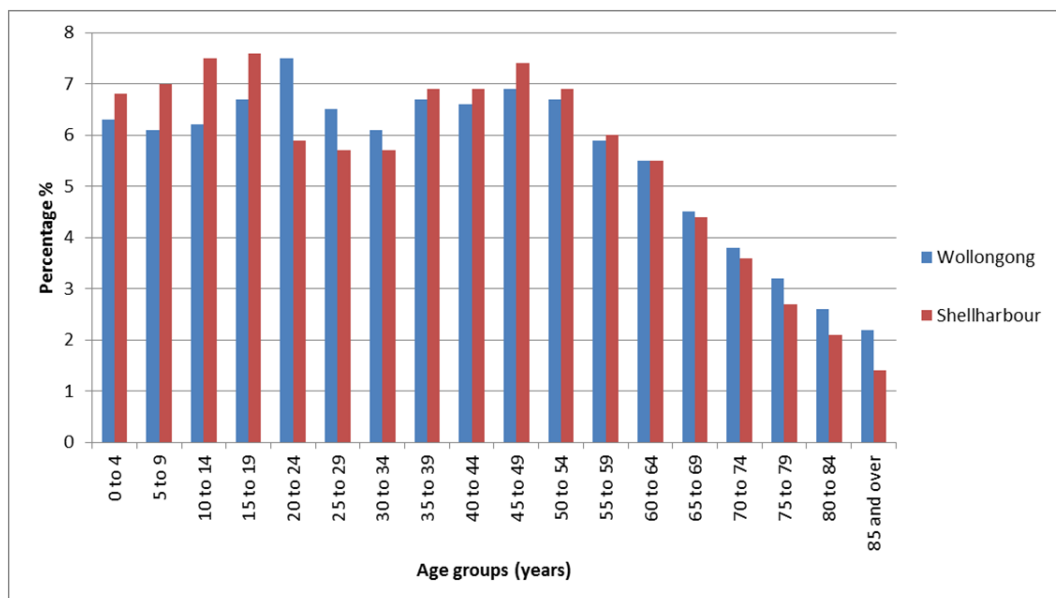
From a statistical perspective at a whole of Local Government Area (LGA) level the Wollongong and Shellharbour communities look very similar. However it is important to recognise that the Wollongong local government area is made up of a series of over 50 suburbs or villages and town centres, with quite diverse socio-economic profiles. This is reflected in Table 3 below which provides a snapshot of some of the key town and village centres characteristics across the two local government areas.

**Table 3: Socio-Economic Characteristics – Selected Urban Centres Wollongong and Shellharbour LGAs**

	SEIFA	Median Household Income	Non-English Speaking Backgrounds		Annual Population Growth		
		\$	Number	%	2016	2021	Average Annual Change (%)
Wollongong Selected Town and Village Centres							
Helensburgh (incl Otford)	1,075	1,777	201	3.2	6,453	6,367	-0.27
Thirroul	1,062	1,601	286	5.2	6,128	6,188	0.19
Corrimal	975	1,067	781	12.5	7,212	7,423	0.58
Wollongong	965	979	4,487	26.4	19,351	21,659	2.28
Warrawong	751	669	1,550	31.9	5,113	5,365	0.97
Dapto (incl Penrose + Brownsville)	956	1,069	968	7.8	13,288	14,095	1.19
Unanderra (incl Kembla Grange)	885	839	817	14.0	6,282	6,553	0.85
Windang (incl Primbee)	925	811	448	10.8	4,467	4,495	0.12
Figtree	1,046	1,492	1,524	14.5	11,789	12,045	0.43
Shellharbour Selected Town and Village Centres							
Shellharbour Village (incl Barrack Point)	1,001	1,204	328	8.4	4,223	4,186	-0.18
Albion Park (incl Rural West)	1,021	1,475	738	5.5	13,317	13,280	-0.06
Warilla	854	758	577	9.4	6,510	6,553	0.13
Oak Flats	972	1,107	621	9.8	6,539	6,517	-0.07
Flinders	1,025	1,453	615	12.0	6,478	6,475	-0.01
Shell Cove (incl Dunmore)	1,079	1,883	371	8.9	6,147	7,524	4.13

Graph 6 indicates a similar age profile, although there is a slight difference with regard to the young families age groups, where there is greater proportions in Shellharbour (typical of large new release areas), and higher representation of 20-30 year olds in Wollongong (typical of larger urban centres and University towns).

**Graph 6: Age Groups (years) – Wollongong and Shellharbour LGAs (2011)**



Demographics alone however, do not necessarily represent communities of interest. Communities of interest are communities of people who share common pursuits and have similar socio-cultural values. These people exchange ideas and thoughts about their given interest and may participate in organised activities or integrate it into everyday life. In the Wollongong and Shellharbour LGA's there are commonalities and this is best reflected in culture and the arts, sports and recreation, employment patterns, and in our educational opportunities.

## 2.1 Culture and the Arts

Wollongong is home to significant culture infrastructure, much of which is funded and supported by Council.

The Wollongong Art Gallery for example is recognised as one of the most innovative regional art museums in Australia ([www.wollongongartgallery.com](http://www.wollongongartgallery.com)). A diverse program of high profile exhibitions, as well as exhibitions of local and regional artists and community groups form the basis of what's on offer from the Gallery.

Likewise, the Illawarra Performing Arts Centre (IPAC) managed and operated of behalf of Council by Merrigong Theatre, was established in 1988. Located in the heart of Wollongong's Arts Precinct, IPAC is the region's most prominent venue for the performing arts.

Also located in the Wollongong LGA but servicing the region is the Wollongong Conservatorium of Music. The Con, as it is known to many, is one of the largest of seventeen regional conservatoriums in NSW, open to all members of the community and attracting students from across the Illawarra, South Coast and the Southern Highlands.

These three regional facilities and services are supported by a range of community based, not-for-profit cultural assets adding to the cultural fabric of Wollongong and the Illawarra region.

## 2.2 Sports and Recreation

Sport has long been a popular past time of residents across the region. The Merger Proposal recognises the Illawarra Hawks, St George Illawarra Dragons and the Wollongong Wolves. Strong and passionate communities of interest form around these representative teams as demonstrated by the significant community effort to ensure ongoing funding for the Hawks. These teams are supported by major regional sporting infrastructure such as the Wollongong Entertainment Centre (WEC) and the WIN Stadium.

As a region, all major junior sporting codes cross the cities of Shellharbour and Wollongong, with each local government area home to substantial sporting infrastructure and between them, catering to the diverse range of sports on offer.

The region is also fortunate to have the Illawarra Academy of Sport (IAS), a not for profit organisation servicing five local government areas to provide localised training and education opportunities for talented young athletes, coaches and administrators from across the Illawarra region. Ongoing financial support is provided from both Wollongong and Shellharbour City Councils.

## 2.3 Employment Patterns and Retail

Both the Wollongong and Shellharbour areas are expecting significant growth over the next 30 years. Wollongong forms the heart of the Illawarra Urban area, and will drive the economic growth, employment and diversification of the region's economy over this growth period (Planning & Environment, 2015, p. 13; Hill PDA, 2004). Wollongong City Centre integrates economic, cultural and educational elements into its urban identity. Shellharbour City Centre is increasingly providing goods and services to the central parts of the region, and whilst retail is current the major source of economic activity, there are opportunities to diversify economic growth with the continued expansion of the City Centre.

Work, retail and service utilisation patterns indicate that residents travel across the two LGAs to share amenities. For instance, 44% of the Shellharbour workforce travel to work in the Wollongong LGA, with 5% of Wollongong residents working in Shellharbour, as evidenced in Table 4.

**Table 4 – Resident Place of Work – Wollongong, Shellharbour and Kiama LGAs.**

	Wollongong	Shellharbour	Kiama
Total Resident Workforce	81,138	27,411	9,189
No. Workforce that work in Wollongong LGA	53,478	11,973	2,186
% Workforce that work in Wollongong LGA	66%	44%	24%
No. Workforce that work in Shellharbour LGA	3,750	8,417	1,208
% Workforce that work in Shellharbour LGA	5%	31%	13%

Source: REMPLAN, 2015.

In terms of retail shopping movement, all of the major retail centres across Wollongong and Shellharbour are located within an 18 kilometre radius of the Wollongong City Centre. This, combined with good regional road networks, encourages a reasonably high degree of cross-shopping in the Wollongong and Shellharbour Areas. Recent major investment in the retail on offer at both Wollongong and Shellharbour City Centres, plus improved recreational/leisure facilities such as a high quality multiplex cinema, has resulted in residents continuing to move across the two city's boundaries to meet their individual needs.

## **2.4 Education**

The region is fortunate to be home to excellent educational institutions from primary to tertiary facilities.

Students travel across Wollongong and Shellharbour to access high quality educational opportunities. Smith's Hill, located in Wollongong offers the only academically selective school in the region. Similarly the Wollongong High School of Performing Arts is located in Fairy Meadow and the region's only sports high school is the Illawarra Sports High in Berkeley. So too, St Mary's Star of the Sea offers education exclusively for young women and Edmund Rice offers education exclusively for young men in the region. Both are located in the Wollongong LGA.

These schools represent significant communities of interest, that cross local government boundaries and other socio-economic statistics that may otherwise divide our cities.

Providing a world class tertiary education experience, Wollongong is also home to the University of Wollongong.

In 1975 the University of Wollongong was established as an independent institution. It's students were originally predominantly from the local Illawarra region and still today it draws on many young and mature age students from across and outside of the region.

## **2.5 Other commonalities**

As identified in the Merger Proposal, there are a number of other shared regional services and facilities operating across the region, including:

- Illawarra Regional Airport;
- shared media, such as local radio stations, 97.3 ABC Illawarra and 96.5 Wave FM, and the local newspaper, the *Illawarra Mercury*;
- the Illawarra Forum;
- the Multicultural Communities Council of Illawarra; and
- TAFE Illawarra.

**In summary, whilst there are some differences in the diversity of communities between Wollongong and Shellharbour, on the whole, there are significant and highly valued communities of interest across the two local government areas.**



### 3 Historical and Traditional Values

The Merger Proposal has presented no information with respect to the existing historical and traditional values in the existing areas, or any assessment of the impact of the proposed change on them.

There are similar historical and traditional values across the two cities. The local Aboriginal communities of the two local government areas speak the same language - the Dharawal language – and share similar stories and values. Early European settlement brought farming and extractive industries to both areas. Collaboration between the two Councils to commemorate the Bicentenary of European settlement – “Illawarra 200” – reflects a strong shared history. To mark the occasion, Wollongong and Shellharbour City Councils worked with community representatives to appropriately acknowledge this milestone in the region’s history.

Local government was first established in the area in 1843, when the Illawarra District Council was proclaimed, covering Bulli to Nowra. On 22 February 1859, the Municipality of Wollongong was proclaimed, together with the Municipality of Randwick – the first two municipalities to be proclaimed in NSW. In August 1859 the Central Illawarra Municipality was formed. This took in the area from Unanderra to Macquarie Rivulet. The Municipality of Shell Harbour (note the different form of Shellharbour) was declared on 8 June 1859. In October 1868, the North Illawarra Municipality was formed and included the area from Fairy Creek to Bellambi. Bulli Shire was later proclaimed in May 1906.

In assessing the values of the respective communities, a comparison of the two Councils’ Community Strategic Plans was undertaken. At the highest level, strategic goals appear to be very similar, with a strong focus on the natural environment, a safe and liveable city, well connected infrastructure, and a responsible and effective local council. Differences only appear where Wollongong has a stronger emphasis on culture and creativity, and Shellharbour on tourism, at a Community Strategic Plan level.

The significance of the relationship between the Wollongong local community and the natural environment is strongly reflected in the vision of the city. As part of the development of Wollongong 2022, the Community Strategic Plan, the community provided overwhelming feedback that the connection between the escarpment (*“the mountains”*) and the sea was a priority and a core value for them as residents. As a result the Wollongong 2022 community vision is: *“From the mountains to the sea, we value and protect our natural environment and we will be leaders in building an educated, creative and connected community.”*

Wollongong 2022 also identifies the coastal environment and Lake Illawarra to be of cultural and environmental significance. The coastal foreshore of Wollongong extends from one end of the city to the next, with the two local government areas joined by the lake entrance between the suburbs of Lake Illawarra in Shellharbour City and Windang in Wollongong. The Lake provides a key connection between our cities. Recent decisions by the State Government to disband the Lake Illawarra Authority have reinforced the need for coordination and connectivity between the local government authorities to ensure the health and wellbeing of the lake, it’s amenity to the residents and its opportunities are best recognised.

There are shared improvement priorities from the Community Surveys undertaken by IRIS for both Councils. Footpaths, roads and public areas maintenance are seen as services of high importance that require improvement. Differences between the two areas were noticeable around waste management, which rates more poorly by Shellharbour City Council residents; and parking, which rates more poorly by Wollongong City Council residents (IRIS Research, 2014, p. v; IRIS Research, 2012, p. iv).

The surveys indicate shared community concerns around social issues, including community safety and youth unemployment. Whilst this can be said of many communities across NSW, the ongoing trend for high

youth unemployment, for particular areas of our region, makes this a unique challenge for the communities of Wollongong and Shellharbour.

**In summary, whilst there are some differences in terms of values, the historical and traditional aspects of the two LGAs on the whole display similarities.**

#### **4 Attitudes of Residents and Ratepayers**

The Merger Proposal states that there is a public consultation process which includes a public inquiry allowing for the views of residents and ratepayers to be considered. However, the State Government has not mandated the use of polling by the Chief Executive's Delegates to obtain a statistically significant representation of affected residents and ratepayers. Given community sentiment is important to this debate, Wollongong City Council has chosen to commission its own research into the attitudes of residents and ratepayers.

Whilst some local government authorities have been identified for potential merger for over two years, giving ample opportunity for community engagement, Wollongong City Council was only identified as a merger candidate on 18 December 2015. Research undertaken on the 2004 round of local government amalgamations concluded that hasty and poorly planned amalgamations with inadequate consultation run the risk of resulting in poor outcomes and disaffected communities, and support from the councils involved in proposed amalgamations has been proved to be critical to positive outcomes (Jeff Tate Consulting, 2013, p. 13).

Wollongong City Council has been tasked with assessing community sentiment in an informed, unbiased, and representative manner in the space of just a few weeks. To that end, Council resolved on 18 January 2016 to undertake a representative public opinion poll in relation to the proposed merger.

The survey was conducted on 27 and 28 January 2016, and collected a response from 501 residents aged 18 or over from across the Wollongong Local Government Area. A complete copy of the IRIS survey report is attached. However, in summary it shows a high level of awareness, with 77.5% of those contacted being aware of the State Government's proposal to merge Wollongong City Council with Shellharbour City Council.

It also found 44.5% of people agreed with a merger proposal while 55.5% did not, and 49.7% said the proposed merger was an important issue, while 50.3% per cent said it was not.

The most significant trend emerging from the survey was the degree of importance placed on *local elected representation* on council. 75% of respondents stated that local elected representation was important to them.

**Overall, the results of the representative community survey undertaken by IRIS Research on behalf of Council in late January, shows no overwhelming trend in support or opposition to the amalgamation proposal, or the importance or perceived impact of it. What is important to our community is having local elected representation on council. It is strongly recommended the current elected representation be maintained across the entire amalgamation process should this proceed.**

## **5 Service Delivery and Facilities/Infrastructure**

The Merger Proposal suggests the efficiencies and savings generated by the merger will allow the new council to invest in improved service levels and/or a greater range of services and address the current infrastructure backlog across the two councils.

The Merger Proposal does not recognise Council's achievements to date, including reducing operational costs by more than \$27.3 million to redirect towards asset renewal. Council has also successfully enhanced and expanded the range and level of services provided to the local community. For example, Council has established and expanded services such as a centralised Customer Service Centre, Regulation and Enforcement, Development and Construction Compliance, commissioned the Thirroul Library and Community Centre, created a Professional Conduct Coordinator role, transferred Wollongong City Gallery across under the organisational establishment, initiated internal legal services, and reopened the Town Hall.

Further, the IPART's assessment of Wollongong City Council included a statement that the Council has a robust revenue base, scope to undertake new functions and major projects, and has shown effective regional collaboration.

The Merger Proposal acknowledges the effectiveness of collaboration efforts between Wollongong City and Shellharbour City Councils to date via the Illawarra Pilot Joint Organisation, the former Southern Councils Group, the Community Transport Wollongong-Shellharbour Service and the Illawarra District Noxious Weeds Authority. The Merger Proposal does not present evidence to support the conclusion that a merged council would be better placed to deliver these services and projects into the future.

The IPART's assessment of Wollongong City Council included a statement that the IPART was unable to identify evidence for a better alternative to the council's proposal to stand alone.

The Merger Proposal is silent on the challenges that exist around differences in existing services and service levels, and also infrastructure and asset characteristics and management priorities. Specifically, the tendency for service level harmonisation to result in an across the board increase in service levels to match the highest standard offered by the pre-amalgamation entities, thus exhausting any savings that may result from the merger. This emerged as a consistent theme in the case studies of 2004 local government amalgamations, examined by Jeff Tate Consulting Pty Ltd (2013, pp. 23-32).

Wollongong City Council, since its Financial Sustainability Program, has actively supported regional and precinct focussed infrastructure provision and coordination with relevant stakeholders. Significant effort has been directed by Council towards establishment of clear strategies and plans, in conjunction with the community, for service provision into the future. A merger may allow this approach to occur on a larger scale. For example, West Lake Illawarra has been identified as a major regional release area within the Illawarra Shoalhaven Regional Plan. It includes the currently zoned and under construction development projects across West Dapto, Calderwood, and Tallawarra. In total, more than 27,000 new dwellings together with employment lands, local retail centres and community and recreational uses are planned for this regional land release. The proposed merger would present opportunities to improve the coordination and delivery of local infrastructure and services to support the growing communities.

However, any merger would require the renegotiation of service levels in conjunction with the new community, and likely require trade-offs or adjustments in levels of services previously agreed to with the residents and ratepayers of this Council.

**Overall, Council recognises that a merger would present a new council with the opportunity to both plan for and rationalise assets on a larger regional scale, which has the potential to deliver benefits to the broader community. However, a merger would require significant effort to align levels of service and infrastructure provision across the newly formed LGA.**

## **6 Employment Impacts for Staff**

Council sees the potential implications for existing staff and the role Council plays as a major employer in the region as one of the key issues for careful consideration by the State in its determination of the proposal.

The Merger Proposal canvassed the impact of the merger on the employment of Wollongong City Council staff only to the extent that it identified the potential to achieve savings through a streamlining of senior management roles, and the redeployment of back office and administrative functions to frontline service positions. No evidence has been provided in the Merger Proposal to suggest how this would be achieved, however it would appear to be supported by a study of non-metropolitan NSW Councils affected by the 2004 amalgamations, which indicated there was an overall increase of 11.7% in total staff numbers post amalgamation, between the period of 2004 and 2011 (Jeff Tate Consulting, 2013, p. 17). The paper identified that typically savings are redirected to providing new or improved services, so whilst some duplicated roles will be lost, other new positions will be created. This is consistent with the previous observation that harmonisation often leads to increases in service levels, and corresponding increases in frontline staff.

Further, the Merger Proposal does not acknowledge the importance of Council's role as one of the largest employers in the region, and the longer term impacts of a merger in terms of redundancies in a community that is already facing a significant shift in its economic climate, particularly with respect to coal mining and steelworks. The region has higher than state average levels of unemployment – 6.8% and 7.1% in Wollongong and Shellharbour respectively (REMPPLAN, September 2015), demonstrating limited capacity for the broader employment market to absorb any job losses that may arise as a result of an amalgamation. The structural adjustment that flows from a merger is likely to see the number of jobs within particular categories of employment reduce, while others will increase.

The Merger Proposal is silent on the differences in the industrial instruments that govern employee benefits and conditions across the two Councils – Wollongong City Council utilises an Enterprise Agreement, whereas Shellharbour City Council operates under the Local Government Award. Council's Enterprise Agreement reflects the history of our industrial relations pathway, yet remains contemporary and reflective of Wollongong City Council's commitment to its people through ongoing professional development, and policy that supports workforce and gender diversity.

**Overall, Council recognises that despite the employment protection provisions of the Local Government Act for non-senior staff, a merger has the potential to deliver significant changes to our existing workforce, and industrial relations environment.**

## **7 Rural Community Impacts**

The existing Wollongong LGA does not have significant areas that would be considered rural communities.

**Overall, the implications of a merger for our rural communities is not considered to be wide reaching, and therefore has not been subject to detailed analysis.**

## 8 Elected Representation

In addressing the impact of the proposed merger on local representation, the Merger Proposal suggests that while there will be an increase in the ratio of residents to elected councillors, the ratio is likely to be similar to those *currently* experienced in other *regional* NSW councils. However the only example cited in the Merger Proposal is that of Blacktown City Council, which is classified as Metropolitan by the Office of Local Government. An appropriate comparison would be against other Regional Town/City classified councils such as Lake Macquarie City Council and Newcastle City Council, who currently have residents to elected member ratios of 1:15,446 and 1:12,196 respectively (Office of Local Government, 2015).

Based on the numbers used in the Merger Proposal, the only existing local government with a larger ratio would be Blacktown City Council. The new council as proposed would have a higher ratio than the likes of City of Sydney and Liverpool City Council. It would have a significantly higher ratio than the proposed Newcastle/Port Stephens merger, but be relatively similar to a merged Gosford/Wyong council.

**Table 5: Elected Representation per Capita – Selected NSW LGAs**

	Residents per Councillor
<b>Currently</b>	
Wollongong	15,787
Shellharbour	9,685
<b>Merged</b>	
Wollongong / Shellharbour*	21,197*
Newcastle / Port Stephens **	17,673 **
Gosford / Wyong ***	22,067***
<b>Existing LGAs</b>	
Blacktown	21,679
Liverpool	17,760
Lake Macquarie	15,446

Source: NSW Office of Local Government, *Your Council, 2013-14*

\*NSW Government Shellharbour City and Wollongong City Council Merger Proposal

\*\*NSW Government Newcastle City and Port Stephens Council Merger Proposal

\*\*\* NSW Government Gosford City and Wyong Shire Council Merger Proposal

The Merger Proposal concludes that Councillors will continue to represent local community interests, but is silent on the impacts of reducing representation by one third, or on elected representatives with respect to time commitments, and adequate discharge of their responsibilities as councillors. Supplementary to this, Council is aware the issue of remuneration of Mayors and Councillors is to be reviewed as part of the overarching Local Government Reform package and would strongly suggest any review take into consideration the impacts of an increasing Residents-to-Councillor ratio, and the resulting demands on elected representatives.

The Merger Proposal is silent on the existing differences for election of the Lord Mayor, who is popularly elected at Wollongong, compared to Shellharbour where the Mayor is Councillor elected. Historically, Shellharbour City Council has had a popularly elected Mayor, however this practice was abolished by the State Government in 2011. The Independent Panel recommended direct election of mayors by voters as the

preferred model. In the event that the merger proceeds, it is Council's strong preference that the Lord Mayor be popularly elected by the electors, in accordance with s228 and s282 of the Act.

The Merger Proposal seeks feedback on the number of representatives as per ward structure. In the event that a merger proceeds, it is Council's strong preference that a Ward system be applied to the new LGA, in accordance with s210-211 of the Act. Council recommends the resulting LGA be divided into **[to be inserted once resolved by Council]** Wards of **[to be inserted once resolved by Council]** number of Councillors each.

The Merger Proposal suggests the new council will be in a position to use its larger scale and capacity to advocate more effectively for the needs of the Shellharbour and Wollongong communities, and have improved strategic capacity to partner with the NSW and Australian governments, including on major infrastructure initiatives, community services, and regional planning and development. Wollongong City Council is already the third largest LGA by population in NSW (Office of Local Government, 2015), and has a well established reputation for being a capable partner with State and Federal agencies, as demonstrated by the recently released Illawarra Shoalhaven Regional Plan.

There are anticipated implications for the Illawarra Pilot Joint Organisation as a result of the Merger Proposal. The Pilot has received positive feedback so far from the State Government, and its success is not yet fully realised, given it is still operating in the pilot period.

Local government elections are currently scheduled for September 2016, however the State has indicated elections may be delayed until March 2017. Given the constructive and cohesive performance of the current Council, and a long period of Administration directly prior to the current term, it is recommended that the response to the Merger Proposal include Council's strong desire to retain current elected representation across the entire amalgamation process. This is supported by Council's recent community poll seeking opinion on the merger proposal. The most significant trend emerging from the survey was the degree of importance placed on *local elected representation* on council. 75% of respondents stated that local elected representation was important to them.

Since being elected to Council in 2011, this Council has worked hard to achieve higher levels of satisfaction and trust within the community. This is evidenced through Council's Community Survey where the majority of residents agree Council is an organisation they can trust, and over 90% of Wollongong City Council's residents are satisfied with Council's overall performance (IRIS Research, 2014, p. 5). The 2014 results set a new record, and were achieved on the back of successive improved performance satisfaction ratings in biennial surveys.

**Overall, the Merger Proposal may result in diluted elected representation for the Wollongong community on a Residents-per-Councillor basis. However, if the merger is to proceed, Council strongly recommends that the Lord Mayor of the new council is to be popularly elected by the electors from the first election post-amalgamation. Further, Council recommends the resulting Local Government Area is to be divided into [to be inserted once resolved by Council] wards of [to be inserted once resolved by Council] number of councillors each. Finally, it is strongly recommended the current elected representation be maintained across the entire amalgamation process.**

## 9 Ward Structure

The Merger Proposal is silent with respect to wards, except to the extent that community views on the desirability of wards for a new council will be sought through the consultation process.

Section 210 of the Local Government Act 1993 stipulates the provisions around ward boundaries. There are no restrictions on the number of wards, however consideration will need to be given to accord with restrictions on elected representation. Section 224 of the Local Government Act 1993 identified that a Council must have at least 5 and not more than 15 councillors inclusive of the mayor.

The Wollongong City Council has a strong history of Ward structure, as shown in table 6:

**Table 6: Historical ward structure of Wollongong City Council 1980 - Present**

Period	Structure
1980 – 1987	5 Wards of 3 Alderman.
June 1987	Minister abolished Wards.
1987 – 1991	No Wards. 15 Alderman.
February 1989	Poll of Electors conducted on reintroduction of Wards. Results: YES 68,531 NO 22,220 INFORMAL 6,074
1991 – 1995	5 Wards of 3 Alderman.
1995 – 2008	6 Wards of 2 Councillors.
2008 – 2011	Administration
2011 –	3 Wards of 4 Councillors.

In the event that a merger proceeds, it is Council's strong preference that a Ward system be applied to the new LGA, in accordance with s210-211 of the Act. Council recommends the resulting LGA be divided into **[to be inserted once resolved by Council]** Wards of **[to be inserted once resolved by Council]** number of Councillors each.

Council is aware that as part of the Local Government Act Review, the OLG is considering changes to section 224 of the Act, so that councils must have an odd number of councillors and mayor.

**If the merger is to proceed, Council strongly recommends that the Lord Mayor of the new council is to be popularly elected by the electors from the first election post-amalgamation. Further, Council recommends the resulting Local Government Area is to be divided into [to be inserted once resolved by Council] wards of [to be inserted once resolved by Council] number of councillors each.**

## 10 Opinions of Diverse Communities

The Merger Proposal states that the Delegate will ensure that the opinions of each of the diverse communities of the resulting area are effectively represented through the consultation process. Council reiterates its concerns regarding the extent of informed community engagement on the proposal, since the State Government has put forward a process that relies only on written submissions and the public inquiry as tools for obtaining the views of the community with limited time to gain it.

The Wollongong local government area is made up of a series of diverse communities. The Merger Proposal indicates a merged council would result in an increase in the ratio of residents per councillor from 15,787:1 to 21,197:1, yet concludes that Councillors will continue to represent local community interests. The Merger Proposal is silent on the potential impacts of reducing such representation by one third, particularly with respect to diverse communities and ensuring their opinions are effectively represented.

**Overall, the Merger Proposal has not demonstrated how the opinions of diverse communities will be adequately represented to either the Delegate, or represented by elected representatives of a merged council.**

## **11 Other Factors**

### **11.1 Regional Promotion and Growth**

The Merger Proposal did not clearly address opportunities for improved regional promotion and growth, with increased economic development prospects through a more diverse economic and business profile. Regional attractions and increased diversity of tourism infrastructure would be an advantageous asset for a new council. There is the potential to realise reduced costs in regional marketing and administration, and increased collaboration for destination marketing, and less competition for tourism attractors across the two separate LGAs. A merged council would have enhanced scale and competitive advantage for events, tourism, and business attraction.

### **11.2 Natural Resource Management**

The Merger Proposal was largely silent on the existing management frameworks for key environmental priorities spanning the Wollongong and Shellharbour LGAs, and what advantages merger may present with respect to ease of coordinated management. Specifically, these localised environmental priorities include coastal management, management of Lake Illawarra, and management of the Illawarra Escarpment.

Wollongong City Council has been proactive in this space with initiatives such as the Coastal Zone Study, Dune Management Strategy, development of a Coastal Zone Management Plan; development of the Illawarra Escarpment Strategic Management Plan and associated formation of an Escarpment Planning Reference Group; and the establishment of a Lake Illawarra Estuary Management Committee, which is made up of elected officials from both Wollongong City Council and Shellharbour City Council, state government agency representatives, independent scientific advisors as well as community and aboriginal representatives.

### **11.3 Proposed Council Names**

If the merger were to proceed, the new entity would require a name. In that event, it is Council's strong preference the new entity be called **[to be inserted once resolved by Council]**.

The reasons for supporting this name are **[to be inserted once resolved by Council]**.

### **11.4 Lord Mayor of Wollongong City Council**

On 10 April 1970, Lord Mayoralty was granted by Queen Elizabeth II for the City of Wollongong, with letters patent received in 1974 (see attached). The granting of the title of Lord Mayor is of significant value to Council, and recognises the importance of Wollongong as a major city of New South Wales. Only four councils in New South Wales have the honour of Lord Mayor status, being City of Sydney, Parramatta City, Newcastle City, and Wollongong City.



In the event a merger was to proceed, Council strongly recommends the Proclamation includes a continuation of the Lord Mayor title.

**In summary, Council has identified other potential advantages which may be realised in the areas of regional promotion and growth, and natural resource management, as a result of a merger, which were not reflected in the Merger Proposal. If the merger were to proceed, Council's preferred name of the new entity is [to be inserted once resolved by Council]. Further, in the event of an amalgamation, the Council strongly urges the Governor to include a continuation of the title of Lord Mayor in the Proclamation.**

## CONCLUSION

In summary, against each of the relevant criteria, the views of Wollongong City Council are as follows:

### *Financial considerations*

Overall, while the KPMG assumptions and resulting savings estimates do not withstand rigorous scrutiny at a detailed level, it would appear that there is the potential for financial benefits to be achieved over the longer term as a result of a merger. However, the potential extent of any financial advantages across the region will not be evident unless the two parties subject of the Merger Proposal were in a position to work together to analyse current structures and operations; and to propose and cost options for a future viable organisational and its transition arrangements. This avenue is currently not available under the forced amalgamation proposal.

Based on a comparison of the available information, there is numerous similarities with respect to the financial positions of both Wollongong City Council and Shellharbour City Council, that present neither significant advantages nor disadvantages with respect to a merger.

There is insufficient information available on the State's proposed policy position of freezing approved rates paths for a period of 4 years, to understand fully the implications for the council of the day's rating structure.

Finally, Merger Proposal does not demonstrate how a merged council would deliver material benefits to the community through its reshaped regulatory functions that, on balance, outweigh the costs of a merger.

### *Community of Interest and Geographic Cohesion*

Whilst there are some differences in the diversity of communities between Wollongong and Shellharbour, on the whole, there are significant and highly valued communities of interest across the two local government areas.

### *Historical and Traditional Values*

The values of the region are underpinned by strong shared history and tradition. The identification of what's important to residents in the future also demonstrates strong similarities.

### *Attitudes of Residents and Ratepayers*

The results of the representative community survey undertaken by IRIS Research on behalf of Council in late January, shows no overwhelming trend in support or opposition to the amalgamation proposal, or the importance or perceived impact of it. What is important to our community is having local elected representation on council. It is strongly recommended the current elected representation be maintained across the entire amalgamation process, should this proceed.

### *Service Delivery and Facilities/Infrastructure*

Overall, Council recognises that a merger would present a new council with the opportunity to both plan for and rationalise assets on a larger regional scale, which has the potential to deliver benefits to the broader community. However, a merger would require significant effort to align levels of service and infrastructure provision across the newly formed LGA.

### *Employment Impacts for Staff*

Council recognises that despite the employment protection provisions of the Local Government Act for non-senior staff, a merger has the potential to deliver significant changes to our existing workforce, and industrial relations environment.

### *Rural Community Impacts*

Overall, the implications of a merger for our rural communities is not considered to be wide reaching, and therefore has not been subject to detailed analysis.

### *Elected Representation*

The Merger Proposal may result in diluted elected representation for the Wollongong community on a Residents-per-Councillor basis. However, if the merger is to proceed, Council strongly recommends that the Lord Mayor of the new council is to be popularly elected by the electors from the first election post-amalgamation. Further, Council recommends the resulting Local Government Area is to be divided into **[to be inserted once resolved by Council]** wards of **[to be inserted once resolved by Council]** number of councillors each.

### *Ward Structure*

Council recommends the resulting Local Government Area is to be divided into **[to be inserted once resolved by Council]** wards of **[to be inserted once resolved by Council]** number of councillors each.

### *Opinions of Diverse Communities*

The Merger Proposal has not demonstrated how the opinions of diverse communities will be adequately represented to either the Delegate, or represented by elected representatives of a merged council.

### *Other Matters*

Council has identified other potential advantages which may be realised specifically in the areas of regional promotion and growth, and natural resource management, as a result of a merger, which were not reflected in the Merger Proposal.

In the event the merger proceeds, Council has a strong preference for the new LGA to be named **[to be inserted once resolved by Council]**.

Further, should an amalgamation proceed, Council strongly recommends that the Governor's Proclamation include a provision for the continuation of the title of Lord Mayor.

### *Overall*

Council is concerned that the proposed merger between Wollongong and Shellharbour was a late inclusion in the four year process of local government reform and believes the local communities have had insufficient time to fully assess its implications.

Council is proud of being declared 'Fit for the Future' as this has followed several years of rigorous examination of our finances and significant engagement with our community to strengthen the City's capacity.

Council has supported the proposed Joint Organisation (JO) model for local government and invested significant effort into building the pilot Illawarra JO. Council believes that many of the efficiencies suggested for the proposed amalgamation could be realised by co-operation within a JO structure.

Council recognises that the factors for merger consideration, under S263(3) of the Act, can lead to either a supportive or oppositional case for the merger, however, in totality they do not show a major benefit to the residents of Wollongong.

Council affirms that regardless of the outcomes of the merger proposal, it is committed to being supportive of making the existing or any new Council a success, and looks forward to help shaping its future.

## REFERENCES

Hill PDA. (2004). *Wollongong Retail Centre Study*. Sydney NSW: Author.

IRIS Research. (2012). *Shellharbour City Council Community Survey 2012*. Wollongong NSW: Author.

IRIS Research. (2014). *Wollongong City Council Community Survey 2014*. Wollongong NSW: Author.

Jeff Tate Consulting Pty Ltd. (2013). Report: Assessing processes and outcomes of the 2004 Local Government boundary changes in NSW. McLaren Vale SA: Author.

KPMG. (2016). Outline of Financial Assumptions for Local Government Merger Proposals. Australia: Author.

NSW Government. (2016). Merger Proposal: Shellharbour City Council Wollongong City Council. Sydney NSW: Author.

NSW Department of Planning & Environment. (2015). *Illawarra Shoalhaven Regional Plan*. Sydney NSW: Author.

NSW Independent Local Government Review Panel. (2013). *Revitalising Local Government*. NSW: Author.

NSW Office of Local Government. (2015). *Time Series Data 2011/12 - 2013/14*. Retrieved 19 January 2016 from NSW Office of Local Government website:  
<https://www.olg.nsw.gov.au/sites/default/files/Time%20Series%20Data.xlsx>

Wollongong City Council. (2012). *Resource Strategy 2012 – 2022*. Wollongong NSW: Author.

13. 4. 7. SA.

4D

# CITY OF GREATER WOLLONGONG

RECORDS

SUBJECT CERTIFICATE SIGNED BY ELIZABETH THE SECOND -

No.

m/170/L

DECLARATION AND ORDINATION OF LORD MAYOR OF THE  
CITY OF WOLLONGONG - 28/8/74

*Elizabeth*



ELIZABETH THE SECOND, by the Grace of God Queen of Australia and Her Other Realms and Territories, Head of the Commonwealth:

TO ALL to whom these Presents shall come,

*GREETING:*

WHEREAS WE are desirous of bestowing a mark of Our Royal favour on the City of Wollongong in Our State of New South Wales:

KNOW YOU that Our will and pleasure is, and We do hereby declare and ordain, that from and after the date of these Presents the Mayor now and for the time being henceforth of the City of Wollongong in Our State of New South Wales shall be styled, entitled and called LORD MAYOR OF THE CITY OF WOLLONGONG:

AND WE DO hereby authorize and empower the Mayor of the said City of Wollongong now and for the time being henceforth at all times to assume and use, and to be called and named by, the style, title and appellation of Lord Mayor of the City of Wollongong and to enjoy and use all and singular the rights, privileges, pre-eminences and advantages to the degree of a Lord Mayor in all things duly and of right belonging.

IN WITNESS whereof We have caused these Our Letters to be made Patent.

Given under the Great Seal of  
Australia at Our Court at *Balmoral*  
on *28th* August , 1974.

By Her Majesty's Command,

*David Bowen*  
Special Minister of State.

ENTERED ON RECORD by me, in Register of Patents No. 9 , Page 34  
on 19 September , 1974

*John*  
Secretary to the Executive Council

<b>Circular Details</b>	Circular No 16-01 / 8 January 2016 / A456067
<b>Previous Circular</b>	
<b>Who should read this</b>	Councillors / General Managers / All council staff
<b>Contact</b>	Office of Local Government Relationship Manager
<b>Action required</b>	Information

## New Local Government Act Development Consultation

### What's new or changing

- Consultation has commenced on the first phase of amendments to the *Local Government Act 1993*.

### What this will mean for your council

- Details of proposed phase 1 amendments are available through the Fit for the Future website at [www.fitforthefuture.nsw.gov.au](http://www.fitforthefuture.nsw.gov.au), which also provides the opportunity to submit comments online.
- The Office invites feedback from councils and their communities on the proposed amendments via this online facility.

### Key points

- Consultation on phase 1 amendments to the *Local Government Act 1993* has commenced. The proposed amendments will:
  - clarify roles and responsibilities of councillors, mayors, administrators and general managers;
  - introduce new guiding principles for local government;
  - improve governance of councils and professional development for councillors;
  - expand on the framework for strategic business planning and reporting;
  - prioritise community engagement and financial accountability; and
  - streamline council administrative processes, including in relation to delegations and community grants.
- While the fundamentals of the *Local Government Act 1993* remain sound, both the Independent Local Government Review Panel and Local Government Acts Taskforce recommended changes to modernise the legislation and to ensure 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. Phase 2 will focus on the way in which councils raise revenue and exercise their regulatory functions.

- In the initial consultation stage, details of the phase 1 amendments to the *Local Government Act 1993* will be available at the Fit for the Future website at [www.fitforthefuture.nsw.gov.au](http://www.fitforthefuture.nsw.gov.au) with an opportunity to provide online feedback on those proposals.
- Consultation on phase 1 amendments to the *Local Government Act 1993* will close on 15 March 2016.

**Where to go for further information**

- For more information, contact your Office of Local Government Relationship Manager.

A handwritten signature in blue ink, appearing to read 'Tim Hurst', is positioned above the printed name.

**Tim Hurst**  
**Acting Chief Executive**  
**Office of Local Government**





## Towards New Local Government Legislation Explanatory Paper: proposed Phase 1 amendments



## ACCESS TO SERVICES

The Office of Local Government is located at:

Levels 1 & 2  
5 O’Keefe Avenue  
NOWRA NSW 2541

Locked Bag 3015  
NOWRA NSW 2541

Phone 02 4428 4100  
Fax 02 4428 4199  
TTY 02 4428 4209

Level 9, 6 – 10 O’Connell Street  
SYDNEY NSW 2000

PO Box R1772  
ROYAL EXCHANGE NSW 1225

Phone 02 9289 4000  
Fax 02 9289 4099

Email [olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au)  
Website [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au)

## OFFICE HOURS

Monday to Friday  
8.30am to 5.00pm  
(Special arrangements may be made if these hours are unsuitable)  
All offices are wheelchair accessible.

## ALTERNATIVE MEDIA PUBLICATIONS

Special arrangements can be made for our publications to be provided in large print or an alternative media format. If you need this service, please contact our Executive Branch on 02 9289 4000.

## DISCLAIMER

While every effort has been made to ensure the accuracy of the information in this publication, the Office of Local Government expressly disclaims any liability to any person in respect of anything done or not done as a result of the contents of the publication or the data provided.

© NSW Office of Local Government 2015

Produced by the Office of Local Government

# Table of Contents

<b>Foreword .....</b>	<b>1</b>
<b>Overview .....</b>	<b>2</b>
We are seeking your feedback .....	2
How to give your feedback .....	2
<b>1. Guiding principles for the Act and local government .....</b>	<b>3</b>
1.1 Purposes of the Local Government Act .....	3
1.2 Role of local government .....	3
1.3 The guiding principles of local government .....	4
<b>2. Structural framework of local government .....</b>	<b>5</b>
2.1 The role of the governing body .....	5
2.2 The number of councillors .....	6
2.3 Rural Councils .....	6
<b>3. The governing body of councils .....</b>	<b>7</b>
3.1 The role of the mayor .....	7
3.2 The mayor's term of office .....	8
3.3 The role of councillors .....	9
3.4 Councillors' term of office .....	9
3.5 Oath or affirmation of office .....	9
3.6 Councillors' expenses and facilities .....	10
3.7 Mayor/councillor professional development .....	10
3.8 Role and functions of administrators .....	11
3.9 Financial controllers .....	11
3.10 Meetings .....	12
3.11 Delegation of functions .....	13
<b>4. Elections .....</b>	<b>14</b>
4.1 Extension of the option of universal postal voting to all councils .....	14
<b>5. Council's workforce .....</b>	<b>15</b>
5.1 Determination of the organisation structure .....	15
5.2 The role of general managers .....	16
5.3 The requirement to report annually to the council on senior staff contractual conditions .....	17
<b>6. Ethical standards .....</b>	<b>18</b>
6.1 Consolidation of the prescription of ethical standards .....	18
6.2 Investigation of pecuniary interest breaches .....	19
<b>7. Councils' strategic framework .....</b>	<b>20</b>
7.1 Integrated planning and reporting principles .....	20
7.2 Streamlining the existing integrated planning and reporting provisions .....	21
7.3 Council's integrated planning and reporting to reflect regional priorities .....	21
7.4 Expanded scope of delivery programs .....	21
7.5 Fiscal sustainability .....	22
7.6 Expanded scope of councils' community engagement strategies .....	22

**8. Council performance ..... 23**

    8.1 Annual reports..... 23

    8.2 State of the environment reports..... 23

    8.3 Performance measurement ..... 24

    8.4 Internal audit..... 25

    8.5 Sector-wide performance audits by the Auditor-General..... 26

    8.6 Financial management..... 27

    8.7 Financial reporting..... 28

    8.8 External audit ..... 28

## 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.

A handwritten signature in black ink that reads "Paul Toole".

**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](http://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](http://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, 438I, 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.

# **Objects and Management Objectives of the Proposed Coastal Management Act and the Coastal Management Areas**

## **Objects of the Proposed Coastal Management Act**

The objects of this Act are to manage the coastal environment of New South Wales consistent with the principles of ecologically sustainable development for the social, cultural and economic well-being of the people of the State, and in particular:

- a) To protect and enhance natural coastal processes and coastal environmental values including natural character, scenic value, biological diversity and ecosystem integrity and resilience, and
- b) to support the social and cultural values of the coast and maintain public access, amenity and use, and
- c) to acknowledge Aboriginal peoples' spiritual, social, customary and economic use of the coastal zone, and
- d) to recognise the coast as a vital economic zone and support sustainable coastal economics, and
- e) to facilitate appropriate coastal development and land use planning and decision-making, and
- f) to mitigate current and future risks from coastal hazards, taking into account the effects of climate change, and
- g) to recognise that the local and regional scale effects of coastal processes, and the inherently ambulatory and dynamic nature of the shoreline, may result in the loss of coastal land to the sea (including estuaries and other arms of the sea), and to manage coastal use and development accordingly, and
- h) to promote integrated and co-ordinated coastal planning, management and reporting, and
- i) to encourage and promote plans and strategies to improve the resilience of coastal assets to the impacts of an uncertain climate future including impacts of extreme storm events, and
- j) to ensure coordination of the policies and activities of government and public authorities relating to the coastal region and to facilitate the proper integration of their management activities, and
- k) to support public participation in coastal management and planning and greater public awareness, education and understanding of coastal processes and management actions, and
- l) to support the objects of the Marine Estate Management Act 2014.

## **Four Proposed Coastal Management Areas within the Coastal Zone and their Management Objectives**

### **Coastal Wetlands and Littoral Rainforests**

Coastal wetlands and littoral rainforests mapped under the new Coastal Management SEPP.

Management Objectives:

- a) to protect coastal wetlands and littoral rainforests in their natural state, including their biological diversity and ecosystem integrity,
- b) to promote the rehabilitation and restoration of degraded coastal wetlands and littoral rainforests,
- c) to improve the resilience of coastal wetlands and littoral rainforests to the impacts of climate change, including opportunities for migration,
- d) to support the social and cultural values of coastal wetlands and littoral rainforests,



- e) to promote the objectives of State policies and programs for wetlands or littoral rainforest management.

### **Coastal Vulnerability Area**

Land mapped in the Coastal Management SEPP as being subject to coastal hazards.

Management Objectives:

- a) to ensure public safety and prevent risks to human life,
- b) to mitigate current and future risk from coastal hazards by taking into account the effect of coastal processes and climate change,
- c) to maintain the presence of beaches and foreshores,
- d) to maintain public access, amenity and use of beaches and foreshores,
- e) to encourage land use that reduces exposure to risks from coastal hazards, including through siting, design, construction and operation decisions,
- f) to adopt coastal management strategies that reduce exposure to coastal hazards,
  - i) in the first instance and wherever possible, by restoring or enhancing natural defences including coastal dunes, vegetation and wetlands, and
  - ii) if that is not sufficient, by taking other action to reduce exposure to those coastal hazards,
- g) if taking that other action to reduce exposure to coastal hazards:
  - i) to avoid significant degradation of or disruption to biological diversity and ecosystem integrity, and
  - ii) to avoid significant degradation of or disruption to ecological, biophysical, geological and geomorphological coastal processes, and
  - iii) to avoid significant degradation of or disruption to beach and coastal foreshore amenity and social and cultural values, and
  - iv) to avoid adverse impacts on adjoining land, resources or assets, and
  - v) to provide for the restoration of the beach, or land adjacent to the beach, if any increased erosion of the beach or adjacent land is caused by actions to reduce exposure to coastal hazards,
- h) to prioritise actions that support the continued functionality of essential infrastructure during and immediately after a coastal hazard emergency,
- i) to improve the resilience of coastal development and communities by improving adaptive capacity and reducing the reliance on emergency responses.

### **Coastal Environment Area**

Land mapped in the Coastal Management SEPP, being land containing coastal features such as the coastal waters of the State, estuaries, coastal lakes, coastal lagoons and land adjoining those features, including headlands and rock platforms.

Management Objectives

- a) to protect and enhance the coastal environmental values and natural processes of coastal waters, estuaries, coastal lakes and coastal lagoons, and enhance natural character, scenic value, biological diversity and ecosystem integrity,
- b) to reduce threats to and improve the resilience of coastal waters, estuaries, coastal lakes and lagoons, including in response to climate change,
- c) to maintain and improve water quality and estuary health,
- d) to support the social and cultural values of coastal waters, estuaries, coastal lakes and coastal lagoons,
- e) to maintain the presence of beaches and foreshores,

- f) to maintain public access, amenity and use of beaches, foreshores, headlands and rock platforms.

### **Coastal Use Area**

Land mapped in the Coastal Management SEOO, being land adjacent to coastal waters, estuaries, coastal lakes and lagoons where development is or may be carried out (at present or in the future).

#### **Management Objectives**

- a) to protect and enhance the scenic, social and cultural values of the coast by ensuring that:
  - i) the type, bulk, scale and size of development is appropriate for the location and natural scenic quality of the coast, and
  - ii) adverse impacts of development on cultural and built environment heritage are avoided or mitigated, and
  - iii) urban design, including water sensitive urban design, is supported and incorporated into development activities, and
  - iv) adequate open public space is provided, including for recreational activities and associated infrastructure,
- b) to accommodate both urbanised and natural stretches of coastline.

# NSW Coastal Management Manual – Part A

## Mandatory Requirements and Essential Elements for Coastal Management Programs

Mandatory requirements are relevant sections from the draft CM Bill. Essential elements are intended to provide further information on how the mandatory requirements can be met.

Mandatory Requirements	Essential Elements
<p><b>Section 13</b>  <b>Where and when is a CMP to be prepared?</b></p> <ul style="list-style-type: none"> <li>Each local council that is wholly or partly in the coastal zone may prepare a coastal management program.</li> <li>A local council must prepare a coastal management program if directed to by the Minister.</li> <li>A coastal management program may be made in relation to the whole, or any part of the area included within the coastal zone.</li> </ul>	<p><b><i>What are the general requirements for preparing a CMP?</i></b></p> <ol style="list-style-type: none"> <li>A CMP should be developed and delivered by local councils in the coastal zone. It should be a partnership between councils, state agencies, community groups and individuals. It should address a broad range of coastal management issues that are relevant to the whole community.</li> </ol> <p><b><i>What area should a CMP cover?</i></b></p> <ol style="list-style-type: none"> <li>Local councils must determine and map the area that their CMP will cover. This may include any combination of the four coastal management areas.</li> <li>Local councils that decide to prepare a CMP must determine whether it is being prepared:               <ol style="list-style-type: none"> <li>for all or part of the coastal zone of one local council area.</li> <li>For all or part of the coastal zone adjoining local council areas located within a coastal sediment compartment. Where adjoining local council areas are located within a single sediment compartment, their CMPs must reflect this regional context, and</li> <li>To include areas adjoining the coastal zone that are integrally connected to the management of that zone, and are contiguous.</li> </ol> </li> </ol>
<p><b>Section 14</b>  <b>How is a CMP to be prepared?</b></p> <ul style="list-style-type: none"> <li>A CMP must be prepared in accordance with the coastal management manual, unless the Minister directed otherwise.</li> <li>Council must consider and promote the objects of the Act, give effect to the management objectives for the coastal management areas, and consider the state and regional policies prescribed by the regulations.</li> </ul>	<p><b><i>How is a CMP prepared in accordance with the manual?</i></b></p> <ol style="list-style-type: none"> <li>A CMP is to be prepared using the staged process set out in the manual, noting that all stages do not need to be completed if they are not relevant.</li> <li>All councils commencing the preparation or review of a CMP must complete Stage 1 of the process. At the conclusion of the scoping study, councils should take the opportunity to seek advice from OEH and the Coastal Council on which subsequent stages are applicable.</li> <li>Councils should take the opportunity to seek advice from OEH and the Coastal</li> </ol>

	<p>Council at the conclusion of key stages of the CMP process.</p> <p>7. Councils should submit a draft CMP that is consistent with the requirements of the manual to OEH. After exhibition of the draft CMP, councils should provide a copy of the final draft of the CMP to OEH for review before it is submitted to the Minister for certification. The Minister may refer the CMP to the Coastal Council for advice before the Minister considers certification.</p> <p><b><i>What objectives should a CMP aim to achieve?</i></b></p> <p>8. Councils should identify priority objectives for their coastal management areas. When identifying objectives for a CMP that includes one or more coastal management areas, councils must be consistent with the objectives of the coastal management areas as required by the draft CM Bill and CM SEPP. The objectives must align with the objectives identified by the local community in developing the Community Strategic Plan.</p>
<p><b>Section 15</b> <b>Matters to be dealt with in a CMP</b></p> <ul style="list-style-type: none"> <li>• A CMP must identify the coastal management issues and opportunities affecting the areas to which the program is to apply.</li> <li>• A CMP must identify the actions required to address those issues in an integrated and strategic manner.</li> <li>• A CMP must identify how and when those actions are to be implemented and allocation of responsibility. This includes actions by local councils under the LG Act 1993 and the EPA Act 1979 and the actions of public authorities.</li> <li>• A CMP must identify the cost of those actions and proposed cost-sharing arrangements and other viable funding mechanisms for those actions.</li> </ul> <p>Matters to be dealt with in a CMP for coastal vulnerability areas</p> <ul style="list-style-type: none"> <li>• A CMP must: <ul style="list-style-type: none"> <li>a) Identify existing and potential risks to development and human life associated with coastal hazards, and</li> <li>b) Include actions for avoiding, managing or reducing risks from coastal hazards.</li> </ul> </li> <li>• If a coastal vulnerability area is affected by beach erosion, a coastal erosion emergency action sub-plan must be prepared.</li> <li>• The coastal erosion emergency action</li> </ul>	<p><b><i>Which management issues should be considered?</i></b></p> <p>9. Councils should identify the priority management issues and opportunities affecting the coastal zone where the program is to apply. These may relate to:</p> <ul style="list-style-type: none"> <li>a) Coastal processes and environmental values</li> <li>b) Social and cultural values</li> <li>c) Aboriginal values</li> <li>d) Coastal economies</li> <li>e) Coastal development and landuse planning</li> <li>f) Current and future risk from coastal hazards and climate change</li> <li>g) The ambulatory nature of the shoreline</li> <li>h) Integration and coordination of planning and management</li> <li>i) Resilience of coastal assets</li> <li>j) Public participation, and</li> <li>k) Marine estate</li> </ul> <p><b><i>What outcomes are required from a CMP process?</i></b></p> <p>10. The CMP should be developed after the preparation of:</p> <ul style="list-style-type: none"> <li>a) A Coastal Strategy statement</li> <li>b) Specific trigger points or indicators of when a strategic approach will no longer be viable.</li> </ul>

<p>sub-plan must outline the roles and responsibilities of all public authorities (including the council) in response to emergencies immediately preceding or during periods of beach erosion, including the carrying out of works for the protection of private property affected or likely to be affected by beach erosion.</p> <ul style="list-style-type: none"> <li>The local council must consult with any other council within the same coastal sediment compartment.</li> </ul>	<ul style="list-style-type: none"> <li>c) Identification of coastal management actions that are consistent with the Strategy statement and require coordination with adjoining councils or are the responsibility of public authorities.</li> <li>d) A business plan to demonstrate viable funding of proposed actions.</li> </ul> <p>A CMP should include:</p> <ul style="list-style-type: none"> <li>e) A summary statement of the overall CMP strategy that demonstrates how the CMP provides an integrated and sustainable program of coastal management in line with the objectives of the draft CM Bill, and any regional objectives and the objectives of council.</li> <li>f) Coastal management actions to be implemented by council through IPR and landuse planning processes which are consistent with the Strategy statement and are the responsibility of council, in addition to the actions to be implemented by adjoining councils (where relevant) and public authorities.</li> <li>g) A brief summary of the business plan outlining the key components of the funding strategy for the proposed actions</li> <li>h) Where the CMP is being prepared for a coastal vulnerability area, a coastal erosion emergency action sub-plan, and</li> <li>i) A map (or maps) showing linked actions for each relevant coastal management area along the coast. These maps should include adjoining local council areas where cross boundary management needs to be consistent or fully aligned to address issues such as regional scale sediment compartment processes, or where an estuary or wetland and its catchment straddles a council boundary.</li> </ul> <p>Supporting documentation for a CMP will include:</p> <ul style="list-style-type: none"> <li>j) A detailed Coastal Strategy Statement which provides the context and objectives and establishes council's strategic direction for the coast</li> <li>k) A detailed business plan for implementation of the CMP, and</li> <li>l) A listing of all detailed reports relied on in the preparation of the CMP, and a statement as to how to publically access any of the listed documents.</li> </ul>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p><b><i>What actions should be identified?</i></b></p> <p>11. Councils should identify management actions which reduce risks and contribute to achieving the proposed strategic direction for each coastal management unit. Proposed management responses should reduce consequences or reduce the likelihood of a hazard or threat affecting a vulnerable asset (natural, social or economic).</p> <p>These responses should:</p> <ul style="list-style-type: none"> <li>a) Reflect the vulnerability and opportunities in the coastal management program area</li> <li>b) Reduce risks affecting coastal ecosystems and biodiversity and identify opportunities to improve the health of coastal ecosystems.</li> <li>c) Identify opportunities to improve coastal use, access and amenity, and coastal dependent economic activity, and</li> <li>d) Be identified in consultation with stakeholders.</li> </ul> <p><b><i>What is required in a business plan for a CMP?</i></b></p> <p>12. Councils must develop a business plan that demonstrates viable funding mechanisms for proposed coastal management actions that are consistent with their IPR resourcing strategy. In the business plan:</p> <ul style="list-style-type: none"> <li>a) Councils should identify and consider the full capital, operational and maintenance costs of potential coastal management actions</li> <li>b) Councils should identify the distribution of costs and benefits of potential management actions. The distribution analysis should consider council, agency, directly affected coastal community stakeholders (such as landholders in coastal hazard areas), indirectly affected coastal community stakeholders and the environment, and</li> <li>c) The costs of coastal management actions should be apportioned among beneficiaries, taking into account capacity to pay.</li> </ul> <p><b><i>What are the requirements for preparing a CMP for a coastal vulnerability area?</i></b></p> <p>13. If a CMP is prepared to address a coastal vulnerability area, that program should include all parts of the coastal zone that are:</p> <ul style="list-style-type: none"> <li>a) Vulnerable to existing or potential hazards (including extreme events), or</li> <li>b) Likely to be affected by coastal hazards over a defined planning</li> </ul>
--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>horizon.</p> <p>This could include the waters, beaches, dunes and headlands of the open coast, the waters, shorelines and riparian areas of coastal lakes and the shorelines, and the waters, banks, riparian areas and floodplains of estuaries, as far upstream as the tidal limit.</p> <p>14. The CMP should be developed to consider potential very large, low probability events and long term changes, at timeframes up to, and if appropriate, beyond 100 years. Different levels of hazard and risk assessment detail are appropriate for long-term (less certain) and near-term hazards and risks.</p> <p>15. The area covered by the CMP should allow for uncertainty about the impacts of future coastal hazards and potential threats to biodiversity and socio-economic assets and their condition.</p> <p><b><i>What are the requirements for taking coastal change into account?</i></b></p> <p>16. The planning horizons should consider potential coastal change, including:</p> <ol style="list-style-type: none"> <li>Climate change, including relative sea level rise</li> <li>Population growth, and</li> <li>Projected use of coastal land for infrastructure, housing, commercial, recreational and conservation purposes.</li> </ol> <p>17. A CMP may also include opportunities to enhance biodiversity (within coastal wetlands and littoral rainforest areas and coastal environment areas) and social and economic assets and conditions in the coastal zone including enhanced public access and enjoyment of the coastal amenity. The area covered by the CMP should include appropriate buffer areas to allow for uncertainty and change over time.</p>
<p><b>Section 16</b></p> <p><b>Consultation requirements</b></p> <ul style="list-style-type: none"> <li>· Before adopting a CMP, a local council must consult on the draft program with: <ol style="list-style-type: none"> <li>The community, and</li> <li>Other public authorities if the CMP proposes actions or activities to be carried out by the public authority, or related to, affects or impacts land or assets owned or managed by the public authority. This could include other councils.</li> </ol> </li> </ul>	<p><b><i>How are stakeholders involved in the consultation?</i></b></p> <p>18. As a minimum, a stakeholder engagement strategy should be prepared and implemented by the council, and should identify relevant stakeholder groups within the community and include adjoining councils and public authorities, where applicable, and outline methods that will be used to engage each group.</p> <p>19. Prior to exhibition, a local council should provide a copy of its draft CMP to OEH for a review of consistency with the draft CM Bill and the manual.</p>

	<p>20. A draft CMP must be exhibited for a period of not less than 28 calendar days. Councils must collate submissions made during the exhibition and identify and justify proposed changes to the draft CMP. A final draft CMP must be prepared.</p>
<p><b>Section 17</b> <b>Certification, adoption, and gazettal of a CMP</b></p> <ul style="list-style-type: none"> <li>• A local council may, after the Minister has certified that a draft coastal management program has been prepared in accordance with the coastal management manual, adopt the coastal management program and publish it in the Gazette.</li> <li>• A CMP takes effect on the date on which it is published in the Gazette or, if a later date is specified in the plan for its commencement, on the later date so specified.</li> </ul>	<p><b>How is a CMP certified?</b></p> <p>21. The final draft CMP may be provided to the Minister.</p> <p><b>22.</b> The Minister may certify or refuse to certify a CMP. The Minister may seek advice from the NSW Coastal Council.</p> <p><b>How is a certified CMP implemented?</b></p> <p>23. Councils may adopt a certified CMP and, if so, they need to notify the making of the CMP in the Gazette.</p> <p>24. Local council actions in adopted CMPs are to be implemented through local councils IPR framework under the LG Act 1993 and through the planning system established in the EPA Act 1979.</p>
<p><b>Section 18</b> <b>Review, amendment and replacement of a CMP</b></p> <ul style="list-style-type: none"> <li>• A local council must review its CMP at least once every 10 years.</li> <li>• A CMP may, at any time, be amended (in whole or in part) or replaced by another coastal management program.</li> <li>• Following a review, a local council may, by notice published in the Gazette, repeal a CMP.</li> </ul>	<p><b>How and when is a CMP reviewed?</b></p> <p>25. The review and reporting on the implementation of a CMP should be aligned with the review and reporting requirements of the IPR framework.</p> <p>26. The CMP and the Delivery Program of the IPR framework should include measures of the outputs and outcomes of delivery of coastal management responses.</p> <p>Councils should report:</p> <ol style="list-style-type: none"> <li>Annually on the implementation of coastal management actions (as required for operational plans in IPR)</li> <li>At four yearly intervals on what has been achieved from management of the coast (as input to updates on the Community Strategic Plan and Delivery Program), and</li> <li>At intervals of not more than 10 years on the performance of the CMP&gt;</li> </ol> <p>27. The strategic review of the CMP should be conducted at least every 10 years and should include an evaluation of the effectiveness of the CMP in achieving its objectives.</p>
<p><b>Section 19</b> <b>Inspection of a CMP</b></p> <ul style="list-style-type: none"> <li>• A copy of the CMP must be available for inspection by the public without charge at the office of the local council during ordinary office hours.</li> <li>• A copy of the coastal management program must be available for public inspection on the website of the local</li> </ul>	<p><b>How and where should a CMP be made available for public inspection?</b></p> <p>28. An adopted CMP must be available to the public, in hard copy at a council office and on the web within 7 days of its publication in the Gazette.</p>



<p>council within 7 days of its publication in the Gazette.</p>	
<p><b>Sections 22 and 23</b>  <b>Implementation of a CMP</b></p> <ul style="list-style-type: none"> <li>• A council is to give effect to its CMP through the IPR framework and landuse planning system.</li> <li>• When exercising their functions, public authorities are to have regard to a CMP, the coastal management manual and the object of the draft CM Bill.</li> </ul>	<p>29. A council should have regard to the objects of the draft CM Bill when implementing its CMP.</p> <p>A CMP should be implemented through, but not limited to:</p> <ul style="list-style-type: none"> <li>a) The preparation, development, review and content of their Community Strategic Plan, Resourcing Strategy, Delivery Program, Operational Plan and reporting delivered through the IPR framework, and</li> <li>b) The preparation and implementation of landuse strategies, the LEP, Development Control Plans and other landuse planning mechanisms and decisions.</li> </ul> <p>30. Public authorities are to have regards to a CMP, the coastal management manual and the draft CM Bill to the extent that they are relevant to the functions, plans of management and activities of the authority.</p>

# NSW Coastal Reform Framework

## Submission from Wollongong City Council

### Introduction

Wollongong City Council welcomes the opportunity to provide a submission on the NSW Coastal Reform documents released for public consultation in November 2015. This council has expended considerable resources in recent years in preparing a draft Coastal Zone Management Plan (CZMP), which Council did not carry through to finalisation because the State Government had announced a major reform of the framework guiding the preparation of these plans. Since then, Council has been awaiting the outcome of the reforms to decide on a way forward for its draft CZMP.

Council recognises that the reform process is yet to be completed, and other components of the proposed framework will be released at a later stage. Nevertheless, the information exhibited so far demonstrates the direction in which the new policy framework is headed. Council generally supports the NSW Government intention to make the State's coastal management legislative and policy framework simpler, more strategic and supportive for councils. However, there are a number of areas of concern to Council, including the continuing delay with providing guidance that is crucial for Council to make a decision on the future of the draft Wollongong CZMP.

This submission consists of two parts. Part A provides general comments on the overall legislative and policy framework, and Part B has comments relating more specifically to the components of the framework that have been exhibited.

### Part A: General Comments

#### Timeframe for Consultation

Council is concerned with the timing and timeframe for consultation. A large number of documents have been released for consultation, and while their release in early November 2015 and the submission closing date set at 29 February 2016 might suggest adequate time has been allowed for feedback, this has not been the case. With the Christmas break, and the need to meet internal council approval processes for this submission, the time available for critical review has been very limited for the volume of material released. In addition, some important parts of the proposed Coastal Management Manual were released only a day or two before Christmas, putting further pressure on Council. **Council requests that releases of further components of the framework allow timeframes for consultation that are reasonable for the volume of material exhibited.**

#### Contents of the Release

Council notes that the reform process is not complete, and further material will be released at later stages. However, some parts of the policy framework are considered essential at this stage for Council to conduct a thorough review of the implications of the proposed framework for Council activities. The maps of the four proposed Coastal Management Areas are very important to determine whether the proposed legislative and policy framework can be applied effectively for those

areas. The consultation process would have been more effective if it had included the proposed mapping. Technical advice about sea level rise and how to incorporate it into coastal management activities was also promised as one of the main deliverables under the reform process, but this is still not available. This advice is essential for Council to determine the viability of work it has already completed in this area, and what its next steps should be. **Council recommends that maps of the four proposed Coastal Management Areas and technical advice about sea level rise and hazard mapping take priority in subsequent stages of the release process.**

## **Policy Direction on Climate Change**

The reforms show that the policy direction of the NSW Government, to not give specific direction relating to sea level rise projections to be used for planning for climate change on the coast, will continue. Only general technical advice on this matter is promised, but Council is yet to see what form this will take. Councils will generally be left with the flexibility to choose their own projections but use a risk management approach in accordance with other specific guidance provided under the reform process. The lack of stewardship by the State on this matter can result in varying approaches being adopted from council to council, and risk fragmentation of what the State's coastline will look like in the future. This potential outcome will be at odds with the objects of the proposed new Coastal Management Act, which aspire for consistent, coordinated and sustainable management of the coastline across the State. **Council requests that the NSW Government reconsider its policy direction in relation to providing guidance on planning for climate change for the coast.**

## **Coastal Management Areas and their Mapping**

The State Government is proposing to provide maps of the coastal management areas in the first instance and allow councils to modify those maps through detailed studies and planning proposals. The information that will be used to generate these initial maps is currently not clear, so Council is unable to determine whether the maps will be adequate for its purposes and what additional work it will need to undertake to have the maps modified. Planning proposals and other studies and information that might be required to have the maps modified can place great resource demands on councils, when they are already facing significant financial pressures in meeting their other functions. **Council requests that a rigorous and widely-consulted process be used by the State to map the coastal management areas in the first place.** There are additional major issues relating to the mapping of the proposed Coastal Vulnerability Areas, which are presented in this part of the submission, because of the significance placed on this area in the reform process. There are other specific issues relating to mapping of these areas which are presented in Part B.

## **The Coastal Vulnerability Area Maps**

The fact that councils would have to seek map modifications through detailed studies and a planning process, and have the Minister approve any changes suggest that the initial maps provided by the State Government will be robust and generally adequate to apply the policy framework in its entirety. However, this does not appear to be the case for the Coastal Vulnerability Area, identifying areas subject to coastal hazards. Reference to the more detailed information included in the proposed Coastal Management Manual shows that the vulnerability mapping will be a first-pass assessment and will not cover all hazards required to be considered under the proposed legislation (NSW Coastal Management Manual, Part B, Stage 1 – Consultation Draft, page 11). There is reference, for example, to no mapping for slope and cliff instability areas, a hazard that is of particular significance to this council. Furthermore, there is little indication of how future vulnerabilities will be mapped and how climate change and sea level rise will be accounted for. Councils will be required to refine the mapping provided with more detailed studies and assessment; therefore, imposing the requirement for councils to use a detailed planning process methodology to have the maps changed seems unreasonable. **Council recommends that the State Government take on the responsibility for**

**undertaking all the detailed studies and assessment required to map the land affected by all coastal hazards for the current and future timeframes in a rigorous manner in the first place.**

## **Implications for Section 149 Planning Certificates**

Council has placed coastal hazard notations on its Section 149 Planning certificates on the basis of its own coastal hazard studies and in accordance with the NSW planning circular on this matter. The implications of potentially new and different Coastal Vulnerability Areas being identified through the reform process, which may not be as robust as council's own records, on Section 149 notifications need to be clarified. The Frequently Asked Questions supporting the consultation process suggests that the notations will have to align with the State maps, as they are at the time of issuing a Section 149 certificate (response to FAQ 21). If the vulnerability areas mapped by the State initially are not as robust or comprehensive as what already exists with councils, would councils still have to change their existing notations to align them with the State mapping? **Council requests that the implications of the mapping of the Coastal Management Areas, and in particular the Coastal Vulnerability Area, as intended through the reform process, on Section 149 notations be considered and communicated to councils.**

## **Part B: Specific Comments**

### **Draft Coastal Management Bill**

The draft Coastal Management Bill sets the overall framework for the proposed new directions, with further detail developed within the other framework documents referenced by the Bill – the proposed new Coastal Management State Environment Planning Policy (SEPP) and the Coastal Management Manual. Comments on the draft Bill are provided below and relate mostly to matters for clarification or concerns relating to new legislative requirements likely to be imposed on councils as a result of the new Act.

#### **Part 1 Preliminary**

##### **Section 3 Objects of this Act**

Council notes the importance given in these objects to climate change considerations, and the need for integrated and co-ordinated development of the coastal zone across the State. This is supported, but, as already stated, the policy position of the State in relation to providing guidance to councils on planning for climate change may not achieve the integrated and co-ordinated development sought by the State. No firm recommendations on the sea level rise values to be used for planning purposes are to be provided by the State, with only technical advice on this matter being promised. With councils having flexibility on how this issue is dealt with, there is a risk of fragmentation rather than co-ordination and integration of development across the State.

##### **Section 4 Definitions**

Beach fluctuation zone – fully eroded condition needs further clarification in terms of how this condition is to be determined. Where back dunes are present, for example, would the definition of the fully eroded condition assume the erosion of the entire dunes as well?

## Part 2 Coastal Zone and management objectives for coastal management areas

### Section 7 (1)

The Coastal Vulnerability Area is referenced as “*the land identified by a State environmental planning policy to be the coastal vulnerability area for the purposes of this Act, being land subject to coastal hazards*”. This area should include land that is subject to, as well potentially subject to, coastal hazards both now and into the future. The definition should be updated to reflect this requirement.

### Section 7 (2) (g)

There is reference in the various sub-sections to the need “*to avoid significant degradation of*”. How is “significant degradation” to be established and where will the guidance on carrying out tests of significance for these matters be provided?

### Section 10 (3)

Hierarchy of management objectives if overlapping is considered to appropriately reflect the objects of the proposed Coastal Management Act and in part provide the basis for achieving the aims and objectives of the proposed Coastal Management SEPP. This is supported.

## Part 3 Coastal Management Programs and coastal management manual

### Section 15 (1) (a), (b) and (c)

Clarification is required on whether all the issues affecting the area to which a Coastal Management Program is to apply are to be identified and addressed in the program, or whether there is flexibility to focus on certain priority issues. Supporting guidance in the coastal management manual is inconsistent on this matter, suggesting selected issues may be addressed in some parts of the manual, and all issues in other parts. Further commentary on this is provided under the section on the Coastal Management Manual.

### Section 15 (1) (d)

Under this clause, councils would need to identify the cost of all the actions included in a Coastal Management Program, and their proposed cost-sharing arrangements and other viable funding mechanisms. However, councils may not be able to do this for actions that are not proposed for the immediate term, given their budgetary uncertainties for the longer term. **Council recommends that the costings information required in Coastal Management Programs be limited to actions that are proposed to take place in the immediate term, say up to 3 years, after certification of a Coastal Management Program.**

### Section 15 (1) (e)

This clause states that a Coastal Erosion Emergency Action Subplan (CEEASP) is required if a Coastal Vulnerability Area is included in a Coastal Management Program and beach erosion is occurring on that land. Given that beach erosion can occur on any beach from time to time, clarification is required on what “*beach erosion is occurring on that land*” is intended to mean. The coastal management manual suggests that the mere presence of a Coastal Vulnerability Area in the area covered by a Coastal Management Program warrants a CEEASP (NSW Coastal Management Manual, Part A – Consultation Draft, Essential Element 10 (h), p 10).

### Section 15 (3)

In relation to the responsibilities of Council under a CEEASP, the protection of all property, including private property, in erosion emergency situations, appears to be required. Although private property

is not specifically mentioned in this section, other parts of the policy framework have this requirement (NSW Coastal Management Manual, Part A – Consultation Draft, p 8). Currently, councils are not required to do this, and this change will put further pressure on council resources, and potentially expose them to liability for negligence. **Council recommends that the responsibility for protection of private property in an emergency situation remain with the landowners, and the provisions for this to be included in the CEEASP prepared for that area.**

#### Section 17 (2)

This clause, which states that the Minister **may** certify, or refuse to certify, that the submitted draft Coastal Management Program has been prepared in accordance with the requirements of the Act and the coastal management manual, suggests that the Minister has discretion to certify even if the draft CMP has been prepared in accordance with requirements. The question arising for Council is under what other circumstances would the Minister refuse to certify these programs? Also if certification is refused, what recourse is there for councils to address matters that have resulted in CMP being considered unfit for certification? These matters need to be clarified.

#### Section 21 (3) (c)

Although technical advice on sea level rise has been promised to councils since the coastal reform process was announced, there is no specific reference to this advice in this clause. Given the importance of this advice being made available to councils, and its significance in planning for the coast under an uncertain climate future, this advice should be also be referenced in this clause, to ensure the Coastal Management Manual makes provision for it.

### Part 4 NSW Coastal Council

#### Section 26 (5)

Under this clause, the audit report of councils' implementation of their CMPs is to be provided to the Minister, and there is no reference to whether councils would be provided a copy. Councils should be entitled to this, and this clause should be updated to reflect this provision.

### Part 5 Miscellaneous

#### Section 27

This clause has just two controls for granting of development consents for coastal protection works - the need to ensure continued public access to the beach or headland, and public safety. There could be other controls that would need to be considered, for example, the need to ensure no off-site impacts as required under the development controls applying to Coastal Vulnerability Areas under the proposed Coastal Management SEPP. If there is an inconsistency between this clause and the proposed SEPP, then it should be resolved.

### Schedule 1 Local Government Areas and coastal sediment compartments

This schedule needs supporting maps that show the spatial extent of the sediment compartments, as the information currently supplied does not make clear when consultation with a neighbouring council would be required. In the Wollongong context, for example, three sediment compartments apply – Illawarra Coast (North), Wollongong, and Illawarra Coast (South), and only knowledge of the spatial extent of these compartments would inform when consultation with a neighbouring council is required.

### Schedule 2 Constitution and procedure of the NSW Coastal Council

Council has no comments on this schedule.

## Schedule 3 Savings, transitional and other provisions

### Section 6

This section states that Coastal Zone Management Plans prepared under the Coastal Protection Act (1979) and submitted to the Minister for certification by the repeal date of that Act can be considered by the Minister under the former Act for up to 6 months after the repeal date. No provision is made for plans that have been substantially completed but are not able to be submitted by the repeal date. Currently, there is no direction from the State Government for councils who might find themselves in this situation, i.e. councils just starting on preparing these plans, such as Wollongong Council which has received a coastal management grant to prepare a Coastal Zone Management Plan for Lake Illawarra. Council needs clear direction from the State Government on this matter. **Council recommends that the transitional arrangements be extended to provide certainty in process for all projects funded under the State Estuary and Coastal Management Programs.**

## Schedule 4 Amendment of Acts and Instruments

### Section 4.4 [9]

The proposed changes to Section 733 (4) of the Local Government Act (1993) in relation to demonstration of good faith for providing advice, doing or omitting to do things related to coastal hazards need further consideration in light of the provisions for the proposed Coastal Management Manual. The concern relates to the change from “*substantially in accordance with the principles contained in the relevant manual*” to “*in accordance with the principles and mandatory requirements set out in the **current** coastal management manual*”. Given that the proposed new Coastal Management Manual can be updated from time to time, how is the requirement for compliance with the **current** manual to be demonstrated if the manual is updated after the preparation of a Coastal Management Program? **Council recommends that the change be “in accordance with the principles and mandatory requirements set out in the coastal management manual current at the time of preparing the Coastal Management Program”.**

## Explanation of Intended Effect – Coastal Management SEPP

The integration of several coastal management related SEPPs into a single SEPP is supported. However, the proposed Coastal Management SEPP should define the four Coastal Management Areas in more detail than that provided under the proposed Coastal Management Act, so that the basis informing the mapping of these areas is clear. Where the definition and mapping of Coastal Wetlands and Littoral Rainforests under existing provisions is concerned, for example, there are several recognised issues, which will need to be considered for the proposed Coastal Management SEPP. Some of these are described below, in addition to the responses to the 13 questions posed for councils, and other issues which need to be considered.

### Definition of Coastal Wetlands and Littoral Rainforests

Although supported by technical studies for the purpose of mapping, coastal wetlands and littoral rainforests in their respective existing SEPPs are not clearly defined. Part 2 Section 6 (1) of the draft Coastal Management Bill 2015 defines coastal wetlands and littoral rainforests as:

- ‘the land identified by a State environmental planning policy’; and
- ‘being land which displays the hydrological and floristic characteristics of coastal wetlands or littoral rainforests and land adjoining those features.’



Coastal Wetlands and Littoral Rainforests are thus defined in the context of key broad physiographic and biological features that characterise and limit the occurrence of these, whilst acknowledging the limits of occurrence may not be clearly distinct with the key physiographic and biological features extending or reliant on adjoining areas through structural and functional connectivity. In view of the broad definitions of Coastal Wetlands and Littoral Rainforests in the proposed Coastal Management Act, they should be defined in more detail in the proposed Coastal Management SEPP. Importantly, definitions that provide more detail of the 'hydrological and floristic characteristics of Coastal Wetlands or Littoral Rainforests and land adjoining those features' would provide the 'enhanced' outcomes supported by Council and sought by the State in the proposed Coastal Management SEPP.

To provide consistency with existing State policy and other legislated definitions (e.g. *Threatened Species Conservation Act* 1995 Final Determinations), the Coastal Management SEPP should:

- At a minimum define Coastal Wetlands consistent with the *NSW Wetlands Policy* (DECCW, 2010) as ecological communities occurring in, adjoining and connected to estuarine lakes, lagoons, waterways and groundwater systems extending inland and characterised by their position in the landscape, floristic assemblages and habitat values including coastal floodplain forests and woodlands, mangrove, saltmarsh and freshwater swamps.
- Adopt a simplified version of the NSW Scientific Committee (2004) Final Determination for Littoral Rainforests. For example "Littoral rainforest is generally a closed forest, the structure and composition of which is strongly influenced by proximity to the ocean. Littoral rainforest occurs on both sand dunes and on soils derived from underlying rocks. Most stands occur within 2 km of the sea, but may occasionally be found further inland, but within reach of maritime influence. The plant species in this ecological community are predominantly rainforest species with evergreen mesic or coriaceous leaves. Stands may be regrowth or in the process of regenerating."

### **Mapping of Coastal Wetlands and Littoral Rainforests**

Rogers and Saintilan (2002) and Winning (1992) highlight the issues in classifying and delineating the SEPP 14 coastal wetlands in the initial surveys and assessment by Adam *et al* (1985) and subsequent amendments. In relying on this mapping to inform the mapping under the proposed new SEPP, these issues need to be taken into account. Mapping of coastal wetlands for the NSW Wetlands Policy (DECWW 2010) also needs to be considered. In this policy, mapping of coastal wetlands by Kingsford *et al* (2004) is reproduced, noting that, although coastal wetlands less than one hectare were not mapped, they are covered by the policy. This policy states that coastal wetlands include:

- Estuarine lakes and lagoons.
- Coastal floodplain forests.
- Mangroves.
- Saltmarsh swamps.

Limitations of the existing SEPP 26 mapping are also well known and evident in the brief review of the Metadata Statement accompanying the mapping (date of mapping, technology, etc.). Importantly, the original dataset as is proposed to be used is 20 years out of date. Further to this, Clause 1 of the NSW Scientific Committee (2004) Littoral rainforest Final Determination states the 'mapping for SEPP 26 is not exhaustive and stands of the Littoral Rainforest ecological community occur at locations not mapped under SEPP 26.' More recent and contemporary mapping of littoral rainforest in NSW is available and should be used to achieve the enhanced outcomes sought through the general aim of the proposed Coastal Management SEPP.

To avoid a legacy of the limitations from the current SEPP 14 and SEPP 26 mapping, the initial Coastal Management SEPP mapping of the Coastal Wetlands and Littoral Rainforests Area should be



based on the most recent vegetation mapping data. For the Illawarra region, a vegetation mapping project is understood to be in preparation by OEH that inculcates, updates and standardises several regional and local vegetation mapping projects. These include vegetation mapping that has informed regional and local environmental planning instruments and, for the Wollongong Local Government Area, are used in assessment and decision making for planning proposals and development applications. The Illawarra Vegetation 2016 mapping product that is being prepared is also understood to include map polygons with attributes that adopt the hierarchy of mapping units standardised in the NSW Vegetation Information System Classification 2.1 (VIS) from Formations through to Plant Community Types and highlighting corresponding threatened ecological communities.

Whilst the majority of the map unit polygons will not have been ground-truthed, this vegetation mapping will be the most contemporary available in terms of the technical methodologies, reliability and standardised scheme. **Council recommends the Illawarra Vegetation 2016 mapping product (in preparation) be used to inform the mapping of the Coastal Wetlands and Littoral Rainforests Area in this area to provide consistency at a regional scale across several Local Government Areas.**

In transposing the definitions of the Coastal Management Bill 2015, more detailed definitions of Coastal Wetlands and Littoral Rainforests could be included as Schedules of the CM SEPP and updated to reflect changes over time to respond to evolution of state wide vegetation mapping standards and nomenclature such as the NSW VIS. In this instance adopting the hierarchy of the VIS would include a table in the Schedules similar to the example below. If not to the level of detail of Plant Community Type then the minimum level of classification should be to 'Vegetation Class'.

Vegetation Formation	Vegetation Class	Plant Community Type (Common name)
Forested wetlands	Coastal swamp forest	Swamp Mahogany swamp sclerophyll forest on coastal lowlands of the Sydney Basin Bioregion and South East Corner Bioregion
Forested wetlands	Coastal swamp forest	Swamp Mahogany swamp forest on coastal lowlands of the NSW North Coast Bioregion and northern Sydney Basin Bioregion

### Council Responses to the Questions Posed

**Q1.** *Should Councils be able to propose changes to the maps for all or some of the coastal management areas?*

Yes, councils should have input on and be able to build on all mapped coastal management areas. However, as already indicated, the initial mapping for each coastal management area must use the most recent, contemporary and if available, standardised published mapping scheme available.

For coastal wetlands and littoral rainforest, as noted, Council is aware that that a native vegetation map, amalgamating and updating several earlier vegetation mapping projects in the Illawarra, is in preparation by OEH and scheduled for release in 2016. As both the coastal reforms and the cited vegetation mapping project are State government initiatives, it is submitted that this data, either draft or final, should form the baseline for draft mapping of coastal wetlands and littoral rainforests to be placed on exhibition. There would be a clear efficiency in placing this data on exhibition concurrently as the stand alone data set and the component used as the baseline for coastal wetlands and littoral rainforests. This efficiency would also extend to reduce the likelihood of Council having to 'undertake further detailed research and analysis to develop proposals to update maps for particular areas' and expend further resources to initiate and progress a planning proposal to refine and amend the Coastal Management SEPP maps. The same applies to other Coastal Management Areas.

**Q2.** *Should development controls be included in the proposed coastal management SEPP or as a mandatory clause in the LEPs?*

Council is not convinced the proposed Coastal Management SEPP is the best location for the development controls. Given there are development controls relating to other matters in the LEP, this may be a better place for their inclusion, and this will provide a clear hierarchy to the level of legislation they sit at. There is another SEPP – SEPP (Exempt and Complying Development Codes) 2008 – that also deals with development controls. Therefore, if the proposed development controls for the four Coastal Management Areas end up being included in the Coastal Management SEPP, they could be split to have generic ones (like those that applied through SEPP 71 to the 1km line) there and more specific sensitive area controls applying to specific management areas, such as Management Areas 1 and 2 in an LEP.

Regardless of where the development controls end up situated, Clause 3.3 of the Standard Instrument – Principal Local Environment Plan, relating to where exempt and complying development is excluded, should be amended to include Coastal Management Areas (at a minimum, Coastal Management Areas 1 and 2). This is to ensure that they are considered as part of an “*environmentally sensitive area*” and protected accordingly from exempt and complying development.

Council is apprehensive of seeing the repealing of Clause 5.5 of the LEP. How will the new SEPP ensure that things like the cumulative impact of proposed development on the coastal catchment are considered, if it's no longer included in the LEP through Clause 5.5? These impacts could potentially be from areas outside those in the proposed coastal management areas, such as groundwater recharge areas for coastal wetlands, upstream ends of riparian networks and flow catchments, given that the extent of coverage of the coastal zone is as yet unknown. More consultation is needed around proposed changes to the standard instrument LEP Clause 5.5 before implementation. Changes to this will have great effect from Council's perspective. Until how much the LEP Clause 5.5 will change is known, the gaps between protection levels, for example, through zoning and appropriate uses and those prompted through the proposed Coastal Management SEPP cannot be identified.

The extent to which integrated management of the coastal zone has been explored within the four coastal management areas and their relationships to surrounding areas is not clear in the information delivered so far.

**Q3.** *Do the proposed development controls for mapped coastal wetlands and littoral rainforests remain appropriate for that land?*

The proposed SEPP does not seem to work to simplify its dealings with SEPP (Exempt and Complying Development Codes) on account of “avoiding risk of over or under-regulating development”. The proposed development controls relating to land affected by the coastal management areas define what is considered appropriate rather than the other way around. The SEPP is relying on the accuracy of the land use zones implemented in the LEP in incorporating the environmental land details, rather than helping define the areas and regulating the use of them. Overall the controls are similar to the existing situation. However, there could be more alignment with land that is identified as littoral rainforests and coastal wetlands, as this would make it easier to implement the development controls proposed for these areas. It seems that it may in affect, align anyway with the inclusion of the statement “*if the proposed SEPP is silent on the matter development consent is still required.*” – but then again this is on the proviso that the LEP is up to date and accurately capturing coastal wetlands, littoral rainforests and their buffers.

**Q4.** Do you support the inclusion of a new 100m perimeter area around the mapped wetlands including the application of additional development controls?

Inclusion of the 100m perimeter area is supported and would see increased consistency with how this sensitive area is considered. This is particularly important with the repeal of SEPP 14 and 26 as this will also impact the definition of what is considered an “Environmentally Sensitive Area”. This buffer area is currently considered “non-compliant” for complying development on the basis that it is included as an “Environmentally Sensitive Area” defined (below) in the Exempt and Complying Codes SEPP.

Environmentally sensitive area means any of the following:

- (a) the coastal waters of the State,
- (b) a coastal lake,
- (c) land to which State Environmental Planning Policy No 14—Coastal Wetlands or State Environmental Planning Policy No 26—Littoral Rainforests applies,**
- (d) land reserved as an aquatic reserve under the Fisheries Management Act 1994 or as a marine park under the Marine Parks Act 1997,
- (e) land within a wetland of international significance declared under the Ramsar Convention on Wetlands or within a World heritage area declared under the World Heritage Convention,
- (f) land within 100m of land to which paragraph (c), (d) or (e) applies,**
- (g) land identified in this or any other environmental planning instrument as being of high Aboriginal cultural significance or high biodiversity significance,
- (h) land reserved under the National Parks and Wildlife Act 1974 or land to which Part 11 of that Act applies,
- (i) land reserved or dedicated under the Crown Lands Act 1989 for the preservation of flora, fauna, geological formations or for other environmental protection purposes,
- (j) land identified as being critical habitat under the Threatened Species Conservation Act 1995 or Part 7A of the Fisheries Management Act 1994.

The proposed 100 meter buffer is likely to be a reasonable ‘standard’ to acknowledge that the biophysical and ecological processes of coastal wetlands and littoral rainforests extend beyond these areas. However, in some instances, these will extend even beyond the proposed 100 metres and across administrative boundaries. Examples of this are estuaries where biological and ecological process and characteristics extend further than maximum tidal extents and local or regional aquifers and groundwater systems that extend beyond coastal wetlands.

Consideration should be given to the proposed Coastal Management SEPP capturing transitional areas beyond a primary 100 metre buffer where there is either a clear biological, ecological, physical or geographic connection to coastal wetlands and littoral rainforests. It is acknowledged that detailed information at this level is likely to be mainly determined by local studies, however there is potential to either:

- Include a secondary ‘detailed local studies’ buffer of a further 100 metres for key landscape features such as riparian zones, biodiversity corridors mapped in an existing Environment Planning Instrument, aquifers and groundwater systems. In many instances, the secondary buffer would likely correspond to areas mapped as part of the proposed Coastal Environment Area.

- Provide local planning authorities the opportunity to extend the proposed 100 metre buffer to capture additional areas, based on local studies, and amend the CM SEPP through a planning proposal.

**Q5. Are the proposed development controls for mapped coastal vulnerability areas appropriate for that land?**

The proposed SEPP defines this area as land exposed to current or future coastal hazards, and the proposed Coastal Management Act defines these coastal hazards as any of the following:

Beach erosion

Shoreline recession

Coastal lake or watercourse entrance instability

Coastal inundation

Coastal cliff or slope instability

Tidal inundation

Erosion of foreshores caused by tidal waters and the action of waves, including the interaction of those waters with catchment floodwaters

While each of these hazards can present different requirements for development assessment, the development controls proposed in the new Coastal Management SEPP appear to be directed mostly to the hazard relating to beach erosion and shoreline recession. The development controls should be updated to account for the risks potentially arising from all of the above hazards.

Attention must also be given to the question whether the proposed development controls are to be applied in a coastal vulnerability area on a case by case basis, or whether a precinct based assessment needs to be considered, and a consistent determination be made for a development category (for example, dwellings) for that area.

The assessment required for application of the proposed development controls is also likely to present a challenge to councils. Because of the dynamic nature of the coastline, the need to determine whether an impact is likely to or not likely to occur will be difficult. Guidance on this is to be provided in the Coastal Management Manual, but the form it will take is currently unclear. There should be clear guidelines related to the assessment of these development controls in the manual.

**Q6. Are the proposed development controls for coastal environment areas appropriate for that land?**

If the proposed controls are to include statements like “not likely to cause **adverse impacts**”, then adverse impacts need some sort of definition or regulation. A definition around what constitutes an adverse impact has been an issue brought before the federal court. Reference is made to cases such as those against the Queensland Environment Minister regarding application of the Environmental Protection and Biodiversity Conservation Act (1999) in the Nathan Dam Case (2004). This case prompted further policy work to define (in a convoluted manner) ‘impact’ in the EPBC Act 1999, Section 527E.

Also, if coastal lakes are being considered as part of Coastal Environment Areas, then the controls could be improved to include considering climate change and impacts such as *sea level rise* and *eutrophication*, as coastal lakes may experience more exacerbated impacts around these factors (see, for example, research by the International Panel of Climate Change 2014, Working Group II Assessment Report, Chapter 5). It appears that the only Coastal Management Area considering 'future' scenarios is the Coastal Vulnerability Area. Another development control that should be included for this area is that the development does not reduce public access, amenity and use of beaches, foreshores, headlands and rock platforms, as recreational amenity is one of the significant community values associated with this area.

***Q7. Is the inclusion of the catchments of the 15 sensitive lakes (listed in Schedule 1) within the coastal environment area appropriate?***

Yes. Although none of the listed waterbodies occur in the Wollongong Local Government Area, it is noted that coastal lakes and lagoons requiring 'comprehensive protection' are derived from the 2002 Healthy Rivers Commission Independent Public Inquiry into Coastal Lakes. The proposed Coastal Management SEPP needs to define what 'comprehensive protection' is and how it will be achieved. The definition should be based on the 'Intended Outcomes' and 'Indicative Actions' from the HRC (2002) final report.

In referencing coastal lakes and lagoons requiring 'comprehensive protection' in the HRC (2002) report, it is unclear why the proposed Coastal Management SEPP should not acknowledge the coastal waterways identified for the additional categories of "Significant Protection", "Healthy Modified Conditions" and "Targeted Repair".

In addition to being listed in the HRC (2002) "Targeted Repair" category, it is noted that Lake Illawarra is included in the Directory of Important Wetlands in Australia on the basis of the following criteria for determining nationally important wetlands:

- It is a good example of a wetland type occurring within a biogeographic region in Australia.
- It is a wetland which is important as the habitat for animal taxa at a vulnerable stage in their life cycles, or provides a refuge when adverse conditions such as drought prevail.
- The wetland supports native plant or animal taxa or communities which are considered endangered or vulnerable at the national level.

Further consideration could be given to the catchments of coastal wetlands, such as Lake Illawarra, that have been recognised as nationally important.

***Q8. Which is the best option for mapping the coastal use area?***

Of the three options, Council is of the opinion the third would be the better option. This is on the basis that the controls can be implemented with no change to how the 1km SEPP 71 is implemented now but with the flexibility of being able to reduce this area to 500 metres. This might be appropriate in some areas and not to others so the flexibility for Council to explore changes to this boundary of between 500m to 1km is necessary.

***Q9. Should councils be able to propose variations to the Coastal Use area maps over time to take into account local characteristics and circumstances?***

Yes. Like with all four management areas, councils should have input. However, Council needs to see and review the areas mapped to consider the implications of this SEPP on our LGA overall. Council should have input prior to its implementation to prevent having to go through the planning proposal process immediately once the SEPP is introduced, although using an LEP amendment process to amend a SEPP seems like a strange approach and disregards the legislative hierarchy to an extent.

***Q10. Are the proposed development controls for mapped coastal use areas appropriate for that land?***

As mentioned earlier, whether the impacts from the proposed development controls are appropriate is yet to be seen with no supporting maps being available, as is the case with the other Coastal Management Areas. The controls themselves are all appropriate but they should also include some water sensitive urban design or waste water controls, as this is important to development in whole of catchment areas along the coast.

***Q11. Should the current exempt development and complying development provisions be retained for coastal management areas?***

Exempt and complying development may only be done in Coastal Management Areas 3 and 4 – the least vulnerable coastal areas for new developments. Although, as long as the coastal areas are zoned appropriately – as E2 or E3 for example, exempt and complying may be appropriate for permissible development. However, it is difficult to provide a response to this without seeing the mapping.

***Q12. Should consideration be given to applying other controls for these areas? For example what types of exempt and complying development might be appropriate in coastal wetlands and littoral rainforests or in the catchments of sensitive coastal lakes and lagoons?***

As indicated for Q11, all exempt and complying development should be excluded from the Coastal Wetlands and Littoral Rainforests Area. Again, it is difficult to provide a response to this without seeing the mapping.

***Q13. Should any provisions be retained to allow the use of emergency coastal protection works in emergency situations? What limitations should be put on such works being undertaken by private individuals or public authorities?***

Proposed provisions for emergency protection works are that they must be consistent with the CEEASP, and these works are permitted only by public authorities in cases of emergency and must consist of sand bags and be removed within 30 days of placement. If not included in a CEEASP, emergency work can still be undertaken but they must be accompanied by an environmental assessment. This is not appropriate, as there may not be the time available for this level of assessment to be conducted in an emergency situation.

Placing the onus on public authorities to protect private land is also not considered reasonable or feasible. **Council recommends that consideration be given to allow private landowners to also use emergency protection works under the same requirements that are currently proposed to apply to public authorities.**



## Other Issues for Consideration

### Stormwater Controls

Coastal specific development controls relating to effluent disposal and stormwater should be included as issues covered by the proposed Coastal Management SEPP. They are valuable in SEPP 71 as they provide a framework for existing local assessment regimes. Although these issues concern all areas of an LGA, how they are dealt with in the coastal zones are different and should have planning controls to reflect this regardless of the local assessment.

### The Three Ports SEPP

Clarity is required around the proposed dealings of the new Coastal Management SEPP with other SEPPs that may apply in the area, in particular, the Three Ports SEPP. In the case of Port Kembla, three vegetation communities occurring in the Ports SEPP (the Coastal saltmarsh and Swamp Oak Floodplain Forest and Mangrove in the northern area of Port Kembla) could potentially be included in the proposed Coastal Management SEPP within the Coastal Wetlands and Littoral Rainforests Area. Although Clause 29 of Part 5 of the Ports SEPP provides for consideration and some level of protection for coastal wetlands and littoral rainforest through local planning controls, this would be supplemented by either, application of the provisions of the proposed Coastal Management SEPP, or some level of integration where its aims and objectives were at least considered in the context of determining 'minimal environmental impact' for exempt and complying development.

## Draft Coastal Management Manual

The Coastal Management Manual is to be structured in three parts, with Part A providing mandatory requirements and explanation of what these mandatory requirements entail in the form of supporting information called essential elements, Part B attempting to describe in more detail what the five stages of preparing a coastal management program are to involve, and Part C, a toolbox of information to provide further guidance on how to undertake each of the five stages, which is intended to be updated regularly. Council notes that most of the guidance required to be provided in the manual under the proposed Coastal Management Act appears to be earmarked for inclusion in Part C, the toolbox. Whilst Council has no objections to this structure, its implications for meeting the good faith provisions under the proposed S733 of the Local Government Act need to be considered.

As already highlighted in an earlier section, the good faith provisions under Section 733 of the LG Act (1993) require CMPs to be prepared in accordance with the principles and mandatory requirements of the **current** manual. Given that some of the essential guidance required under the proposed CM Act is to be included in Part C, and all three parts are interconnected (with Part A leading to Part B, which in turn leads to Part C), compliance with all three parts would appear to be required. However, if one or more of the Parts are regularly updated or changed, then it would be a challenge for councils to keep up to date with the version that is **current**, in order to maintain the requirements of good faith.

Council is also concerned with the delay in providing guidance on hazard mapping and how to incorporate potential climate change impacts into it. This guidance is considered to be most important to this Council, as it will inform the decision in regard to the future of the Draft Wollongong CZMP.

In regard to other documentation included in Part C, whenever there is a reference in Part B to more information being available in the toolkit (Part C), a reference to the actual documents should always be included. This is done in some cases but not in others.

Comments relating to specific components of the Draft Coastal Management Manual on exhibition are provided in the following sections.

## **Part A – Mandatory and Essential Elements**

### Issues to be covered in a Coastal Management Program

In relation to the issues to be covered in a Coastal Management Program, there is inconsistency between the proposed Act and the Manual. The Act appears to require all management issues to be the focus (Section 15 (1) (a), (b) and (c)), whereas this page (second bullet point) indicates the focus can be on a single issue. Then, on page 6, Essential Element 1 requires a CMP to address a broad range of issues that are relevant to the whole community, and page 9, Essential Element 9 requires identification of priority management issues. This apparent inconsistency must be clarified.

### Essential Element 5

Essential Element 5 states that at the conclusion of the Stage 1 (Scoping study), and further stages, councils should take the opportunity to seek advice from OEH and the Coastal Council. The interpretation of “should” needs to be clarified. Is seeking advice in this context mandatory or discretionary? Also, there is no provision under the proposed CM Act for the Coastal Council to provide advice to councils directly but rather to the Minister on these matters. Therefore, should councils be seeking advice from the Coastal Council or the Minister? **Council recommends that each stage completed for a CMP be required to be signed off by OEH before progression to the next stage, and these sign offs should be sufficient for satisfying the requirements for certification.**

### Essential Element 17

Essential Element 17 requires provision of appropriate buffer areas for biodiversity and social and economic provisions to allow for uncertainty and change over time. This may not be possible in areas which are already developed. **Council recommends that this requirement be amended to indicate this should be done where possible.**

### Essential Elements 21, 22 and 23

These elements are not providing any more guidance, but just restating the mandatory requirements of Section 17 of the proposed CM Act.

## **Part B – Stage 1 – Scoping**

A scoping study as the first stage of the process to prepare a Coastal Management Program to identify further stages required in the process is supported. However, the role of public authorities in this process needs further thought. Under the proposed framework, councils are required to consult with the relevant public authorities and seek their intention and commitment to the actions proposed in the program for public infrastructure and other related assets present in a Coastal Management Program area (page 11). However, where future exposures to vulnerabilities are concerned, public authorities may not always be prepared to indicate their long term intentions for their assets. This will make it very difficult for councils to progress their Coastal Management Programs, particularly if the public infrastructure is located in front of the assets councils are responsible for. This can happen in areas such as Wollongong where public roads and water and sewage infrastructure are located close to the coastline. In situations like this, **Council recommends that the State Government strategy be to require public authorities to prepare their risk management plans first and make this information available for councils use.**

## **Part B – Stage 2 – Detailed Studies of Vulnerabilities and Opportunities**



The documentation for this stage provides guidance on when detailed studies might be required in each of the four coastal management areas that are likely to be included in a Coastal Management Program, and the types of studies that will need to be undertaken. Some of the studies described are comprehensive research projects, which are likely to take a long time to complete, and this will obviously impact on the timeframe for completion of a Coastal Management Program. An example is the need to develop detailed sediment budgets in areas classified as Coastal Vulnerability Areas. Research projects are known to always raise new questions that need to be addressed, so how does one determine that the required level of understanding has been obtained and councils can progress to the next stage of the process? More guidance is required on this aspect of the studies.

### **Part B – Stage 3 – Response Identification and Evaluation**

This section describes the options for managing the vulnerabilities and opportunities in each of the four coastal management areas, and how they can be evaluated for inclusion in a CMP. However, there is no indication of what documentation should be prepared at the end of this stage. Councils need guidance on this if they are required to have OEH and/or the Coastal Council review this stage.

### **Part B – Stage 4 – Preparing, exhibiting, finalising, certifying and adopting the CMP**

In this stage, the preparation of a number of additional documents is required in support of the Coastal Management Program. These include a detailed Coastal Strategy Statement and a detailed Business Plan. The need for a detailed strategy statement is questioned, given that most of the requirements for this will have been met in completing the scoping study report. The Coastal Management Program can draw information directly from the Scoping report rather than councils having to expend additional resources to prepare another report.

### **Part B – Stage 5 – Implementing, monitoring, evaluating and reporting**

The section on compliance and enforcement responsibilities of councils in relation to coastal issues (page 6) needs more information, particularly as the compliance and enforcement provisions under the present Coastal Protection Act (1979) are not to be retained in the proposed Coastal Management Act. The proposed new provisions need to be explained.

### **Part C – Toolbox – Glossary**

Council has no specific comments on this, noting that the definitions are said to have been sourced from other recognised sources. However, some further additions are suggested. These include the use of the word “ambulatory”, in connection with shorelines, and “black water” in connection with estuaries.

### **Part C – Toolbox – Using cost-benefit analysis to assess coastal management options: guidance for councils**

This document is very helpful. Although the principles of cost-benefit analysis can be found in any standard guide on this procedure, the value of this document is that it relates it to specific coastal management issues and options that councils are likely to be faced with. It has a clear, step by step approach that is easy to follow, and there are references to other parts of the Coastal Management Manual to show where the linkages are. Additional information of interest is provided in appendices, so that main body of the guide remains clutter-free. This is the sort of practical guidance that other toolbox documents should adopt.

Council notes that there is recognition that a detailed cost-benefit analysis can take up considerable amounts of council time and resources and therefore the level of detail required in a cost-benefit analysis can be commensurate with the nature and scale of the issue.

## **Part C – Toolbox - Funding mechanisms to implement coastal management actions: guidance for councils**

When the State Government announced that the Stage 2 reforms would include information relating to funding and financing mechanism for coastal management actions, it created an expectation that new special funding streams for coastal management might be in the pipeline. However, this document has not delivered on that expectation. It is just a compilation of existing mechanisms which councils are already aware of, but there are limitations on the extent to which these can have a significant impact on the capacity of councils to deliver projects.

Special rates and charges are mentioned in several places as mechanisms to raise funds for coastal management works. However, the community is generally reluctant to accept these charges, expecting that the rates being paid should be sufficient to fund council services. Wollongong Council, for example, tried to introduce an environmental levy a few years ago and was faced with massive community opposition. Various state, federal and other grant schemes are also listed as potential sources of funding. These grants are often competitive, with processing and funding timeframes which do not often align with councils own budgetary planning processes.

This means that this guide by itself is not likely to result in a great deal more funding being available for councils for coastal management projects. Consequently, the implementation of projects may continue to be carried out in an opportunistic manner rather than in the planned way expected by the State Government.

## **Part C – Toolbox – A guide to managing estuary ecosystems**

The title suggests that this guide is about managing estuary ecosystems as a whole, but the document itself relates mostly to assessing estuary health. Moreover, as part the Coastal Management Manual toolbox, this guide should be providing practical guidance beyond what has already been provided in Part B of the Manual. However, there is not much further guidance than what is already available in Part B, Stages 2 and 3 for the Coastal Environment Area, where estuaries would normally be classified. Apart from the section on entrance management, the rest of the guide reads more like an introductory textbook on estuary health.

The document also needs to be better integrated within the proposed new framework for coastal management. In Section 4.1, for example, there is no reference to Coastal Management Areas, or to the management objectives of the Coastal Environment Area, under which estuaries would normally be classified. The need for climate change considerations, for example, appears to optional in this guide (section 3.2), but the management objectives for the proposed Coastal Environment Area make this essential. There are also references to a document (relating to sampling, data analysis and reporting protocols) which is said to be in preparation (pages 11 and 12), but which was published in 2013. This suggests that the guide has not recently been reviewed to align it with recent developments.

Apart from the section on entrance management, the document in its current form is not providing much practical guidance. It would need major revisions if it is meant to do so. Otherwise, a more appropriate title for this document would be “Background information on estuary health”.

## **Conclusions**

Council has done its best to review the large volume of material exhibited in the limited time that was available for their review. The absence of the mapping of the proposed Coastal Management Areas and crucial guidance on sea level rise and how it needs to be considered in coastal management

activities has made it difficult to review the material more critically. Nevertheless, the comments and concerns raised through this submission will hopefully assist in refining the proposed framework for the benefit of coastal landscapes and communities.

## References

Adam P, Urwin N Weiner P, Sim I (1985) *Coastal wetlands of New South Wales: a survey and report*. Prepared for the Coastal Council of New South Wales, Sydney.

DECCW (2010) *NSW Wetlands Policy*. Department of Environment, Climate Change and Water NSW, Hurstville.

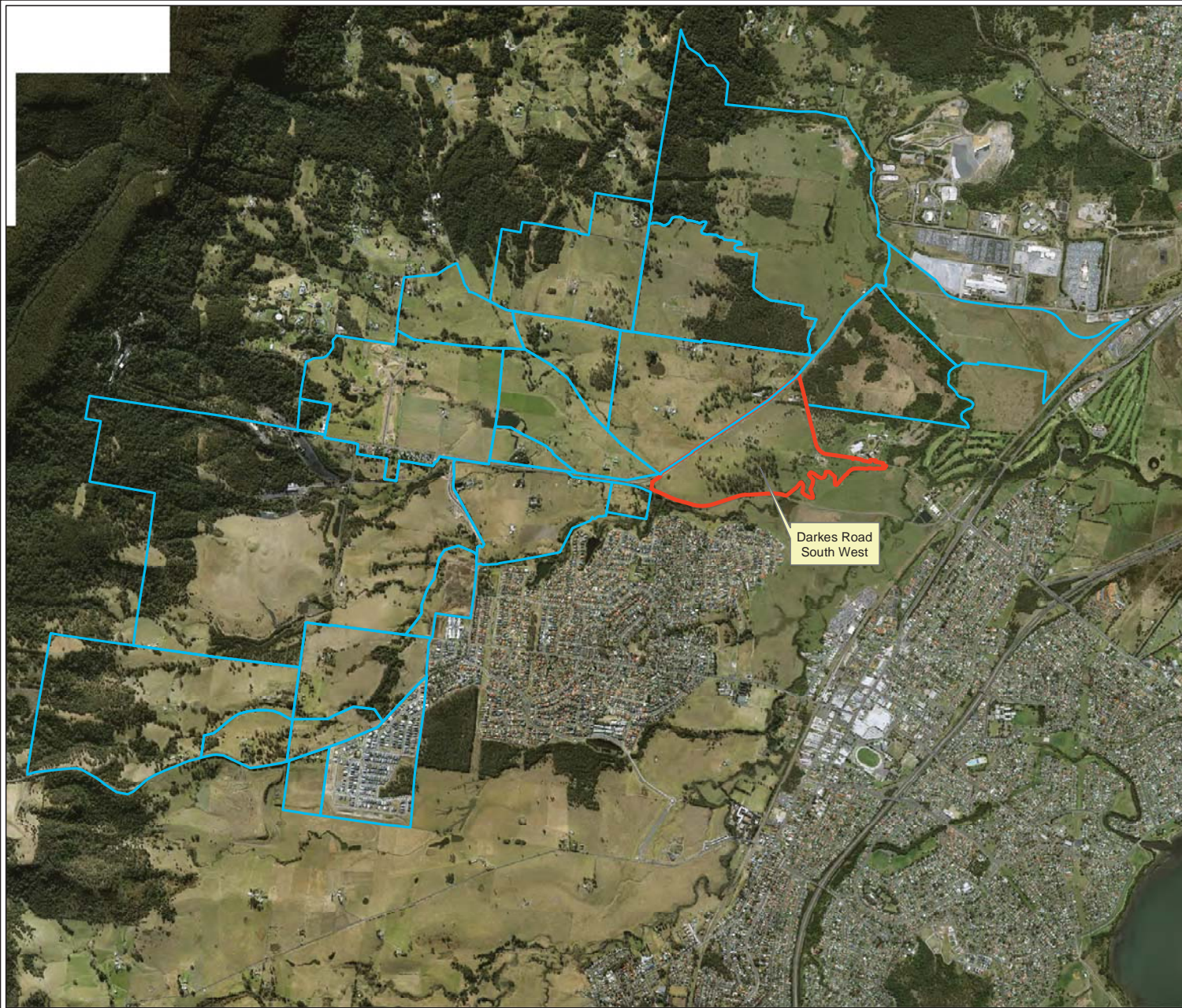
HRC (2002) *Independent Public Inquiry into Coastal Lakes: Final Report*. Healthy Rivers Commission of New South Wales, Sydney.

K Rogers, N Saintilan (2002) Remapping of SEPP 14 wetlands in the Shoalhaven district. *Wetlands (Australia)* 20 (2) pages 55-65. Coast and Wetlands Society Incorporated, Sydney.

NSW Scientific Committee (2004) *Littoral rainforest in the NSW North Coast, Sydney Basin and South East Corner bioregions - endangered ecological community listing*. NSW Scientific Committee final determination. NSW Scientific Committee, Sydney.

Winning G (1992) Some problems in determining the boundaries of SEPP 14 Wetlands. *Wetlands (Australia)* 11(1) pages 10-20. Coast and Wetlands Society Incorporated, Sydney.





 Neighbourhood Precinct

Darkes Road  
South West



0 1:2500 940  
Meters



# WOLLONGONG LOCAL ENVIRONMENTAL PLAN 2009

## Planning Proposal Land Zoning Map

- Wollongong City Council land
- Neighbourhood Planning Boundary
- B2 Local Centre
- E1 National Parks & Nature Reserves
- E2 Environmental Conservation
- E3 Environmental Management
- IN2 Light Industrial
- R2 Low Density Residential
- R3 Medium Density Residential
- RE1 Public Recreation
- RE2 Private Recreation
- RU1 Primary Production
- RU2 Rural Landscape
- RU4 Primary Production Small Lots
- SP1 Special Activities
- SP2 Infrastructure

Cadastral  
 Cadastral 20.07.15 © Wollongong City Council

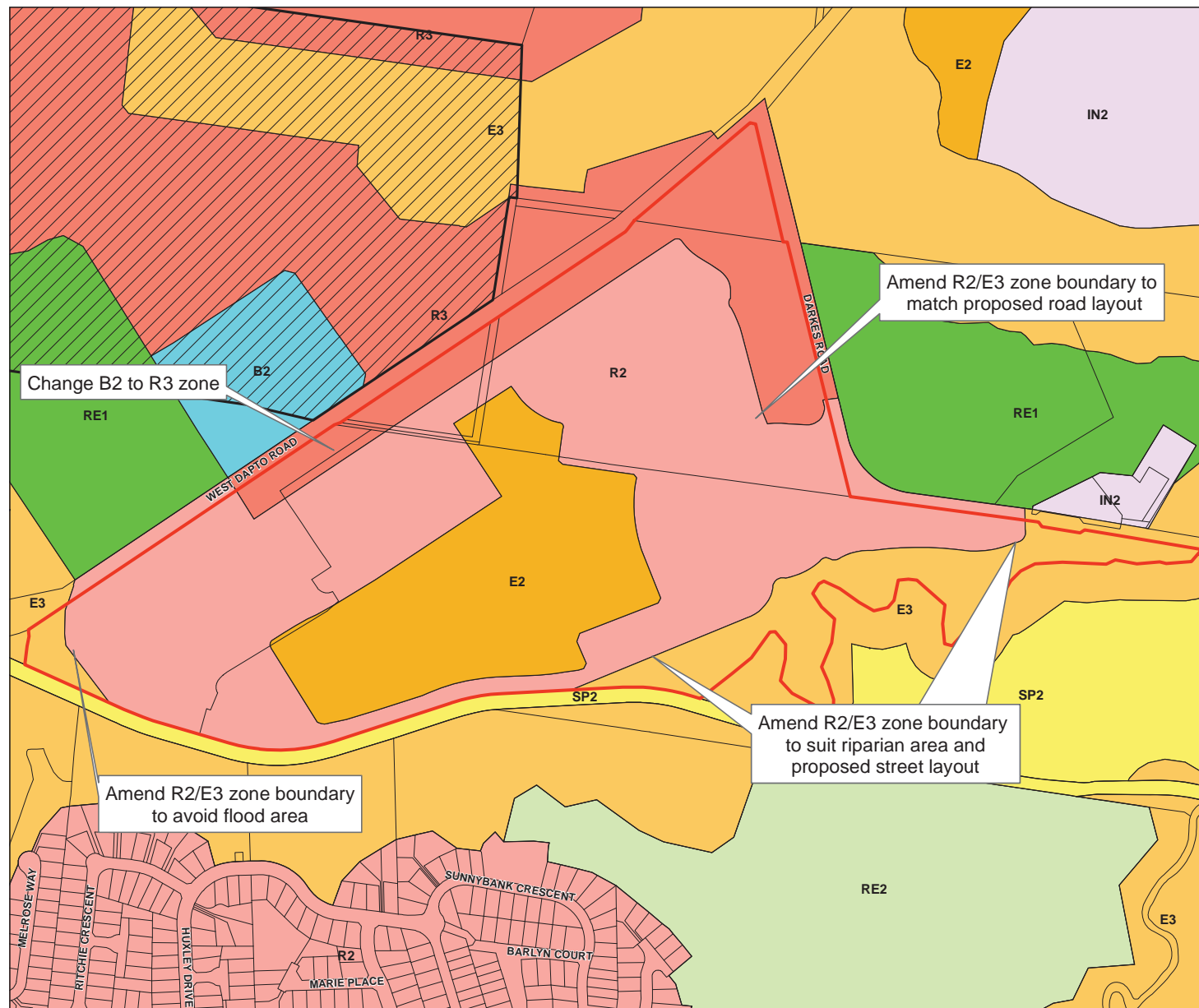


0 0.2  
Kilometers

Projection: GDA 1994  
MGA Zone 56

Scale 1:5,000 @ A3

Map Identification number:  
DarkesRoad\_PP\_Zoning.mxd





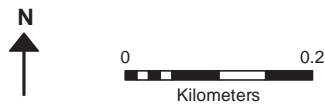


# WOLLONGONG LOCAL ENVIRONMENTAL PLAN 2009

Planning Proposal  
Lot Size Map  
Minimum Lot Size (sq m)

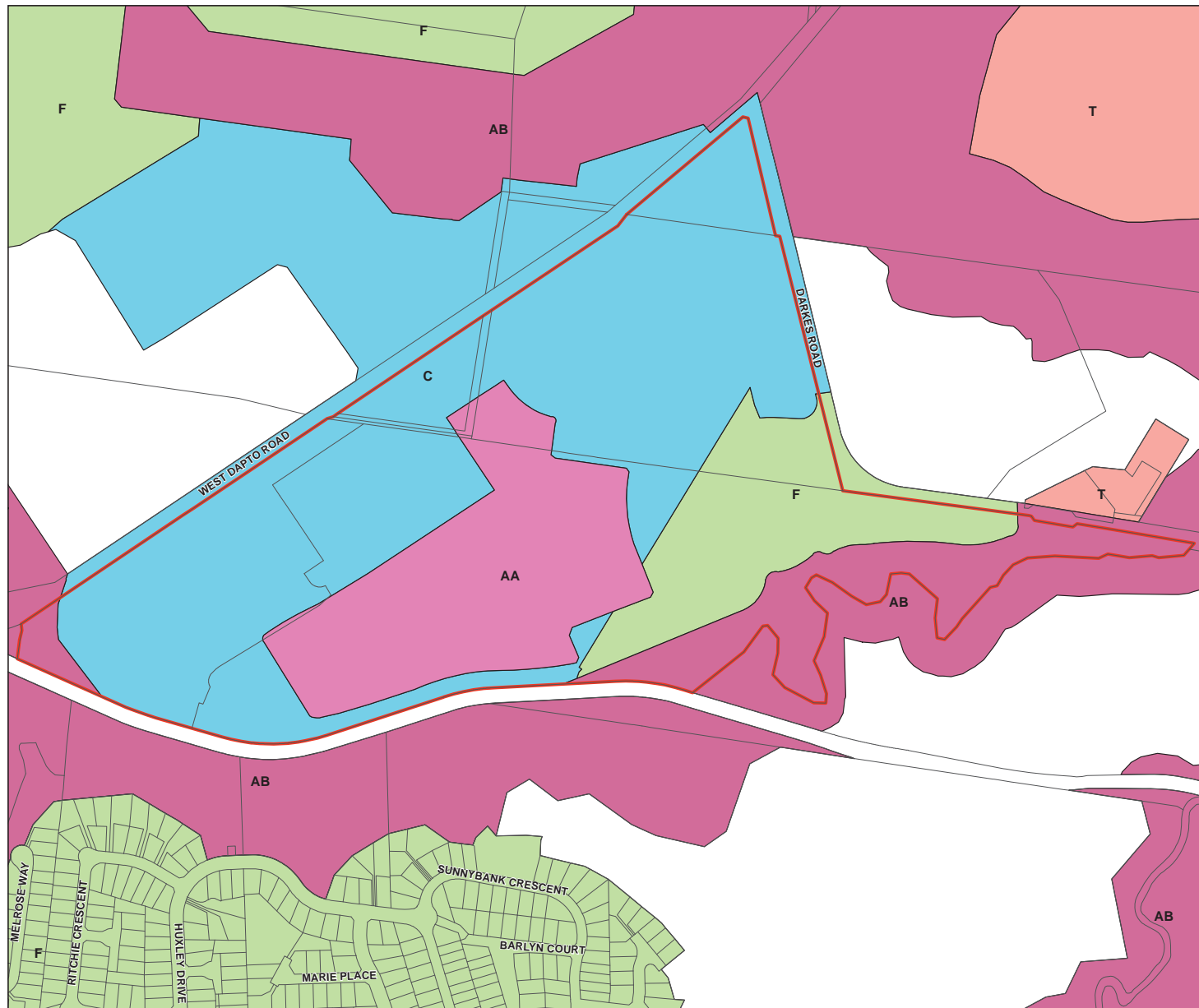
- C 299
- F 449
- J 549
- P 699
- T 999
- U1 1499
- U2 1999
- V 2999
- W 3999
- X 0.99ha
- Y 1.99ha
- Z1 3.99ha
- Z2 4.99ha
- AA 9.99ha
- AB 39.99ha
- Neighbourhood Planning Boundary

Cadastral  
Cadastral 18.03.15 © Wollongong City Council



Projection: GDA 1994  
MGA Zone 56  
Scale 1:5,000 @ A3

Map Identification number:  
DarkesRoad\_PP\_MinLotSize.mxd





# WOLLONGONG LOCAL ENVIRONMENTAL PLAN 2009

## Planning Proposal Height of Building Map

### Maximum Building Height (m)

- J 9
- N 13
- Q 20
- Neighbourhood Planning Boundary

### Cadastral

Cadastral 30.06.15 © Wollongong City Council



0 0.2  
Kilometers

Projection: GDA 1994  
MGA Zone 56

Scale 1:5,000 @ A3

Map Identification number:  
DarkesRoad\_PP\_Heights.mxd





# WOLLONGONG LOCAL ENVIRONMENTAL PLAN 2009

## Planning Proposal Land Reservation Acquisition Map

- Neighbourhood Planning Boundary
- Local Road (R3)
- Local Road (R2)
- Local Road (RE1)
- Local Road (IN2)
- Local Road (E3)
- Local Road (B2)
- Local Open Space (RE1)
- Local Open Space (E2)

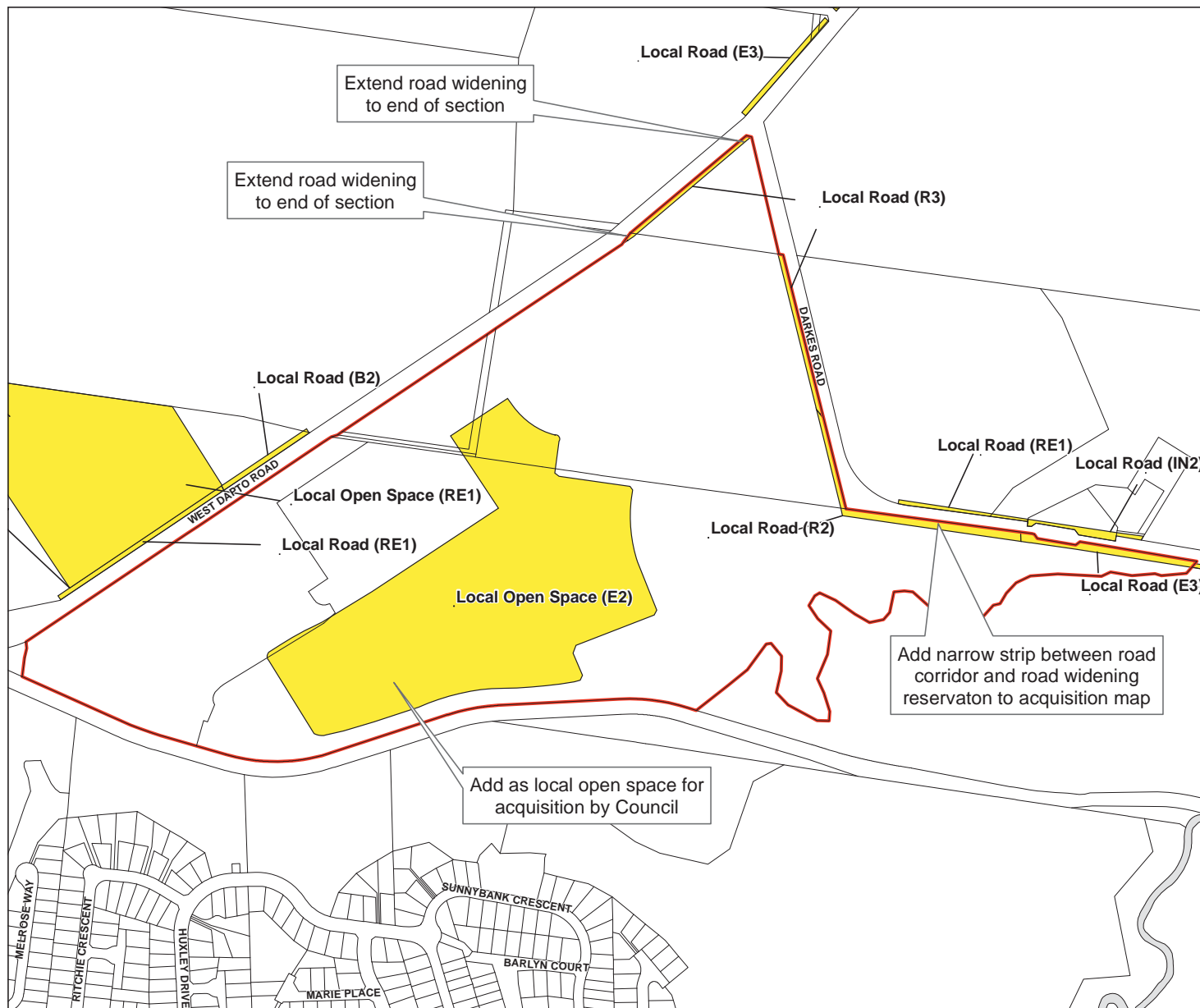
Cadastral  
Cadastral 30.06.15 © Wollongong City Council



0 0.2  
Kilometers

Projection: GDA 1994  
MGA Zone 56

Map Identification number:  
DarkesRoad\_PP\_Reservations.mxd







# WOLLONGONG LOCAL ENVIRONMENTAL PLAN 2009

Planning Proposal  
SEPP Port Kembla 2013  
Airphoto 2014

## Legend

 Port Kembla Boundary

Cadastral

 Cadastral 28-01-2016 © Wollongong City Council



0 0.6  
Kilometers

Projection: GDA 1994  
MGA Zone 56

Scale 1:20,000 @ A3

Map Identification number: Pt Kembla PP AIR 2014.mxd



Planning Proposal  
SEPP Port Kembla 2013

### Legend



Cadastre

 Cadastre 28-01-2016 © Wollongong City Council

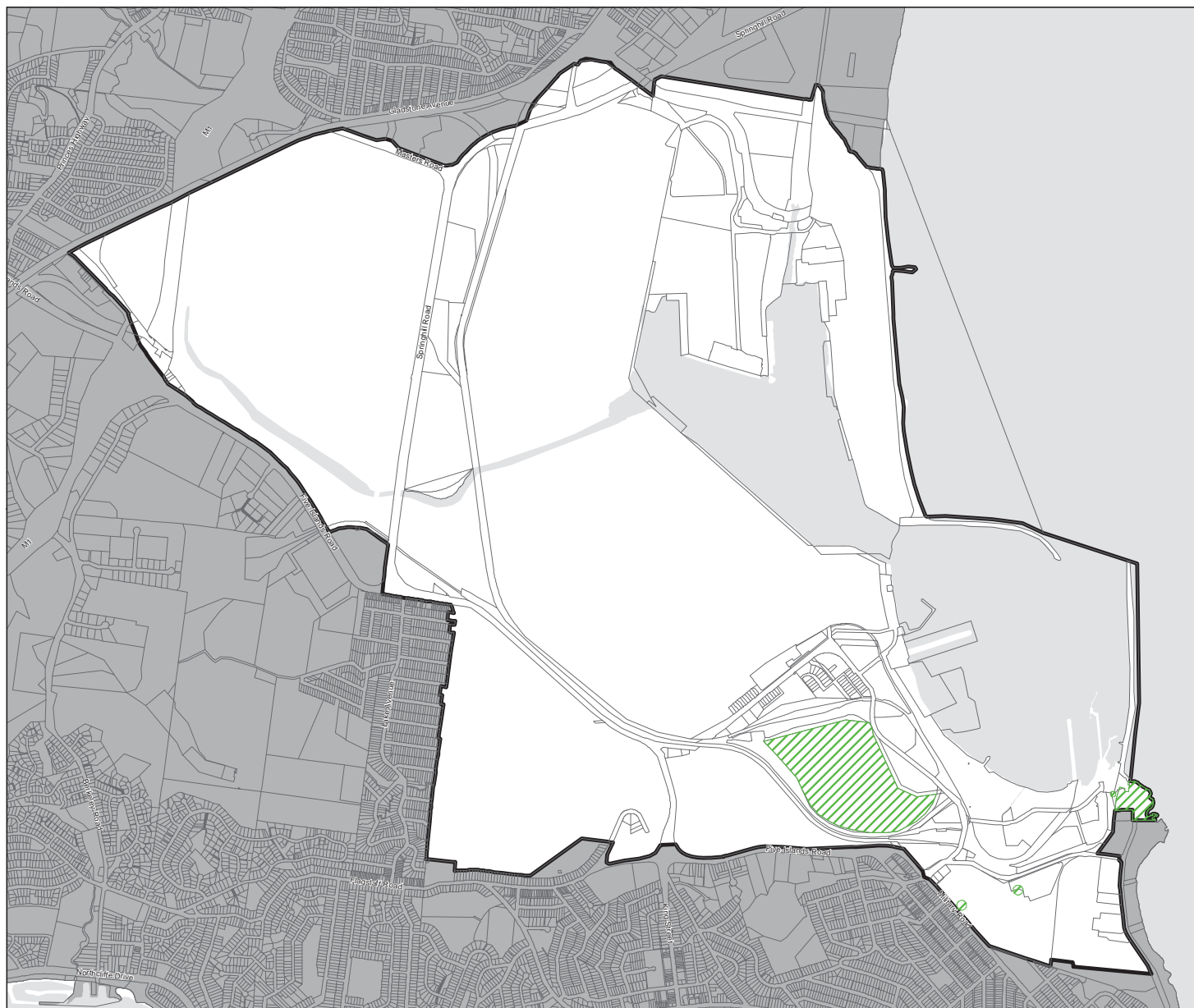


Projection: GDA 1994  
MGA Zone 56

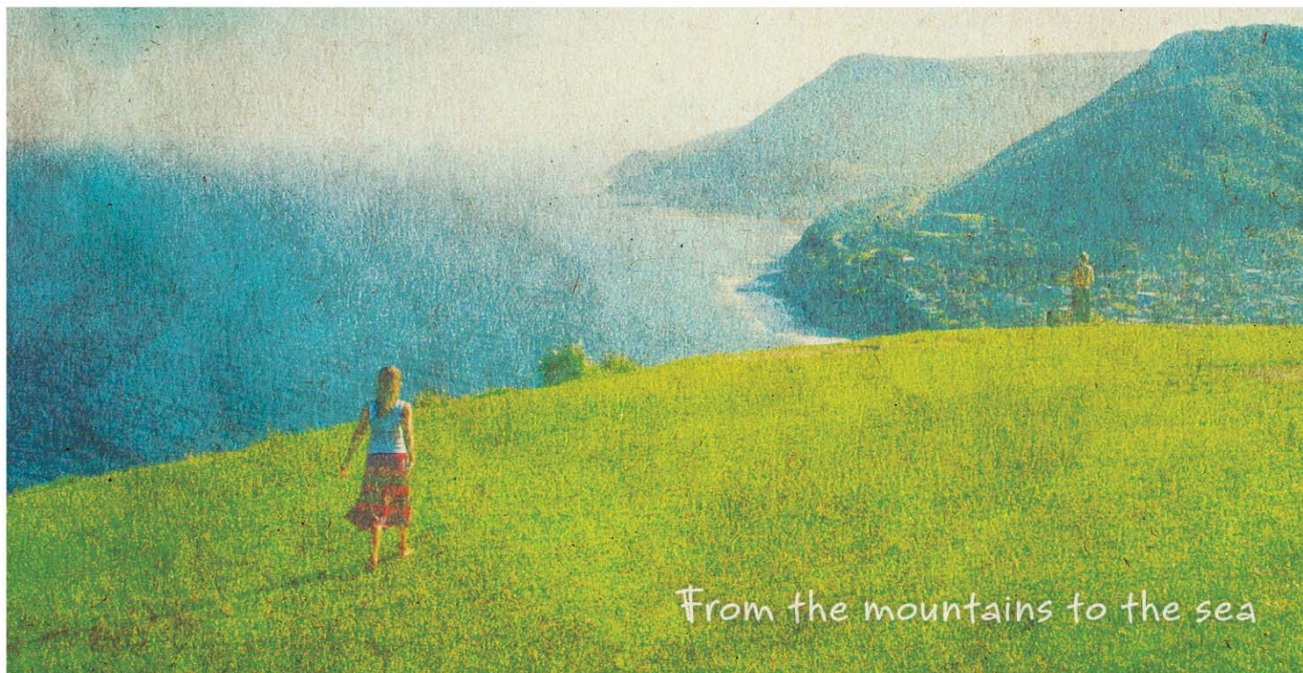
A horizontal scale bar with a black background. It has white tick marks at 0, 0.1, 0.2, 0.3, 0.4, 0.5, and 0.6. The word "Kilometers" is written in white below the bar.

Scale 1:20,000 @ A3

Map Identification number: Port Kembla PP Heritage.mxd







WOLLONGONG CITY COUNCIL

WOLLONGONG 2022

# DRAFT QUARTERLY REVIEW STATEMENT

December 2015



**Table of Contents**

MESSAGE FROM THE GENERAL MANAGER ..... 3

STRATEGIC PROGRAMS PROGRESS REPORT ..... 4

ANNUAL PLAN 2015-16 PROGRESS SUMMARY..... 10

GOAL 1: WE VALUE AND PROTECT OUR NATURAL ENVIRONMENT ..... 15

GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY..... 18

GOAL 3: WOLLONGONG IS A CREATIVE, VIBRANT CITY ..... 21

GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY ..... 23

GOAL 5: HEALTY COMMUNITY IN A LIVEABLE CITY ..... 25

GOAL 6: WE HAVE SUSTAINABLE, AFFORDABLE AND ACCESSIBLE TRANSPORT ..... 28

REPORT OF MANAGER FINANCE ..... 31

APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION..... 50

# MESSAGE FROM THE GENERAL MANAGER

WOLLONGONG CITY COUNCIL

This draft Quarterly Review Statement reports the period from October to December 2015 and reports on progress towards achieving the five Councillor Strategic Programs from the Delivery Program 2012-17 and the Annual Deliverables from the Annual Plan 2016-16. Highlights and significant progress with key projects from the Annual Plan 2015-2016 are reported by the six Community Goals from the Wollongong 2022 Community Strategic Plan.

Highlights from this quarter include:

- 1 City Centre hosted a number of key events. These included Viva la Gong, Christmas and New Year's Eve Music Concerts in Globe Lane, New Year's Event at Wollongong Harbour, and the Blender Festival.
- 2 Hosting a climate change Forum.
- 3 Opening of the latest Blue Mile works at Endeavour Drive, Wollongong.
- 4 Council won a major award for Beach Safety initiatives in the Westpool Risk Management Excellence Awards.

The organisational performance is also reported by the inclusion of the performance indicators which monitor the status and progress our Council programs, activities, projects, finances, people and process.

This report also includes an overview of how Council is tracking against its budgets. It is a concise visual summary of Council's financial situation for the quarter including budget, capital budget and expenditure. The Budget Review Statement is also included in this report.

I would like to thank all staff and the community for their contributions to the achievements identified in this draft Quarterly Review and Budget Review Statement. This review will inform the Annual Report due in November 2016.

David Farmer  
General Manager



# STRATEGIC PROGRAMS PROGRESS REPORT

## WOLLONGONG CITY COUNCIL

Our Councillors have made a commitment to support our organisation and the community in making Wollongong a better place to live, work, visit and play. To focus Council's attention to achieve this, Councillors have agreed to five Strategic Programs. These are outlined in the Delivery Program 2012-17. Progress made in the December 2015 quarter is outlined below:

### 1 Financial Sustainability

**Our Council is committed to improving the standards of community assets over the five-year Council term. This will be achieved by directing 85% of all capital investment into asset renewal, and a strong emphasis on cost effectiveness in service provision.**

**Project Sponsor:** General Manager

**Project Manager:** Manager Community Cultural + Economic Development

### Strategic Program Progress



On Track



Moderate risk in achieving the Strategic Program and/or impact on delivery timeframe



Significant risk in achieving the Strategic Program

### Program Achievements

Council at its meeting 23 June 2014 adopted a revised budget and annual plan that included a special rate variation, efficiency target, minor service adjustments and planned increases in fees and charges. This three year strategy commenced in July and increased income is reflected in the expansion of the capital works program to address asset renewal across the city.

Annual efficiency targets were built into the budget and across Council's service portfolio with the intent that specific improvement opportunities and initiatives would be identified through the year. Specific programs to achieve these savings were confirmed through the September Quarter with \$1.1M being achieved leaving a remaining target of \$195K for 2015-2016.

### Program Risks

With the approval of a special rate variation by the Independent Pricing and Regulatory Tribunal (IPART) in June 2014, and the adoption of a multi-faceted strategy, the risk rating for the Financial Sustainability Program has decreased. The focus is now to ensure ongoing business improvements resulting in efficiencies and the delivery of a significant capital works program focusing on renewal.

## 2 West Dapto Urban Release

**Council will work in collaboration with key agencies to provide the infrastructure needed to support growth within the West Dapto Urban Release Area. This will include improving access, infrastructure and local services which are needed to support the additional 17,000 future housing lots within the release area**

**Project Sponsor:** Director Planning +Environment | *Future City and Neighbourhoods*

**Project Manager:** Manager Project Delivery

### Strategic Program Progress



On Track



Moderate risk in achieving the Strategic Program and/or impact on delivery timeframe



Significant risk in achieving the Strategic Program

### Program Achievements

Fowlers Road to Fairwater Drive - Community exhibition was held in October and comments have been received from the community. These have been considered and incorporated where relevant into the 100% concept design.

Wongawilli Road/West Dapto Road - The design of road upgrade works along Wongawilli Road and part of West Dapto Road has been continuing. The design of Stage 1 works between Smiths Lane and Shone Avenue intersection has progressed to detailed design and negotiations are also continuing with affected property owners where property acquisitions are required.

### Program Risks

Both access projects (Fowlers Road to Fairwater Drive and Wongawilli Road/West Dapto Road) have risk registers which identify a number of significant risks. Reviews of the project risk assessments are being undertaken at regular milestones to manage these risks.

## 3 Waste Management

During Council's term we will work to reduce the environmental impact of waste by improving waste management across the city. We will finalise and deploy Council's Waste Strategy, assess the impacts of the carbon tax, and work toward the development of a new landfill cell at Whytes Gully to increase landfill capacity for the region.

**Project Sponsor:** Director Infrastructure + Work | *Connectivity Assets + Liveable City*

**Project Manager:** Manager City Works and Services

### Strategic Program Progress



On Track



Moderate risk in achieving the Strategic Program and/or impact on delivery timeframe



Significant risk in achieving the Strategic Program

### Program Achievements

The following progress has been made in key waste management strategic programs:

Helensburgh Waste Landfill Rehabilitation Project:

- Detailed design has been completed.
- Finalising contract details in preparation of tender.
- Development modification to incorporate a landfill gas flaring unit has been approved.

Whytes Gully New Landfill Cell:

- Stage 1A waste filling continues.
- Stage 1B is in place and ready to receive waste.
- Landfill gas infrastructure is in place and Council is currently investigating the quality and quantity of landfill gas presenting at Whytes Gully.
- Haul road 80% detailed design completed

Community Recycling Centre:

- Site identification and conceptual design completed.
- EPA approval of concept design achieved.
- Detailed design of Small Vehicle Transfer Station (SVTS) is about to start in early 2016.

### Program Risks

There are a number of risks associated with Helensburgh Waste Landfill Rehabilitation Project and the Whytes Gully New Landfill Cell. The major risks are:

- New landfill cell does not function as designed.
- Excessive delay to obtain operational approval from EPA for Whytes Gully new landfill cells, thereby impacting on Council's continued ability to landfill Wollongong's waste materials.
- Future landfill cells not being constructed in time for Council to continue with the uninterrupted disposal of Wollongong's waste materials at Whytes Gully.
- The landfill liner at Whytes Gully installed incorrectly.
- Capital cost of either or both projects exceeding initial expectations.
- The supply of fill material required for the Helensburgh Rehabilitation project is relatively large, with the potential to cause delays and disruption to the local community if not managed correctly.
- The Helensburgh site has been non-operational for an extended period of time. Returning to the site for rehabilitation construction may adversely affect the local residents relative to the quiet conditions that they have been experiencing since the sites closure as a landfill.



## 4 City Centre Revitalisation

**Council's fourth aspiration in the Delivery Program is to improve the attractiveness of the Wollongong City Centre to work and visit, reinforcing its role as the region's major hub for investment and jobs growth.**

**Project Sponsor:** Director Corporate + Community | *Creative, Engaged and Innovative City*

**Project Manager:** Manager Project Delivery

### Strategic Program Progress



On Track



Moderate risk in achieving the Strategic Program and/or impact on delivery timeframe



Significant risk in achieving the Strategic Program

### Program Achievements

During this quarter the City Centre hosted a number of key events. These included Viva la Gong, Christmas and New Year's Eve Music Concerts in Globe Lane, New Year's Event at Wollongong Harbour, and the Blender Festival. The Friday Markets and Thursday night Eat Street Market continued to attract significant patrons. A survey undertaken as part of the City Centre Market Review shows that on Thursday 15 October 2015 between 5-8pm, people counts in the top half of the Mall reached 19,152. Destination Wollongong continued to deliver on the marketing and promotion of the Crown St Mall with a strong focus on Christmas celebrations.

A pop-up Botanic Garden was introduced into the top half of the Mall as a trial activation activity. The area offers the opportunity to participate in programmed events, or to just sit and enjoy the green environment which has been created.

New Zealand artist Mike Hewson has been selected as the successful artist to design, fabricate and install the public art project in the Crown Street Mall which is due to be installed in the first half of 2017. The draft "A City for People" which has been informed by the findings of the Public Spaces, Public Life Study was placed on public exhibition inviting stakeholders to provide their feedback on the draft vision and strategies for our City Centre. The public exhibition period will close in early February 2016.

Community engagement on improvements to the amenity of Western Crown Street commenced. The works which will improve footpaths, replace service pit lids and provide kerb and gutter replacements along western Crown Street, from the western corner of Atchison and Crown Streets, and on the southern side through to the Jubilee Bridget at the train station, are scheduled to commence in 2016.

Council has completed work on both the construction of the footpath in Endeavour Drive overlooking Wollongong Harbour and the Market Street northern footpath between Keira Lane and Young Street.

Council has completed the designs for Stage 1 of the Crown Street West precinct which will reconstruct the southern footpath between Atchison Street and the railway overbridge.

### Program Risks

Management of utilities and service pits, and of wet weather during construction, will continue to be a risk potentially impacting on the delivery program.

## 5 Connectivity / Walkability

**Council's fifth aspiration is to improve the connectivity of the Local Government Area (LGA) through the upgrade of our network of footpaths and cycleways. This focus on our path and cycle network will ensure that necessary works are carried out to achieve an accessible and connected city.**

**Project Sponsor:** Director Infrastructure + Work | *Connectivity Assets + Liveable City*

**Project Manager:** Manager Infrastructure Strategy and Planning

### Strategic Program Progress



On Track



Moderate risk in achieving the Strategic Program and/or impact on delivery timeframe



Significant risk in achieving the Strategic Program

### Program Achievements

The Wollongong Bike Plan was adopted in May 2014. Actions identified within the bike plan will and are being incorporated into the capital works and operational programs for progressive implementation. The Wollongong Pedestrian Plan has commenced and is being scoped and is expected to be completed in 2016.

The RMS has announced that they will be changing the configuration of the Windang Bridge and will be widening the existing footpaths to make provision for cyclists in a shareway arrangement.

Scoping and design work is continuing on the Smith and Kembla Streets on road cycleway which will provide access for cyclists into the city centre.

The following designs have commenced:

- Mulda Street; Byamee Street to Barellan Avenue, Dapto
- Chellow Dene Avenue; Sheridan Crescent to end, Stanwell Park
- Northcliffe Drive Shared Path - King to Parkes Streets, Warrawong
- Kanahooka Road: Princes Highway to Brownsville Road, Shared Path, Dapto
- Grey Street footpath - Memorial Drive to Liddle Street, Woonona
- Smith Street footpath - from Corrimal to Church Streets, Wollongong
- Market Street; Corrimal to Queens Streets, Wollongong.

The following designs have been completed:

- Raymond Road; Station Street to existing, Thirroul
- Lilyvale Street; Stuart to Walker Streets, Helensburgh
- Greta Street; Monie to Alice Streets, Woonona
- Jerematta Street; Mulda Street to No 17, Dapto
- Monie Street; John to Chenhalls Streets, Woonona
- Princes Highway; Highway Avenue to Abercrombie Laneway, West Wollongong
- Berkeley East footpath renewal program, Berkeley
- Bourke Street footpath - Corrimal to Flinders Streets (south side), North Wollongong
- Byamee Street footpath (north side), Dapto
- Cliff Road to Continental Pools staircase renewal, Wollongong
- Princes Highway footpath - Hopetoun Street to Farrell Road (east side), Woonona
- Slade Park Slope Stability, Austinmer.

The following construction projects have commenced:

- Kembla Street; Balmoral Street to New Mt Pleasant Road, Balgownie
- Grey Street; Rose Street to Gipps Road, Gwynneville
- Grace Street; Princes Highway to dead end, Unanderra
- Flagstaff Road; Whimbrel Street to Bubb Place footpath, Berkeley
- Rowland Avenue; corner of Gladstone Avenue, Wollongong
- Church Street footpath - from Smith to Market Streets, Wollongong
- Smith Street footpath - from Harbour to Corrimal Streets, Wollongong
- Cringila Community Park, Lockwood Street, replace paths, Cringila.

The following construction projects have been completed:

- Northcliffe Drive; Nottingham to Nolan Streets, Berkeley
- Wollongong Harbour Heritage Walk Stage 2B, Wollongong
- George Street footpath - Northcliffe Drive to Flagstaff Road, Berkeley.

### Program Risks

There are a number of sites on the network expansion program with significant geographical, technical, agency approval and community concerns that may impact on the design phase and hence construction time frames. To minimise the impact from this risk, designs for projects further down the delivery program are also being progressed such that construction programs can be re-phased to ensure continued delivery of the improvement program.

# ANNUAL PLAN 2015-16

## PROGRESS SUMMARY

### WOLLONGONG CITY COUNCIL

The following section provides an overview of Council's progress with delivering Wollongong 2022. It provides a summary of progress for 2015-16 annual deliverables [Council's programs, projects and activities] and highlights significant progress with annual projects as outlined in the Wollongong 2022 community goals. This exception based reporting provides an overview of achievements for the December 2015 quarter. The organisation's performance is also reported by the key performance indicators, budget summary information and Budget Review Statement.

The Annual Plan 2015-16 contains 311 annual deliverables across the 6 community goals. Table 1 below outlines how Council is tracking in the September quarter to achieve the annual deliverables for each community goal.

**Table 1: Annual Deliverable Progress by Community Goal**

Goal	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
1 We value and protect our natural environment	93.85%	1.54%	3.08%	0%	1.54%
2 We have an innovative and sustainable economy	95.65%	0%	2.17%	2.17%	0%
3 Wollongong is a creative, vibrant city	96.55%	0%	0%	0%	3.45%
4 We are a connected and engaged community	90.91%	0%	4.55%	3.03%	1.52%
5 We are a healthy community in a liveable city	95%	0%	5%	0%	0%
6 We have sustainable, affordable and accessible transport	90.48%	0%	9.52%	0%	0%
<b>Total Annual Deliverable Progress</b>	93.81%	0.32%	3.91%	0.98%	0.98%

\*Note: Each Goal does not have equal number of Annual Deliverables; therefore, the Annual Deliverable progress totals do not necessarily add together.

## ANNUAL PLAN 2015-16 PROGRESS SUMMARY

Overall 3.91% of annual deliverables were reported to be delayed, while 0.98% were deferred. Table 2 below outlines all annual deliverables reported as delayed or deferred at the end of December 2015.

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
1 We value and protect our natural environment	Continue to pursue biodiversity certification of the West Dapto Urban Release Area including offsetting provisions	Y		A letter has been sent to NSW Planning and Environment seeking their support for the proposed levy to provide the additional funding that will be required for the Biocertification process to proceed.
	Deliver community lectures and workshops on the implications of climate change	Y		A community forum on Climate Change was held on 22 October 2015 at the Wollongong Town Hall. The event provided information from local, regional and national climate change experts on climate change predictions and impacts. The event attracted approximately 130 attendees. A new web page on climate change has also been developed. Initial discussion have been undertaken with insurance agencies to provide speakers for a further forum.
2 We have an innovative and sustainable economy	Resolve options for key services including power and water supply to the Mt Keira summit	Y		Council has been working closely with National Parks & Wildlife and Endeavour Energy to address outstanding issues such that approval can be obtained.
	Participate in the Regional Development Australia: Illawarra (RDA-I) Arts, Culture and Tourism Sub Committee.		Y	This subcommittee of RDA-I does not currently meet and this item will be re-assessed within the 2016-17 planning cycle.
3 Wollongong is a creative, vibrant city	NO DELAYED OR DEFERRED ITEMS			

## ANNUAL PLAN 2015-16 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
3 We are a connected and engaged community	Continue the "Council Connect" project to enhance Councils on-line services and increase opportunities to conduct business with Council online	Y		Council has completed the first phase on the development of the new customer service system which has provided additional means of contact for customers such as an enhanced online experience, web chat and a smart phone app for the lodgement of service requests to Council. Work on 10 of the most utilised processes is now complete. The "Report it App" is now available for (free) download.
	Progressively implement the Asset Management Improvement Program	Y		<p>Led by Council's Asset Management Steering Committee - Strategic priorities within the Asset Management Improvement Program are being progressively delivered as resources allow.</p> <p>Actions underway include refinement to infrastructure roles and responsibilities matrices and capital and maintenance program planning and delivery processes.</p> <p>Development of Service Specifications and supporting Internal Service Level Agreements for major asset groupings has commenced and will progress during 2015-16.</p> <p>This quarter Infrastructure Strategy and Planning have increased workforce available to promote the implementation of the Improvement Program. Positions recruited include: Infrastructure Strategy Engineer, Civil Assets Team Leader and Senior Civil Assets Engineer</p>
	Facilitate an integrated business improvement approach to work practices and spread of hours		Y	Preliminary work analysing spread of hours and associated impact on operations has been undertaken in first half of year. Analysis will inform broader service delivery reviews as they are conducted across the organisation.

## ANNUAL PLAN 2015-16 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
4 We are a healthy community in a liveable city	Develop and implement the Sports Grounds and Sporting Facilities Strategy 2015-25	Y		The draft strategy has been further reviewed and refined and currently being reviewed by internal Divisional staff to prepare for its exhibition and presentation to Council.
	Manage the west Dapto Home Deposit Assistance Program	Y		Since the launch on 24 October 2014, there have been eleven applications under the Program with ten of these approved. The first property purchase was completed during this quarter. While many people are interested in the program, there is currently a mismatch between income limits, purchase limits and the entry level of new housing stock in the area. The housing market is changing rapidly and moderately priced housing stock in the urban release area is limited due to the strong market and the type of product being developed. Currently the only product being developed within the greenfield areas of West Dapto are medium to large lots with detached housing. We are now seeing an entry price of around \$460,000 for these properties. However, this is the first phase of a major greenfield development that will roll out over the next 30 to 50 years. West Dapto is in the early stages and as the development matures it is anticipated that enterprise will offer different housing stock which will attract people who will be able to participate in the Program.
	Investigate a suitable location for the West Dapto aquatic facility	Y		The proposed scope for consulting services has been reviewed and changes were recommended noting that the changes were necessary to be consistent with the exhibited draft West Dapto Section 94 Plan.
	Reinstate Waterfall (Garrawarra) Cemetery	Y		Currently Council has no legal access to this site. The owner (State Government) has been requested to provide an easement to make the site accessible however a response has yet to be received. A review of environmental factors will be completed in the coming quarter.



## ANNUAL PLAN 2015-16 PROGRESS SUMMARY

Community Goal	Annual Deliverable	Delayed	Deferred	Comment
5 We have sustainable, affordable and accessible transport	Continue to construct Stage 1 of the Grand Pacific Walk	Y		Detailed design of the shared path has continued between Coalcliff and Stanwell Park and is in the final phase prior to handover for construction. Tender documentation is being prepared concurrently.
	Finalise investigations into potential additional Gong Shuttle route	Y		<p>Council is finalising the feasibility assessment of an additional service for the southern city area to determine the preferred route and infrastructure needs. The feasibility assessment is due to be completed in June 2016.</p> <p>A new service rather than an expanded existing service is being assessed as the State Government have previously advised that they will not consider extending the Gong Shuttle. Logistically it is not possible to extend the exiting service as service frequencies would be increased and possibly decrease utilisation of the service.</p>

# GOAL 1: WE VALUE AND PROTECT OUR NATURAL ENVIRONMENT

## WOLLONGONG CITY COUNCIL

### Undertake Surf Sense and Water Safety Education

Council's Lifeguard Service conducted Surf Education sessions to approximately 70 University of Wollongong and 30 targeted Cultural groups. A further 85 school student water orientation sessions were delivered as part of Surf Life Saving Australia Black spot funding program.

Wollongong City Council won a major award for Beach Safety initiatives in the Westpool Risk Management Excellence Awards. The award is recognition for the beach safety program and initiatives which have contributed to the overall safety for beachgoers on Council's 17 patrolled beaches



*IMAGE: Wollongong City Council won a major award for Beach Safety initiatives in the Westpool Risk Management Excellence awards*

### Implement Council's Floodplain Risk Management Plans

Implementation of the Floodplain Risk Management Plans continues through the capital works and maintenance programs. The preparation of various Flood Studies/Floodplain Risk Management Plans is ongoing, and designs for flood mitigation/stormwater either in progress or completed.

Recently completed studies and plans are:

- Collins Creek Floodplain Risk Management Study and Plan
- Towradgi Creek Flood Study
- Hewitts Creek Flood Study (adopted on 30 November 2015)
- Wollongong City (CBD) Floodplain Risk Management Study and Plan (adopted on 30 November 2015).

## GOAL 1: WE VALUE AND PROTECT OUR NATURAL ENVIRONMENT

Ongoing Studies and plans:

- Review of Brooks Creek Flood Study and Floodplain Risk Management Study and Plan Voluntary Purchase Scheme.
- Two properties (at 17 & 19 Burringbar Street Dapto) have been acquired and demolished under the Voluntary Purchase Scheme.

### Continue to deploy Council's Waste and Resource Recovery Strategy

The Wollongong Waste and Resource Recovery Strategy 2022 was endorsed by Council in July 2014. The Strategy represents a pathway for Council and the community to work towards sustainable waste management. Actions contained within the Strategy are now being implemented. The current priority actions in progress include:

- New community recycling centre development.
- New leachate management system at Whytes Gully.
- Environmental rehabilitation of Helensburgh landfill.
- New and ongoing arrangement for landfill gas extraction at Whytes Gully.
- Construction of new landfill cell stages at Whytes Gully.

Council has also successfully secured grant funding that has employed a Waste Projects Coordinator to help implement strategic action priorities out of the Waste and Resource Recovery Strategy.

### Deliver community lectures and workshops on the implications of climate change

A community forum on Climate Change was held on 22 October 2015 at the Wollongong Town Hall. The event provided information from local, regional and national climate change experts on climate change predictions and impacts. The event attracted approximately 130 attendees. A new web page on climate change has also been developed.



*IMAGE: PhD student / researcher Nat Harris, Lord Mayor, Cr David Brown and Rory Anderson from Law Media at the community forum on Climate Change*

## GOAL 1: WE VALUE AND PROTECT OUR NATURAL ENVIRONMENT

### PERFORMANCE MEASURES

- Number of volunteers worked at Bushcare and FIReady sites | 235 (Q1 = 326)
- Tonnes of Rubbish collected from clean-up activities | 14 (Q1 = 16)
- Plants Distributed | 18,247 (Q1 = 21,918)
- Plants Propogated | 10,000 (Q1 = 32,022)
- Number of volunteers for Environmental Programs - Greenhouse Park | 95 (Q1 = 95)
- Participation rate in environmental programs | 7,286 (Q1 = 13,760)

## GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY

### WOLLONGONG CITY COUNCIL

#### Promote Wollongong City Council as an employer of choice for women in Local Government

Council adopted a new Workplace Diversity Policy and Plan on the 14 December 2015. Work is now under way to develop a specific management plan to attract, retain and embed strategies to employ women within our organisation at all levels and within non-traditional roles. Council has applied for silver accreditation with the Australian Local Government Women's Association, towards 50:50 gender equity and this is currently in the evaluation process. Further, a Women at Wollongong professional network has been established and will meet quarterly and MyMentor, a program specifically aimed at women who wish to drive their career, has been established with eight women participating in the pilot.

#### Deliver City Centre Evening Economy Strategy

During this quarter the focus continued on building an activated City Centre in the evening through the attraction of new evening events. During December 2015, a Xmas Music Concert and New Year's Eve Music Concert were held in Globe Lane. Each event attracted between 1000 - 2000 patrons. Both concerts featured performances by key national and international artists establishing Globe Lane's reputation as a music lovers destination and delivering economic benefits to our City Centre. The New Year's Eve Concert featured Jamie XX, an English producer, remix artist and DJ.



*IMAGE: Music lovers at the Xmas Music concert in Globe lane*

### Implement the Bald Hill Masterplan

Construction works are progressing well to achieve the masterplan. Council has recently completed the roundabout and road shoulder reconstruction, and is currently undertaking site landscaping works. The amenities building has been designed and tenders called for construction, which is likely to commence following the summer season.

### Provide database sessions to Year 11 and 12 students, and information sessions for customers, across a range of Library sites

In response to increased demand, the libraries are offering more "Tech Savvy" training sessions for customers lacking the skills to use PCs, tablets, smart phones, and social media platforms. To assist in delivering additional training sessions, the Library has taken on volunteers to assist delivering more training sessions.

Wollongong City Libraries continue to provide database training sessions for senior high school students to assist in developing research skills to support preparation for HSC. During the last quarter, special sessions for HSC students, included guest speakers on particular areas of curriculum, yoga and stress management and HSC lock-in workshops were run across library branches, along with outreach activities delivered at a number of local high schools.

### Manage activation activities in the City Centre

Destination Wollongong continues to deliver on the promotion and marketing of the Crown Street Mall as identified in their 2015-16 City Centre Marketing Plan. Key events during the quarter centred around Christmas and included the Christmas Schools Competition, the Christmas Tree in the lower half of the Mall, Christmas movies for children, and Santa's Hut. This was supplemented with the Pop-up Botanic Garden activation in the top half of the Mall, smaller community events, busker and charity events which are managed directly by Council.



*IMAGE: Council staff at the Pop-up Botanic Garden in the top half of the Mall*

## GOAL 2: WE HAVE AN INNOVATIVE AND SUSTAINABLE ECONOMY

### PERFORMANCE MEASURES

- Occupancy rates of paid on street parking | 60 % (Q1 = 72%)
- Tourist parks occupancy rate of unpowered sites | 25 % (Q1 = 6%)
- Tourist parks occupancy rate of powered sites | 51 % (Q1 = 33%)
- Tourist Park occupancy rate of cabins | 55 % (Q1 = 50%)
- Number of visitations to the tourism information centres | 16,020 (Q1 = 15,999)



# GOAL 3: WOLLONGONG IS A CREATIVE, VIBRANT CITY

## WOLLONGONG CITY COUNCIL

### Pursue projects that will advance the delivery of the cultural plan

The Mountains, the Sea and Me Exhibition was held at Project Contemporary Art Space from 11-22 November as part of Viva la Gong, with 430 people visiting the exhibition. The exhibition was the culmination of a partnership program with Vision Australia and Multicultural Community Council of the Illawarra with support from Navitas English Centre and Illawarra Multicultural Services. The exhibition featured tactile works by individuals living with low vision or blindness and recently arrived young people from Syria. These works were developed through a number of artist run workshops.

Viva la Gong was held on 14 November with over 15,000 people in attendance. Viva la Gong Festival provides employment for over 71 groups of performers and performance artists as well as over 20 auxiliary staff involved in creative events.



*IMAGE: Celebrations at the Viva La Gong Festival*

### Deliver a range of community development programs

A range of community development projects were undertaken during the quarter including:

The Paint the Gong REaD reading tent included as part of Viva, the Transition to School Picnic, Lord Mayors Giving Tree launch and the 2518 Collective Forum Action Plan Check In.

Community organisations have also included the reading mascot "Bright Spark" in a range of events. The Paint the Gong REaD steering group met to establish direction and priorities for 2016 with a focus on communities experiencing disadvantage.

Council partnered with Big Fat Smile to deliver the 2015 Transition to School Picnic in November. More than 160 school starters for 2016, and their families, joined the celebrations.

Support was provided to Ready Action Work educational/vocational pathways program for Year 10 English as a Second Language (ESL) students. Council also worked to place 4 ESL students at Council for work experience. Council is currently developing a coordinated work placement plan for 2016.

### GOAL 3: WOLLONGONG IS A CREATIVE, VIBRANT CITY



*IMAGE: Council partnered with Big Fat Smile to deliver the 2015 Transition to School picnic*

#### Deliver Council's Annual Community Event Program

Twilight Markets were held in October, November and December. The October Market included a celebration of our Indigenous culture (as part of Illawarra 200 activities) with Aboriginal performers and arts and crafts on sale. This event was one of our most successful with well over 3,000 people attending across the course of the evening.

Moonlight Movies were held screening Indigenous movies as part of our Illawarra 200 activities at Port Kembla and Corrimal. The Port Kembla event was postponed due to rain - this impacted community awareness of the event and as a result attendance was lower than hoped. The Corrimal event was well received locally.

The New Year's Eve event was very successful with well over 15,000 in attendance and no reports of anti-social behaviour.



*IMAGE: Santa greeting children at the December Twilight Markets*

# GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY

## WOLLONGONG CITY COUNCIL

### **Continue the "Council Connect" project to enhance Council's online services and increase opportunities to conduct business with Council online**

Council has completed the first phase on the development of the new customer service system which has provided additional means of contact for customers such as an enhanced online experience, web chat and a smart phone app for the lodgement of service requests to Council. Work on 10 of the most utilised processes is now complete. The "Report it App" is now available for (free) download.

### **Continue to seek external funding to support delivery of core community infrastructure projects**

This quarter Council received advice of successful grant applications for four projects under the State Government's Community Building Partnerships Program and for \$900,000 towards The Tramway Shared Path project under the Federal Government's National Stronger Regions Fund (NSRF). Our application for \$10M funding for Fowlers Road under the NSRF was unsuccessful and we are seeking feedback on this application.

We are waiting for the outcomes of the Bridges Renewal Program application for Wongawilli Road.

### **Continue to implement the "Creating a Customer Service Culture" Strategy**

Core to Council's values and strategies is to develop an organisation that has a customer-centric culture. To support strategies in the Community Strategic Plan and place a focus on Council's values, particularly "treat customers as we want to be treated", Council has engaged with their management teams to work on at least one process in each team to improve the experience for the customer. A Customer survey has been utilised to assist in identifying any areas requiring improvement.

## GOAL 4: WE ARE A CONNECTED AND ENGAGED COMMUNITY

### Delivery of civic activities

A range of civic events were held during this period including a successful Recognition Reception in October recognising local recipients of Queens Birthday honours as well as a number of other individuals who have contributed to the local community, Council hosted the Asao Choir from our sister city in Kawasaki, Japan.

The Lord Mayor travelled to China to visit our friendship city in Lonyan and carried out a range of economic development meetings and talks.



*IMAGE: The Lord Mayor being welcomed in Councils friendship city Lonyan*

### PERFORMANCE MEASURES

- Number of media releases issued | 50 (Q1 =48)
- Number of Council Facebook page 'likes' 11269 (Q1 = 9,722)
- Workers compensation costs as a percentage of payroll | 1.20 % (Q1 = 1.20%)
- Telephone calls are answered within 30 seconds | 69 % (Q1 = 70%)
- Enquiries made in person are welcomed and attended to within 5 minutes | 93 % (Q1 = 91%)
- Lost Time Injury Frequency Rate | 22.74 (Q1 = 18.68)
- Carers Leave | 0.59 Days (Q1 = 0.61 Days)
- Number of Twitter followers for Council 3,733 (Q1 = 3,530)
- Sick Leave | 7.87 Days (Q1 = 7.38 Days)

# GOAL 5: HEALTHY COMMUNITY IN A LIVEABLE CITY

## WOLLONGONG CITY COUNCIL

### Implement key strategies from the Community Safety Plan

A number of key projects/actions are being progressed during the quarter including:

- The Berkeley Safer By Design project has signed agreements between Council and non-Council asset owners to develop a series of graffiti prevention murals in the main shopping area.
- Council received a total of 815 graffiti reports via its webpage and customer service centre; 431 were on Council assets, 384 were on non-Council assets.

A community safety audit day was conducted in Bellambi during November with local residents and NSW Police, to identify strategies to improve community safety. As a result of this day, an outline of possible actions to be taken by a variety of stakeholders has been identified which attempts to address the issues of concern.

On the 15 December "The Collective 2518 Forum" conducted the Bellambi Action Plan 2015-2018 day with over 80 people in attendance. Council staff facilitated the session focused on: Safety and Physical Environment, which discussed community safety issues and actions for the area.

Council was an active member of the respective community committees to plan for and conduct the White Ribbon Walk against Domestic Violence with over 800 people participating and the Reclaim the Night to protest against men's sexual violence against women with over 1000 people attending.

### Deliver 85% of Council's capital investment into our asset renewal program

Delivery of the 2015-16 Capital Works Program is forecast to expend \$60M of renewal expenditure.

This significant investment in asset renewal and replacement reflects the outcomes from Council's Securing Our Future program, utilising additional funds sourced from operational savings, efficiency gains, relevant grant funding and the Special Rate Variation on asset renewal. Council's Fit For The Future review project highlighted a continuing distribution of increasing capital funds to renewal into the future.

### Implement regulatory and educational programs to facilitate compliance with the Companion Animals Act and Council's Dogs on Beaches and Parks Policy

The Office of Local Government (OLG) Responsible Pet Ownership Program was completed this quarter. This involved education with the production and distribution of flyers and posters delivered to libraries, vets and neighbourhood and centres concerning microchipping, registration and responsible pet ownership generally. Dogs on beaches brochures were also distributed as part of this program. Council

## GOAL 5: HEALTHY COMMUNITY IN A LIVEABLE CITY

also worked with Department of Family and Community Services and the RSPCA to deliver a total of six microchipping days for lower socio economic groups throughout the city. During these days 109 pets were microchipped with approximately 320 residents receiving advice or assistance in upgrading pet details into the Office of Local Government register.



*IMAGE: Council officers and other organisations participating in the Office of Local Government Responsible Pet Ownership Program*

### Continue community capacity building in partnership with community organisations who support vulnerable communities

Council continues to work in collaboration with NSW Family & Community Services, NSW Housing, NSW Police, local schools and the community around the Collective 2518 which includes Bellambi. During November/December Community Safety Audits were conducted in the Bellambi area in conjunction with NSW Police and the local Community. This process has identified safety issues at a community level and outlined possible actions that can be taken by a variety of stakeholders to address them.

On the 15 December “The Collective 2518 Forum” conducted the Bellambi Action Plan 2015-18 day with over 80 people in attendance. Council was involved as a member of the planning working group for the day as well as contributing to and facilitating sessions that were held. Four “Agreed to Priorities” by the community have been established for Bellambi, these are:

- Safety and Physical Environment
- Connections, Support and Inclusive Communities
- Learning, Education and Employment
- Community –Focused Services.

Work has also continued on the Berkeley Safer Spaces Project:

The community were notified of the planned mural project via schools, community visits, newsletters and advertising and an Expression of Interest process to select an artist is underway. The project team are currently negotiating removal and re-do of a sensitive mural in the Winnima Way precinct.

A stakeholder meeting was held to progress the continued activation of the Holborn Park skate park – Berkeley Neighbourhood Centre, Youth Off the Streets, Care South and local skate organisations.

## GOAL 5: HEALTHY COMMUNITY IN A LIVEABLE CITY

### Implement key principles outlined in the Play Wollongong Strategy

During the quarter planning for key installations are being pursued at:

- Kundle Street Reserve
- Sheargold Reserve
- Roy Johanson Park
- Chinnock Park
- Pinecourt Park and
- O'Brien Street Reserve.

Austinmer Beach Reserve Playground was renewed during December. Some of the key principles incorporated in the design of these playgrounds include:

- 1 All play spaces located in open space that is accessible and support play.
- 2 All children will have access to a play space within a reasonable walking distance of their residence.
- 3 Play spaces are designed for a range of ages.
- 4 Play spaces will be designed to be inclusive to enable children of all abilities to participate.
- 5 Play spaces will provide children with an appropriate level of risk and challenge.

### PERFORMANCE MEASURES

- Social Support hours of service | 14,980 Hours (Q1 = 12,750 Hours)
- Total Visits commercial heated pools: Corrimal | 12,460 (Q1 = 6,579)
- Total Visits commercial heated pools: Dapto | 7,201 (Q1 = 3,290)
- Utilisation/visitation at pools | 168,232 (Q1 = 27,601)
- Utilisation/visitation at beaches | 231,146 (Q1 = 35,351)
- Utilisation of Direct-Run District Level Community Facilities | 8,617 Hours (Q1 = 10,185 Hours)
- Direct-Run District Level Community Facilities visitation | 54,379 (Q1 = 59,479)
- Community Transport trips | 33,834 (Q1 = 40,365)



# GOAL 6: WE HAVE SUSTAINABLE, AFFORDABLE AND ACCESSIBLE TRANSPORT

## WOLLONGONG CITY COUNCIL

### Accelerate capital program for footpath renewal

During the second quarter of 2015-2016 three (3) footpaths have been upgraded or reconstructed:

- Church Street footpath - from Smith to Market Streets, Wollongong
- Smith Street footpath - from Harbour to Corrimal Streets, Wollongong
- Cringila Community Park, Lockwood Street, replace paths, Cringila

A further eight (8) renewal footpath projects are at various stages of design as follows:

- Grey Street footpath - Memorial Drive to Liddle Street, Woonona
- Smith Street footpath - Corrimal to Church Streets, Wollongong
- Market Street; Corrimal to Queens Streets, Wollongong
- Berkeley East footpath renewal program, Berkeley
- Bourke Street footpath - Corrimal to Flinders Streets (south side), North Wollongong
- Byamee Street footpath (north side), Dapto
- Cliff Road to Continental Pools staircase renewal, Wollongong
- Princes Highway footpath - Hopetoun Street to Farrell Road (east side), Woonona

### Deliver the road resurfacing & reconstruction program

Delivery of Council's road resurfacing and reconstruction continues to be progressed ahead of schedule. A summary of road renewal works according to project stage is outlined below.

Road reconstruction program:

Ten (10) roads are at various stages of upgrade or reconstruction at the following locations:

- Suffolk Street - from Nolan Street to end, Berkeley
- Avonlea Street pavement - Princes Highway to Brook Street, Dapto
- Dalton Street pavement - from Towradgi Road to end, Towradgi
- Frost Parade pavement - Tucker Avenue to Brokers Road, Balgownie
- Jenkins Street pavement - Robert Street to Farmborough Road, Unanderra
- McPhail Street pavement - Central Road to Cook Street, Unanderra
- Spring Street pavement - Mt Keira Road to Ambleside Avenue, Mount Keira
- Ziems Avenue pavement - Towradgi Road to end, Towradgi
- The Drive - from Park Parade to Seaview Crescent, Stanwell Park
- Adams Avenue - from Cummins Street to Blackman Parade, Unanderra.

In addition, a further seven (7) road upgrade/reconstruction projects are at various stages of design as follows:

- Town Hall Place, Wollongong
- Colemans Lane pavement - from Franklin Avenue to Fowler Street, Bulli
- Parkside Avenue - Crown Street to end, Wollongong
- Church Street - Edward to Campbell Streets, Wollongong
- Rowland Avenue - Gladstone to Rawlinson Avenues, Wollongong
- Brian Street pavement - from Balfour to Meadow Streets, Fairy Meadow
- Culgoa Crescent pavement - Caloola Avenue to Wallabah Way, Koonawarra.

## GOAL 6: WE HAVE SUSTAINABLE, AFFORDABLE AND ACCESSIBLE TRANSPORT

Road resurfacing program:

Five (5) roads are at various stages of upgrade or reconstruction at the following locations:

- Princes Highway - Baan Baan Street to Bong Bong Road, Dapto
- Foleys Lane - University Avenue to end, North Wollongong
- The Avenue - from Ocean to Taronga Streets, Mount Saint Thomas
- Mount Keira Road - No 189 to Demonstration School, Mount Keira
- Northcliffe Drive - King Street to First Avenue.

A further nine (9) road resurfacing projects are at various stages of design as follows:

- Karbo Street; Wallawa Street to Millbrook Road, Figtree
- Gladstone Avenue; Marceau Street to Moran Parade, Mount Saint Thomas
- Exeter Avenue pavement - Flinders to Achilles Streets, North Wollongong
- Queens Parade pavement - from Crown to Market Streets, Wollongong
- Harbour Street - Burelli to Crown Streets, Wollongong
- Parkside Avenue - Crown Street to end, Wollongong
- Church Street - Edward to Campbell Streets, Wollongong
- Rowland Avenue - Gladstone to Rawlinson Avenues, Wollongong
- Northcliffe Drive - Wilkinson Street to Wollamia Crescent, Berkeley.

### Deliver the asset renewal program for active transport

Council has invested in the following renewal projects for cycleways and shareways:

- completion of the shared path along Cordeaux Road,
- the increase in width will improve amenity for the range of users who use this busy section of path,
- the shareway at Diamond Bros, and
- Park cycleway, Dapto, was renewed.

### Continue construction of the Heritage Walk Stage 2

This footpath construction, alongside the northern side of Endeavour Drive overlooking Wollongong Harbour, has been completed and was reopened to the public on the October 2015. The completed work provides another link in Council's overall Blue Mile Masterplan. Works include a viewing platform, a three metre wide promenade and new lighting, seating and handrail.



IMAGE: Completed footpath construction at Endeavour Drive, Wollongong

## PERFORMANCE MEASURES

- Delivery of Council's Capital Program | 34.8% (Q1= 14%)

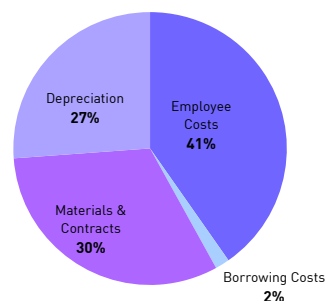
# HOW WE PERFORMED AGAINST OUR BUDGETS

## WOLLONGONG CITY COUNCIL

### Budget 2015-16

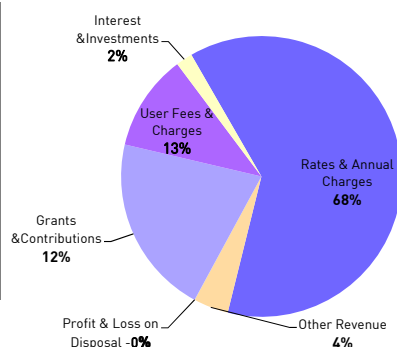
The graph below shows Council's expenses from ordinary activities by expense type for the quarter

Expense Type (\$'M)	YTD Actual	Proposed budget
Employee Costs less Internal Charges	49.7	102.3
Borrowing Costs	2.1	4.2
Materials & Contracts	39.3	84.7
Depreciation	32.3	62.1
Loss on Disposal of Assets	0.1	0.0
<b>Total</b>	<b>123.5</b>	<b>253.2</b>



The graph below shows Council's revenue from ordinary activities by revenue type for the quarter

Income Type (\$'M)	YTD Actual	Proposed budget
Rates & Annual Charges	84.9	174.1
Other Revenue	5.5	11.2
Profit on disposal of Assets	0.0	0.0
Grants & Contributions	28.3	49.6
User Fees & Charges	15.1	30.1
Interest & Investments	2.6	5.1
<b>Total</b>	<b>136.4</b>	<b>270.2</b>



# REPORT OF MANAGER FINANCE

## WOLLONGONG CITY COUNCIL

The following table provides a summary view of the organisation's overall financial forecast and proposed variations for the full year 2015-16 based on year to date and anticipated performance to December 2015.

FORECAST POSITION		Original Budget	Current Budget	Proposed Budget	YTD Actual	Variation
KEY MOVEMENTS		1-Jul	25-Sep	25-Dec	25-Dec	Q2
Operating Revenue	\$M	249.5	253.1	250.5	123.6	(2.5)
Operating Costs Exc Efficiency Targets	\$M	(257.2)	(256.7)	(253.3)	(123.4)	3.4
Efficiency Targets	\$M	1.2	0.1	0.1	-	-
<b>Operating Result [Pre Capital]</b>	\$M	<b>(6.4)</b>	<b>(3.6)</b>	<b>(2.7)</b>	<b>1.2</b>	<b>0.9</b>
Capital Grants & Contributions	\$M	14.5	14.6	19.7	12.7	5.1
<b>Operating Result</b>	\$M	<b>8.1</b>	<b>11.0</b>	<b>17.0</b>	<b>13.9</b>	<b>6.0</b>
<b>Funds Available from Operations</b>	\$M	<b>48.2</b>	<b>48.2</b>	<b>48.2</b>	<b>22.5</b>	<b>(0.0)</b>
<b>Capital Works</b>		<b>86.3</b>	<b>88.0</b>	<b>90.5</b>	<b>31.6</b>	<b>2.6</b>
Transfer to Restricted Cash		-	7.1	7.1	7.1	-
<b>Contributed Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Funded from:						
- Operational Funds	\$M	48.2	48.2	48.2	22.5	(0.0)
- Other Funding	\$M	34.9	36.6	39.2	13.0	2.6
<b>Total Funds Surplus/(Deficit)</b>	\$M	<b>(3.1)</b>	<b>(10.2)</b>	<b>(10.2)</b>	<b>(3.2)</b>	<b>0.0</b>

The revised projections at the December Quarterly Review for the year ending 30 June 2016 indicate an improvement of \$0.9M in the projected Operating Result [pre capital]. This net improvement has not created additional discretionary operating or capital expenditure capacity (Operational Funds Available for Capital Variation \$0), as the net improvements are almost entirely related to restricted Domestic Waste funds and restricted Interest on Investments that must be used for prescribed purposes.

This Quarterly Review does include the recognition of a number of adverse operational results, considered to be mostly non-recurrent, that have been offset by a combination of improved income estimates and contingency. The most significant adjustments and offsets are outlined below and are discussed in more detail through this report:

## REPORT OF MANAGER FINANCE

- **Waste Facility income & expenditure.** The review recognises a decrease in income from tipping fees of \$3.7M that is partially offset by decreased Waste levy of \$2.8M.
- **Parking infringement revenue.** Revenue has been reduced by \$0.35M based on current trends with an offsetting reduction of \$45K in external processing costs.
- **Domestic Waste Charges & associated pensioner rebates.** Net improvement of \$0.6M has been recognised. This does not impact on the Fund result as improvements in this area are transferred to restricted cash.
- **Elimination of contingency funds.** The remaining balance of \$0.6M has been allocated to offset negative adjustments recognised in the quarter. It is considered unlikely that further funds will be required for the remainder of this year.
- **Other operational income & expense changes.** These are generally of a relative low individual value but together have a significant impact (\$0.7M) on the projected result. These include additional income in a range of areas such as Tourist Parks, contributions and reimbursements, and decreases in costs such as Street lighting, and Legal expenses, as well as some deferral of studies.
- **Interest on investments.** The estimated interest on investments has increased by \$0.22M. All of this improvement is restricted as the improvement relates to the higher levels of Restricted Cash held.

The Operating Result, which includes adjustments to capital grants and contributions, shows a net improvement of \$6.0M. This has been impacted by additional grants and developer contributions of \$5.1M.

The Funds Result forecast remains unchanged as the increase in capital contributions and the operational improvements in Domestic Waste and Interest on Investment income are offset by corresponding transfers to restricted cash.

The primary variations and issues are discussed below with favourable changes identified as (F) and unfavourable (U). A more comprehensive list is provided in Table 6.

### 1 Income & Expense

- **Rates Income - \$0.6M (F).** This adjustment relates mainly to Domestic Waste adjustments that are offset by a transfer to restricted cash. The adjustment includes an increase in income of \$382K that is partly due pro rata charges for new properties and changes in classifications, as well as adjustment to the number of services that were included in the original budget. There has also been a reduction in value of pensioner rebate applicable to waste component of rates and charges (\$171K).
- **User Charges and Fees - \$3.6M (U).** This income category has been impacted by a reduction in commercial tipping fees \$4.35M that is attributed to the pricing differential between the Whytes Gully and the Dunmore waste facilities. This is partially offset by improvements in household drop off income (\$650K) and Tourist Park income (\$92K). The reduction in commercial tipping fees is partially offset by the decreased Waste Levy due to a lower quantity of waste.
- **Interest and Investment Income - \$0.2M (F).** The increase in projected income is due to increased cash holdings that are impacted by the level of restricted assets held.

## REPORT OF MANAGER FINANCE

- **Other Revenue - \$0.1M (F).** The increased income is due to a number of one off payments including payments associated with accumulated long service leave for staff employed from other councils (\$152K), reimbursement of costs relating to civil works (\$120K), legal claims income (\$109K) and other more minor items. These have been offset by a reduction in expected parking infringement revenue (\$350K).
- **Grants & Contributions Operating – \$0.2M (F).** The improvement from additional grant income for projects (\$256K) has been offset by a reduction in the pensioner subsidy applicable to waste component of pensioner rebate (\$83K).
- **Grants & Contributions - Capital - \$5.1M (F).** This variation includes an increase in the forecast for Developer Contributions (\$2.7M) and net capital grants (\$2.4M). The additional income does not impact on the Fund result as this is transferred to restricted cash until required.
- **Employee Costs - \$0.6M (U).** The increase in employee costs is largely offset by reduction in other expenditure categories. The type of resources required to deliver projects may vary from the original budget as the projects are better defined and work commences.
- **Materials, Contracts & Other Expenses - \$4.1M (F).** The proposed reduction in this expense category is mainly due to a reduction in Waste levy (\$2.8M), use of other resource categories to deliver projects (\$830K) and low demand for West Dapto Home Deposit scheme requiring lower levels of financial support in the current year (\$323K). These improvements have been partially offset by increased emergency service contribution (\$259K), public liability below excess payments (\$139K) and other more minor variations. The reduction in the EPA levy is due to a decrease in landfill tonnages (\$1.5M) and cover materials (\$1.3M) that is partly due to the decrease in commercial waste and increased site sourcing of cover materials.
- **Internal Charges \$0.2M - (U).** This variation is due to reallocation from other resource types.

### 2 Capital Budget

Revised capital projections include an increase from \$88.0M to \$90.5M during the December Quarter. The increase of \$2.6M is fully funded from restricted cash and has been approved through the monthly reporting process. The revised projections include \$2.8M for the purchase of a number of properties in Montgomery Street, Warrawong, that are intended to be used for the construction of an integrated district level Community Centre and Library. The purchase is planned to be funded from the Strategic Projects restricted cash and was approved by Council in November 2015.

### 3 Merger Proposal Period Considerations

The following projects have been included in the revised projections for the December Quarterly Review and are funded from within the existing budget and forecasts. These proposals are considered to be in compliance with Section 23A of the Act in the context of the merger proposal.

Projects included in December Quarterly Review							
			2015/16	2016/17	2017/18	2018/19	2019/20
Project	Duration	Funding	\$000's	\$000's	\$000's	\$000's	\$000's
City Centre Activation	Recurrent	Additional rates growth budget	170	507	520	533	228
Volunteer Management	Fixed duration	Operational contingency	44	44	44		
Major Events Support	Recurrent	Offset other improvements	19	47	48	49	50

### 4 Cash & Investments

The increase in projected cash and investments of \$6.7M at December is due to additional capital grant and contributions held as restricted assets, progress of the capital works program and operational income and expenditure trends.

Available Funds excludes movement in externally and internally restricted cash such as timing of special purpose grants and progress of funded projects. There is a projected decrease in Available Funds at December of \$7.7M that is due to the approved transfer of \$10.4M to Strategic Projects restricted cash at the September Quarterly Review comprised of the improvement in the 2014-15 end of year result (\$7.1M) and first quarter 2015-16 projected result (\$3.3M). The impact of this increase has been partially reduced by the application of \$2.8M from Strategic Projects restricted cash for the purchase of the properties in Montgomery Street, Warrawong.



## REPORT OF MANAGER FINANCE

TABLE 2

CASH, INVESTMENTS & AVAILABLE FUNDS					
	Actual 2014/15	Original Budget 2015/16	September QR 2015/16	December QR 2015/16	Actual Ytd 25 December 2015
	\$M	\$M	\$M	\$M	\$M
Total Cash and Investments	144.7	109.6	123.1	129.8	167.2
Attributed to:					
External Restrictions					
Developer Contributions	15.1	8.2	10.4	12.9	15.8
Specific Purpose Unexpended Grants	5.0	3.5	(1)	2.6	7.3
Special Rates Levy City Centre	0.2	0.2	0.2	0.1	0.2
Unexpended Loans	31.3	27.0	24.6	24.6	27.5
Domestic Waste Management	10.7	8.2	9.2	10.1	10.8
Private Subsidies	4.8	3.7	4.6	3.7	4.9
West Dapto Home Assistance	5.8	9.7	9.7	9.7	9.7
Stormwater Management Charge	0.4	0.5	0.6	0.6	0.8
Carbon Pricing	4.4	4.6	4.4	4.4	4.4
Total External Restrictions	77.7	60.9	62.8	68.6	81.3
Internal Restrictions					
Property Investment Fund	7.8	7.8	7.8	8.1	8.0
Future Programs	6.9	4.8	4.9	5.0	6.7
Property	4.1	4.2	4.1	4.1	4.1
Strategic Projects	11.2	11.1	11.2	18.8	21.6
Sports Priority program	0.5	0.5	0.6	0.6	0.6
Car Parking strategy	0.3	0.2	0.2	0.3	0.6
MacCabe Park Development	0.7	0.8	0.8	0.8	0.8
Darcy Wentworth Park	0.2	0.2	0.2	0.2	0.2
Garbage Disposal Facility	9.5	11.5	10.1	10.1	9.9
Telecommunications Revenue	0.1	0.1	0.2	0.2	0.1
West Dapto additional rates	0.1	0.1	0.1	0.1	0.4
Natural Areas	0.5	0.5	0.5	0.5	0.4
Lake Illawarra Management Fund				0.1	
Total Internal Restrictions	42.0	41.9	40.8	48.9	53.5
Available Cash	25.0	6.9	19.5	12.3	32.4
Net Payable & Receivables	(3.4)	4.7	2.2	1.7	(14.0)
Current payables	(29.9)	(23.0)	(23.1)	(25.5)	(40.9)
Receivables	22.1	26.0	20.9	22.8	21.2
Other	4.3	1.7	4.4	4.4	5.7
Available Funds	21.6	11.5	21.7	14.0	18.4

## REPORT OF MANAGER FINANCE

### 5 Securing Our Future Outcomes

An efficiency target was developed as part of the 'Securing Our Future' program that was endorsed by Council through the adoption of the 2014-15 Annual Plan along with the special rate variation, revenue increases and service adjustment targets.

Securing Our Future Adopted Outcomes	EFFICIENCY		SERVICES	REVENUE		TOTAL
	Lower Impact	High Impact		Rates *	Other	
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
2014/15	1,000		1,000	4,950	120	7,070
2015/16	1,000		200	4,560	250	6,010
2016/17	1,500	500	200	4,990	130	7,320
2017/18		500	100			600
2018/19						-
<b>TOTAL</b>	<b>3,500</b>	<b>1,000</b>	<b>1,500</b>	<b>14,500</b>	<b>500</b>	<b>21,000</b>

The long term financial projections include efficiency targets of \$1.0M for 2014-15, \$1.0M for 2015-16, \$2M for 2016-17 and \$0.5M for 2017-18 that are indexed thereafter. The lower impact targets for improvements have been proportionally allocated to individual services based on the level of discretionary expenditure in each. Progress is reported through the Quarterly Review. Where improvements in income or non-discretionary cost are achieved ahead of schedule, it is intended that the additional funds may be used to initiate further actions required to achieve future improvement targets, offset against individual targets that may not be achieved in the planned timeframe, or flow through to improvements in the bottom line.

As at the December Review, \$1.9M or 95% of the cumulative 2015-16 planned efficiency target improvements have been identified. In line with the strategic intent, the efficiency targets are not intended to impact on service delivery. The following table shows where efficiency improvements have been identified to date. It should be noted that the planned revenue improvements of \$370K for 2015-16 and Service Adjustments of \$1.0M (that were achieved through an extension of footpath useful lives), in the above table were identified prior to the final adoption of the 2014-15 Annual Plan and are included in the following table for information purposes.

Where improvements have exceeded the Efficiency Targets in a particular year, these have been applied to offset unexpected adverse impacts or have been used to improve the financial projections. At the September Quarterly Review net improvements of \$3.3M were identified in excess of the Efficiency Targets for 2015-16. This improvement along with the positive 2014-15 result compared to budget of \$7.1M provided Council with the opportunity to transfer \$10.4M to restricted cash for Strategic Projects. During the December Quarterly Review, improved performance at the Tourist Parks has contributed \$91K towards the early achievement of the 2016-17 High Impact Efficiency Targets that are held at an organisational level.

# REPORT OF MANAGER FINANCE

Securing Our Future Improvement Targets											
Service	2014-15			2015-16				2016-17			
	Adopted	Achieved	Balance	Adopted	Achieved	Achieved	Balance	Adopted	Achieved	Achieved	Balance
	Budget	\$000's	\$000's	Budget	2014/15	2015/16	\$000's	Budget	2014/15	2015/16	\$000's
Allocated Efficiency Targets - Lower Impact											
Aquatic Services	(65)	65	0	(129)	68	62	0	(233)	75	158	0
Botanic Garden and Nursery	(23)	23	0	(46)	23	0	(22)	(82)	24	0	(58)
Community Facilities	(20)	20	0	(39)	39	0	0	(71)	71	0	0
Community Programs	(11)	11	0	(22)	22	1	0	(40)	39	1	0
Corporate Strategy	(8)	8	0	(17)	10	7	0	(30)	18	12	0
Crematorium and Cemeteries	(18)	18	0	(36)	18	17	0	(64)	17	47	0
City Centre Management	(6)	6	0	(12)	10	2	0	(22)	17	5	0
Cultural Services	(19)	19	0	(39)	31	8	0	(70)	14	56	0
Integrated Customer Service	(33)	33	0	(66)	0	66	0	(119)	0	119	0
Development Assessment/Certification	(49)	49	0	(98)	0	98	0	(177)	0	129	(48)
Stormwater Services	(20)	20	0	(39)	17	22	0	(71)	31	40	0
Economic Development	(6)	6	(0)	(13)	4	8	0	(23)	0	23	0
Emergency Management	(7)	7	0	(14)	8	6	0	(25)	9	16	0
Environmental Services	(16)	16	0	(32)	16	0	(15)	(57)	17	0	(40)
Financial Services	(40)	40	0	(79)	79	0	0	(143)	143	0	0
Governance and Administration	(42)	39	(3)	(84)	28	53	(3)	(151)	42	101	(8)
Public Health	(7)	7	0	(15)	0	15	0	(27)	0	27	0
Human Resources	(42)	0	(42)	(84)	(0)	55	(29)	(151)	0	57	(94)
Information/Communications Technolo	(19)	19	0	(38)	0	38	0	(69)	0	69	0
Infrastructure Planning & Support	(94)	43	(51)	(189)	53	136	0	(340)	76	96	(168)
Internal Charges Service	(2)	2	0	(4)	2	2	0	(8)	2	6	0
Leisure Services	(29)	29	0	(57)	33	24	0	(103)	36	67	0
Libraries	(58)	57	(1)	(115)	114	1	(0)	(208)	206	2	0
Natural Area Management	(13)	10	(3)	(26)	16	1	(9)	(47)	21	1	(25)
Land Use Planning	(17)	17	0	(33)	17	0	(16)	(60)	18	0	(42)
Property Services	(10)	10	0	(21)	11	10	(0)	(37)	11	26	0
Public Relations	(20)	20	0	(41)	2	38	0	(73)	4	69	0
Parks and Sportsfields	(87)	30	(57)	(174)	21	153	0	(314)	22	292	0
Regulatory Control	(22)	22	0	(44)	0	44	0	(80)	0	80	0
Tourist Parks	(30)	30	0	(61)	31	29	0	(109)	32	77	0
Transport Services	(98)	87	(11)	(195)	40	156	0	(352)	36	316	0
Waste Management	(61)	61	0	(122)	53	69	0	(219)	19	200	0
Youth Services	(7)	7	0	(15)	0	15	0	(27)	0	27	0
	(1,000)	832	(168)	(2,000)	769	1,137	(95)	(3,602)	999	2,119	(484)
High Impact Efficiency Target, Income & Service Adjustments											
Efficiency Improvements				0	0	0	0	(500)	215	91	(194)
Service Adjustments	(1,000)	1,000	0	(1,200)	1,000	100	(100)	(1,400)	1,000	0	(400)
Additional Revenues	(120)	170	50	(370)	370	0	0	(500)	470	30	0
	(1,120)	1,170	50	(1,570)	1,370	100	(100)	(2,400)	1,685	121	(594)
	(2,120)	2,002	(118)	(3,570)	2,139	1,237	(195)	(6,002)	2,684	2,240	(1,078)

## 6 Long Term Financial Projections

Key Performance Information shown below is based on the financial forecasts that are contained in the Revised Delivery Program 2012-17 and Resourcing Strategy 2012-22 that were adopted by Council on 17 February 2014 and updated through the Adoption of the 2015-16 Annual Plan. Council has a continuous budget process that revises the long term forecasts in line with quarterly changes and resets assumptions and indices annually or where new information leads to an immediate requirement to change the indices. The underlying indices supporting the long term forecasts were revised at the commencement of the 2016-17 Annual Planning process to reflect most recent economic indicators. Long term projections have also been revised to reflect the impact of adjustments made during the September 2015 Quarterly Review that had a recurrent impact.

The revised long term projections are indicative at this stage and will continue to be reviewed through the annual planning process and to reflect more recent information from both external sources and internal analysis and as programs develop or become more defined.

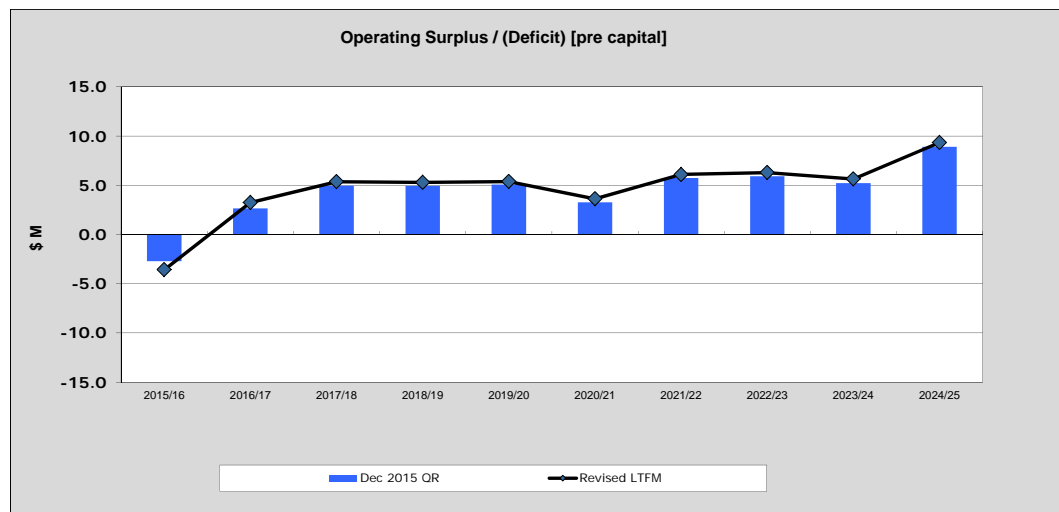
### Long Term Operating Surplus/(Deficit) [pre capital]

The Operating Result [pre capital] provides an indication of the long term viability of Council. In broad terms, a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services) and continue to renew existing assets.

Proposed changes identified during this review were generally considered to be of a non-recurrent nature as reflected in the graph below. A number of new operational projects were introduced during the Quarter that was considered to be consistent with the potential merger requirements. These projects have recurrent elements that have been offset against existing budgets.

These projections are preliminary and are subject to review through the 2016-17 planning process.

**Table 3**

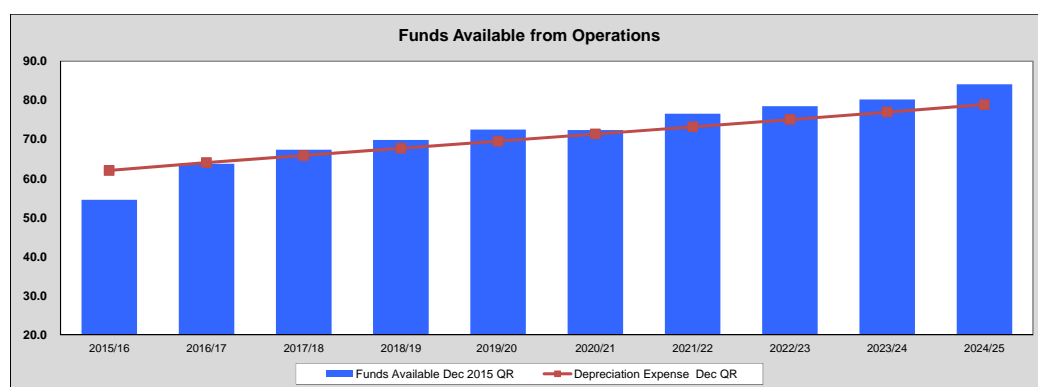


## Funds Available from Operations

Previously Council has reported the Operational Funds Available for Capital as a key indicator. This indicator is very similar to the Funds Available from Operations except that it reflected the result after the annual repayment of loans was deducted. In accordance with Council's Financial Strategy, Council will only use debt to fund capital expenditure. This means that loans are part of the funding for capital, and they are repaid from operational funds generated. These repayments reflect the changed timing of capital expenditure over a period. The Funds Available from Operations is a primary objective of Council over time to provide for effective renewal of assets and growth in assets.

The following graph also shows forecast deprecation expenses compared to Funds available from Operations. This is an important indicator as it demonstrates the capacity to generate sufficient funds from operations to meet asset renewal requirements.

**Table 4**

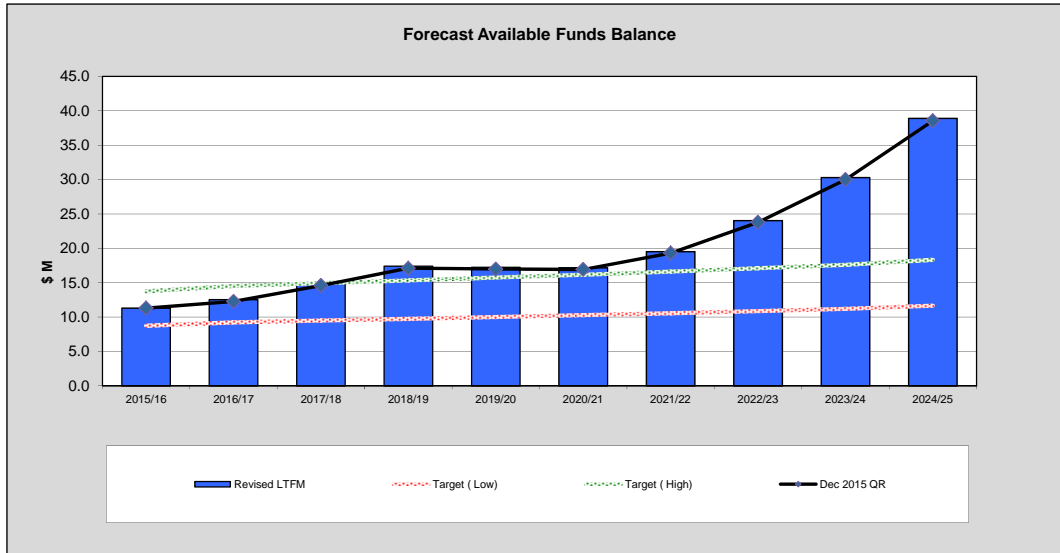


## Available Funds

Available Funds are the uncommitted funds of an organisation that assist in meeting the short term cash requirements, provide contingency for unexpected costs or loss of revenue, and to provide flexibility to take advantage of opportunities that may arise from time to time. Council's Financial Strategy has a target to achieve and maintain an Available Funds position between 3.5% and 5.5% of operational revenue [pre capital].

The Available Funds remain above Council's Financial Strategy target of 3.5% to 5.5% of operational revenue [pre capital]. Based on the 2015-16 Adopted Annual Plan (revised for September Quarterly Review and indices) the target range for Available Funds is between \$8.8M and \$11.7M (lower range) and between \$13.8M and \$18.4M (upper range) over the life of the Long Term Financial Plan. The revised projections that include the updated indices and proposed December Quarterly Review adjustments indicate that Council is within the above parameters for the first three years. The projected growth in Available Funds in the latter years is largely due to the application of revised indices and in particular, the reduction in forecast CPI and impact of this of forecast labour costs.

**Table 5**



# REPORT OF MANAGER FINANCE

WOLLONGONG CITY COUNCIL					
December 2015 Quarterly Review					
	Original Budget \$'000	Current Budget \$'000	YTD Actual YTD \$'000	Proposed Variation \$'000	Proposed Budget \$'000
Income Statement					
<b>Income From Continuing Operations</b>					
<b>Revenue:</b>					
Rates and Annual Charges	173,253	173,503	84,857	583	174,086
User Charges and Fees	33,194	33,727	15,136	(3,612)	30,115
Interest and Investment Revenues	4,772	4,926	2,608	221	5,147
Other Revenues	9,454	11,146	5,487	93	11,239
Grants & Contributions provided for Operating Purposes	28,846	29,755	15,594	173	29,928
Grants & Contributions provided for Capital Purposes	14,520	14,585	12,707	5,112	19,696
<b>Other Income:</b>					
Profit/Loss on Disposal of Assets	0	0	(109)	0	0
<b>Total Income from Continuing Operations</b>	<b>264,040</b>	<b>267,642</b>	<b>136,281</b>	<b>2,570</b>	<b>270,212</b>
<b>Expenses From Continuing Operations</b>					
Employee Costs	113,797	113,558	55,284	565	114,122
Borrowing Costs	4,206	4,206	2,098	0	4,206
Materials, Contracts & Other Expenses	89,130	90,318	39,926	(4,119)	86,199
Depreciation, Amortisation + Impairment	62,074	62,074	32,274	0	62,074
Internal Charges (labour)	(11,876)	(11,951)	(5,599)	124	(11,828)
Internal Charges (not labour)	(1,400)	(1,577)	(611)	37	(1,540)
<b>Total Expenses From Continuing Operations</b>	<b>255,932</b>	<b>256,628</b>	<b>123,372</b>	<b>(3,394)</b>	<b>253,235</b>
<b>Operating Results From Continuing Operations</b>	<b>8,108</b>	<b>11,014</b>	<b>12,909</b>	<b>5,964</b>	<b>16,977</b>
<b>Net Operating Result for the Year</b>	<b>8,108</b>	<b>11,014</b>	<b>12,909</b>	<b>5,964</b>	<b>16,977</b>
<b>Net Operating Result for the Year before Grants &amp; Contributions provided for Capital Purposes</b>					
	<b>(6,412)</b>	<b>(3,571)</b>	<b>202</b>	<b>852</b>	<b>(2,719)</b>
<b>NET SURPLUS (DEFICIT) [Pre capital] %</b>	<b>(2.4%)</b>	<b>(1.3%)</b>	<b>0.1%</b>	<b>33.2%</b>	<b>(1.0%)</b>
Funding Statement					
<b>Net Operating Result for the Year</b>	<b>8,108</b>	<b>11,014</b>	<b>12,909</b>	<b>5,964</b>	<b>16,977</b>
<b>Add back :</b>					
- Non-cash Operating Transactions	77,378	77,339	40,255	107	77,446
- Restricted cash used for operations	15,464	16,458	8,690	74	16,532
- Income transferred to Restricted Cash	(34,812)	(38,730)	(29,439)	(6,145)	(44,875)
- Payment of Accrued Leave Entitlements	(11,550)	(11,512)	(5,368)	(0)	(11,512)
- Payment of Carbon Contributions	0	0	0	0	0
<b>Funds Available from Operations</b>	<b>54,588</b>	<b>54,568</b>	<b>27,047</b>	<b>0</b>	<b>54,569</b>
Advances (made by) / repaid to Council	0	0	0	0	0
Borrowings repaid	(6,371)	(6,371)	(4,538)	0	(6,371)
<b>Operational Funds Available for Capital Budget</b>	<b>48,217</b>	<b>48,198</b>	<b>22,509</b>	<b>0</b>	<b>48,197</b>
<b>CAPITAL BUDGET</b>					
Assets Acquired	(86,256)	(87,972)	(31,550)	(2,556)	(90,528)
Contributed Assets	0	0	0	0	0
Transfers to Restricted Cash	0	(7,100)	(7,100)	0	(7,100)
<b>Funded From :-</b>					
- Operational Funds	48,217	48,198	22,509	0	48,197
- Sale of Assets	2,008	1,626	246	0	1,626
- Internally Restricted Cash	5,136	4,798	839	2,645	7,443
- Borrowings	0	0	0	0	0
- Capital Grants	9,439	14,169	5,431	(210)	13,959
- Developer Contributions (Section 94)	6,510	6,276	1,254	121	6,397
- Other Externally Restricted Cash	9,460	7,614	4,155	0	7,614
- Other Capital Contributions	2,365	2,150	1,054	0	2,150
<b>TOTAL FUNDS SURPLUS / (DEFICIT)</b>	<b>(3,122)</b>	<b>(10,241)</b>	<b>(3,162)</b>	<b>(0)</b>	<b>(10,241)</b>

# REPORT OF MANAGER FINANCE

## MAJOR VARIATIONS

Compared to Budget	\$'000s	Offsetting Items for Fund	Surplus	Deficit	Net by type
<b>REVENUES FROM ORDINARY ACTIVITIES</b>					
<b>Rates &amp; Annual Charges</b>					
Domestic Waste charges & pensioners rebates		553			
City Centre rates		5			
Stormwater Management Service Charge		25			583
<b>User Charges &amp; Fees</b>					
Commercial tipping & resident drop off income		(2,785)		(915)	
Tourist Parks		19	73		
Other				(4)	(3,612)
<b>Interest and Investment Income</b>					
Increased cash holdings offset by transfer to reserve		239		(47)	
Southern Phones dividend		29			221
<b>Other Revenue</b>					
Legal penalty & claims recoveries		109			
Parking infringement revenue		(45)		(305)	
Leave provisions for staff transferring from other Councils			152		
Reimbursement of civil works			120		
Other		18	44		93
<b>EXPENSES FROM ORDINARY ACTIVITIES</b>					
<b>Employee Costs</b>					
Reallocation to/from Other Categories		(695)			
Introduction of project expenditure funded from restricted cash		(60)			
Introduction of Business Proposals					
City Centre Activation		(100)			
Major Event Support		(19)			
Workers compensation			90		
Beaches & Pools wages		28	46		
Operational Contingency applied to new business proposals		100			
Other		26	19		(565)
<b>Materials, Contracts &amp; Other Expenses</b>					
EPA Levy on commercial waste & cover materials		2,785			
Whytes Gully leachate treatment & other operations				(101)	
Emergency Services Contributions				(259)	
Reallocation to/from Other Categories		830			
Introduction of project expenditure funded from restricted cash					
Community Transport		(297)			
Other		(169)			
Introduction of Business Proposals					
City Centre Activation		(70)			
Volunteering Illawarra - volunteer management		(44)			
Allocations from Operational Contingency					
Remove residual balance			590		
Offset for Business Proposals introduced		114			
West Dapto Home Deposit Assistance support to participants		323			
Supporting documents & studies to be completed in 2016/17			140		
Street lighting			121		
Legal expenses		30	120		
Fuel			93		
Postage				(105)	
Infringements processing		45			
Public Liability payments		(139)			
Lake Illawarra expenditure associated with MOU		165			
Community survey				(10)	
Various other adjustments		(27)		(16)	4,119
<b>Internal Charges</b>					
Introduction of project expenditure funded from restricted cash		(26)			
Reallocation to/from Other Categories		(135)			(161)

S



# REPORT OF MANAGER FINANCE

**TABLE 6 (CONT)**

MAJOR VARIATIONS				
Compared to Budget	\$'000s	Offsetting Items for Fund	Surplus	Deficit
				Net by type
<b>Grants &amp; contribution - Operating</b>				
Additional grants advised transferred to reserve		248	8	
Pensioner Rates Subsidy		(83)		173
<b>Operating Variation [pre capital]</b>		<b>997</b>	<b>1,616</b>	<b>(1,762)</b>
<b>Capital Grants &amp; Contributions</b>				
Developer Contributions		2,670		
Grants & contributions				
Cordeaux Rd Pavement		2,000		
Bald Hill Roundabout		1,000		
Roads to Recovery		237		
RMS Grants Received		205		
Mine Contribution to Cordeaux Rd		(1,000)		5,112
<b>Operating Variation [post capital]</b>		<b>6,109</b>	<b>1,616</b>	<b>(1,762)</b>
<b>FUNDING STATEMENT</b>				
<b>Non Cash Expenses</b>				
Leave Liability			107	107
<b>Restricted Cash Used for Operations</b>				
Restricted cash applied to projects		498		
Transfer to Domestic Waste restricted cash for improved income		(461)	37	74
<b>Income Transferred to Restricted Cash</b>				
Developer Contributions		(2,670)		
Grants & contributions - capital		(2,442)		
Grants & contributions - operational		(248)		
Interest applicable to restricted assets		(562)		
Lake Illawarra Works		(165)		
Other		(59)		(6,145)
<b>OPERATIONAL FUNDS AVAILABLE FOR CAPITAL</b>		<b>-</b>	<b>1,761</b>	<b>(1,762)</b>
<b>CAPITAL BUDGET</b>				
Increase in capital program		(2,556)		
Increase in associated funding		2,556		
<b>TOTAL FUNDS SURPLUS/(DEFICIT)</b>		<b>-</b>	<b>1,761</b>	<b>(1,762)</b>

# REPORT OF MANAGER FINANCE

## CAPITAL PROJECT REPORT

as at the period ended 25th December 2015

Program	\$'000		\$'000		YTD Expenditur e	\$'000	
	Current Budget		Proposed Budget			variation	
	Expenditure	Other Funding	Expenditure	Other Funding		Expenditure	Other Funding
Asset Class:Roads And Related Assets							
Traffic Facilities	3,574	(2,354)	3,682	(2,262)	1,389	108	92
Public Transport Facilities	441	(172)	441	(172)	113	0	0
Roadworks	12,567	(3,651)	13,369	(3,452)	1,744	802	198
Bridges, Boardwalks and Jetties	1,750	(350)	1,850	(350)	237	100	0
Total Roads And Related Assets	18,332	(6,527)	19,342	(6,237)	3,483	1,010	290
Asset Class:West Dapto							
West Dapto Infrastructure Expansion	5,954	(4,865)	5,954	(4,865)	310	(0)	(0)
Total West Dapto	5,954	(4,865)	5,954	(4,865)	310	(0)	(0)
Asset Class:Footpaths And Cycleways							
Footpaths	7,017	(4,527)	8,588	(4,648)	2,324	1,571	(121)
Cycle/Shared Paths	8,040	(5,560)	8,090	(5,560)	1,431	50	(0)
Commercial Centre Upgrades - Footpa	4,140	(435)	3,040	(435)	123	(1,100)	(0)
Total Footpaths And Cycleways	19,197	(10,522)	19,718	(10,643)	3,878	521	(121)
Asset Class:Carparks							
Carpark Construction/Formalising	710	(500)	775	(500)	170	65	0
Carpark Reconstruction or Upgrading	1,040	0	1,001	0	59	(39)	0
Total Carparks	1,750	(500)	1,776	(500)	229	26	0
Asset Class:Stormwater And Floodplain Management							
Floodplain Management	2,210	(680)	1,660	(667)	61	(550)	13
Stormwater Management	1,740	(430)	2,290	(443)	208	550	(13)
Stormwater Treatment Devices	250	(150)	250	(150)	0	(0)	(0)
Total Stormwater And Floodplain Ma	4,200	(1,260)	4,200	(1,260)	269	(0)	(0)
Asset Class:Buildings							
Cultural Centres (IPAC, Gallery, Townh	1,100	0	1,131	0	22	31	0
Administration Buildings	1,280	0	1,280	0	29	(0)	0
Community Buildings	13,309	(3,375)	12,840	(3,375)	2,240	(469)	0
Public Facilities (Shelters, Toilets etc.)	615	0	617	0	138	2	0
Total Buildings	16,304	(3,375)	15,868	(3,375)	2,428	(436)	0
Asset Class:Commercial Operations							
Tourist Park - Upgrades and Renewal	750	0	750	0	28	(0)	0
Crematorium/Cemetery - Upgrades and	190	0	190	0	28	0	0
Leisure Centres & RVGC	195	0	195	0	1	0	0
Total Commercial Operations	1,135	0	1,135	0	57	(0)	0
Asset Class:Parks Gardens And Sportfields							
Play Facilities	1,145	(50)	1,145	(50)	36	(0)	(0)
Recreation Facilities	3,340	(1,992)	3,440	(1,892)	63	100	100
Sporting Facilities	804	(151)	834	(151)	62	30	0
Lake Illawarra Foreshore	200	0	0	0	12	(200)	0
Total Parks Gardens And Sportfields	5,489	(2,193)	5,419	(2,093)	173	(70)	100
Asset Class:Beaches And Pools							
Beach Facilities	555	0	449	0	45	(106)	0
Rock/Tidal Pools	1,180	0	1,186	0	335	6	0
Treated Water Pools	650	0	956	0	243	306	0
Total Beaches And Pools	2,385	0	2,591	0	622	206	0

# REPORT OF MANAGER FINANCE

CAPITAL PROJECT REPORT							
as at the period ended 25th December 2015							
Program	\$'000		\$'000		YTD Expenditur e	\$'000	
	Current Budget		Proposed Budget			variation	
	Expenditure	Other Funding	Expenditure	Other Funding		Expenditure	Other Funding
Asset Class:Natural Areas							
Environmental Management Program	0	0	0	0	0	0	0
Natural Area Management and Rehabil	175	(25)	175	(25)	23	(0)	0
Total Natural Areas	175	(25)	175	(25)	23	(0)	0
Asset Class:Waste Facilities							
Whytes Gully New Cells	1,061	(1,061)	2,112	(2,112)	99	1,051	(1,051)
Whytes Gully Renewal Works	300	(300)	300	(300)	1	(0)	(0)
Helensburgh Rehabilitation	1,598	(1,598)	547	(547)	22	(1,051)	1,051
Total Waste Facilities	2,959	(2,959)	2,959	(2,959)	122	0	(0)
Asset Class:Fleet							
Motor Vehicles	1,748	(1,130)	1,748	(1,130)	70	(0)	(0)
Total Fleet	1,748	(1,130)	1,748	(1,130)	70	(0)	(0)
Asset Class:Plant And Equipment							
Portable Equipment (Mowers etc.)	480	(296)	480	(296)	11	0	(0)
Mobile Plant (trucks, backhoes etc.)	2,021	(221)	2,021	(221)	91	(0)	0
Fixed Equipment	300	0	300	0	(0)	0	0
Total Plant And Equipment	2,801	(517)	2,801	(517)	102	0	(0)
Asset Class:Information Technology							
Information Technology	895	0	895	0	(139)	(0)	0
Total Information Technology	895	0	895	0	(139)	(0)	0
Asset Class:Library Books							
Library Books	1,150	0	1,150	0	505	(0)	0
Total Library Books	1,150	0	1,150	0	505	(0)	0
Asset Class:Public Art							
Public Art Works	200	0	200	0	31	(0)	0
Art Gallery Acquisitions	110	0	110	0	34	(0)	0
Total Public Art	310	0	310	0	65	(0)	0
Asset Class:Emergency Services							
Emergency Services Plant and Equipm	635	0	635	0	31	(0)	0
Total Emergency Services	635	0	635	0	31	(0)	0
Asset Class:Land Acquisitions							
Land Acquisitions	130	0	3,270	(2,825)	157	3,140	(2,825)
Total Land Acquisitions	130	0	3,270	(2,825)	157	3,140	(2,825)
Asset Class:Non-Project Allocations							
Capital Project Contingency	1,892	0	51	0	0	(1,841)	0
Capital Project Plan	530	0	530	0	94	(0)	0
Total Non-Project Allocations	2,422	0	581	0	94	(1,841)	0
Asset Class:Loans							
West Dapto Loan	0	(2,760)	0	(2,760)	0	0	0
Total Loans	0	(2,760)	0	(2,760)	0	0	0
GRAND TOTAL	87,972	(36,633)	90,528	(39,189)	12,481	2,556	(2,556)

## WOLLONGONG CITY COUNCIL

	Actual 2015/16 \$'000	Actual 2014/15 \$'000
<b>BALANCE SHEET</b>		
	as at 25/12/15	as at 30/06/15
<b>CURRENT ASSETS</b>		
Cash Assets	140,606	124,611
Investment Securities	17,555	11,046
Receivables	21,228	22,108
Inventories	6,037	6,040
<b>Total Current Assets</b>	<b>191,105</b>	<b>168,118</b>
<b>NON-CURRENT ASSETS</b>		
Non Current Cash Assets	9,000	9,000
Property, Plant and Equipment	2,253,313	2,251,345
Investment Properties	2,750	2,750
Westpool Equity Contribution	1,159	1,159
Intangible Assets	951	1,219
<b>Total Non-Current Assets</b>	<b>2,267,173</b>	<b>2,265,474</b>
<b>TOTAL ASSETS</b>	<b>2,458,279</b>	<b>2,433,592</b>
<b>CURRENT LIABILITIES</b>		
Current Payables	40,910	29,868
Current Provisions payable < 12 months	17,956	16,790
Current Provisions payable > 12 months	34,871	34,871
Current Interest Bearing Liabilities	6,369	6,369
<b>Total Current Liabilities</b>	<b>100,106</b>	<b>87,899</b>
<b>NON-CURRENT LIABILITIES</b>		
Non Current Interest Bearing Liabilities	38,417	39,758
Non Current Provisions	43,456	42,554
<b>Total Non-Current Liabilities</b>	<b>81,872</b>	<b>82,312</b>
<b>TOTAL LIABILITIES</b>	<b>181,979</b>	<b>170,210</b>
<b>NET ASSETS</b>	<b>2,276,300</b>	<b>2,263,381</b>
<b>EQUITY</b>		
Accumulated Surplus	1,130,471	1,132,670
Asset Revaluation Reserve	1,011,065	1,011,064
Restricted Assets	134,763	119,648
<b>TOTAL EQUITY</b>	<b>2,276,300</b>	<b>2,263,381</b>

# REPORT OF MANAGER FINANCE

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT as at 25 December 2015		
	YTD Actual 2015/16 \$ '000	Actual 2014/15 \$ '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts:</b>		
Rates & Annual Charges	83,541	166,562
User Charges & Fees	36,537	33,505
Interest & Interest Received	2,791	5,789
Grants & Contributions	29,108	54,189
Other	5,677	23,908
<b>Payments:</b>		
Employee Benefits & On-costs	(44,268)	(92,705)
Materials & Contracts	(22,679)	(58,052)
Borrowing Costs	(736)	(1,311)
Other	(25,065)	(42,795)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>64,906</b>	<b>89,090</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts:</b>		
Sale of Infrastructure, Property, Plant & Equipment	246	12,570
Deferred Debtors Receipts	-	10
<b>Payments:</b>		
Purchase of Investments	-	-
Purchase of Investment Property	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(38,040)	(85,072)
Purchase of Interests in Joint Ventures & Associates	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(37,794)</b>	<b>(72,492)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Receipts:</b>		
Proceeds from Borrowings & Advances	-	15,000
<b>Payments:</b>		
Repayment of Borrowings & Advances	(4,606)	(5,244)
Repayment of Finance Lease Liabilities	-	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(4,606)</b>	<b>9,756</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	22,506	281
plus: Cash & Cash Equivalents and Investments - beginning of year	144,656	144,375
<b>Cash &amp; Cash Equivalents and Investments - year to date</b>	<b>167,162</b>	<b>144,656</b>

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT as at 25 December 2015		
	YTD Actual 2015/16 \$ '000	Actual 2014/15 \$ '000
<b>Total Cash &amp; Cash Equivalents and Investments - year to date</b>	<b>167,162</b>	<b>144,656</b>
<b>Attributable to:</b>		
External Restrictions (refer below)	81,310	66,137
Internal Restrictions (refer below)	53,454	22,208
Unrestricted	32,398	56,311
	<b>167,162</b>	<b>144,656</b>
<b>External Restrictions</b>		
Developer Contributions	15,763	11,758
RMS Contributions	254	238
Specific Purpose Unexpended Grants	7,063	10,910
Special Rates Levy Wollongong Centre Improvement Fund	-	-
Special Rates Levy Wollongong Mall	151	251
Special Rates Levy Wollongong City Centre	4	11
Local Infrastructure Renewal Scheme	20,424	18,791
Unexpended Loans	7,115	12,877
Domestic Waste Management	10,802	6,408
Private Subsidies	4,851	1,883
West Dapto Home Deposit Assistance Program	9,642	-
Stormwater Management Service Charge	777	834
West Dapto Home Deposits Issued	85	-
Carbon Price	4,379	2,176
<b>Total External Restrictions</b>	<b>81,310</b>	<b>66,137</b>
<b>Internal Restrictions</b>		
Property Development	4,122	(252)
Property Investment Fund	8,012	-
Strategic Projects	21,608	-
Future Projects	6,720	-
Sports Priority Program	600	850
Car Parking Strategy	641	489
MacCabe Park Development	765	391
Darcy Wentworth Park	182	99
Garbage Disposal Facility	9,935	20,281
Telecommunications Revenue	135	279
West Dapto Development Additional Rates	377	71
Southern Phone Natural Areas	357	-
<b>Total Internal Restrictions</b>	<b>53,454</b>	<b>22,208</b>

## REPORT OF MANAGER FINANCE

The Quarterly Budget Review Statement (QBRS) requirements issued by the Department of Local Government in December 2010 require Council to provide additional information that is included in the following schedules and this report should be read in conjunction with these.

The QBRS guidelines require councils to provide a listing of contracts that have been entered into during the Quarter that have yet to be fully performed. Details of contracts, other than contractors that are on a council's preferred supplier list, that have a value equivalent of 1% of estimated income from continuing operations or \$50K, whichever is the lesser, are required to be provided.

Contract Listing					
Budget Review for Quarter ended December 2015					
Contractor	Contract Detail & Purpose	Contract Value \$000's	Commencement Date	Duration of Contract	Budgeted Y/N
Chris Buchanan	Competitive Swimming Coaching at Beaton Park Leisure Centre	198	1/10/2015	FY 2015/2021	YES
Mentor Services	EAP Services	174	1/10/2015	FY 2015/2019	YES
SAS Water Solutions Pty Ltd	Sublime Point Water Treatment Facility - Permanent Works	990	20/10/2015	FY 2015/2016	YES
Z&M Popovic Architects & Heritage Consultants PTY LTD.	In-House Heritage Advisory Services	58	22/10/2015	FY 2015/2016	YES
Hannah & Ryan Edwards	Agistment of Livestock at Streamhill, Sheaffes Road, West Dapto	157	1/11/2015	FY 2015/2026	YES
Affective Services	Demolition of Mt Keira Summit Park Kiosk & Caretakers Residence	87	4/11/2015	FY 2015/2016	YES
Malsave Pty Ltd	Bulli Tourist Park Bridge	73	4/11/2015	FY 2015/2016	YES
Brefni Excavation & Earthmoving Pty Ltd	Debris Control Structure for College Place	163	9/11/2015	FY 2015/2016	YES
Batmac Constructions Pty Ltd	Brighton Lawn Upgrade	104	11/11/2015	FY 2015/2016	YES
Uniplan Group	Camp Kitchen for Corrimal Beach Tourist Park	150	16/11/2015	FY 2015/2016	YES
Encat Pty Ltd	Beaton Park Athletics Fencing	35	23/11/2016	FY 2015/2016	YES
Batmac Constructions	Scheduled Maintenance Building Works	49	14/12/2015	FY 2015/2016	YES

The QBRS guidelines also require councils to identify the amount expended on consultancies and legal fees for the financial year. Consultants are defined as a person or organisation that is engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

Consultancy and Legal Expenses		
Budget Review for Quarter ended December 2015		
Expense	Expenditure YTD \$000's	Budgeted (Y/N)
Consultancies	728	YES
Legal Fees	924	YES

### STATEMENT OF RESPONSIBLE ACCOUNTING OFFICER

All investments held at the 31 December 2015 were invested in accordance with Council's Investment Policy.

Bank reconciliations have been completed as at 31 December 2015.

Year to date cash and investments are reconciled with funds invested and cash at bank.

### BUDGET REVIEW STATEMENT - REVISION TO FULL YEAR ESTIMATES

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

It is my opinion that the financial statements and schedules contained within the Quarterly Review Statement for Wollongong City Council for the quarter ended 31 December 2015 indicate that Council's projected financial position at 30 June 2016 will be satisfactory having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

The overall year to date position is within expectations of the adopted budget across the broad range of indicators and on a budget outcome basis is acceptable.

**BRIAN JENKINS**  
RESPONSIBLE ACCOUNTING OFFICER

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
1.1.1.1 Implement programs and events which facilitate community participation	100%	0%	0%	0%	0%
1.1.2.1 Impacts from development on the environment are assessed, monitored and mitigated	100%	0%	0%	0%	0%
1.1.2.2 Establish effective urban stormwater management programs	100%	0%	0%	0%	0%
1.1.3.1 Manage vegetation to reduce bushfire risk in Asset Protection Zones on natural areas under Council care and control	100%	0%	0%	0%	0%
1.1.3.2 Implement a coordinated approach to floodplain and stormwater management	80%	20%	0%	0%	0%
1.1.4.1 Implement priority actions from the Illawarra Biodiversity Strategy	33%	0%	33%	0%	33%
1.1.4.2 Implement priority actions from the Illawarra Escarpment Strategic Management Plan	100%	0%	0%	0%	0%
1.2.1.1 Finalise and implement the Coastal Zone Management Plan	100%	0%	0%	0%	0%
1.2.2.1 Assess the impact of day visitors on service levels	100%	0%	0%	0%	0%
1.2.2.2 Coordinate a range of Water Safety Education programs to enhance safe community access to our beaches	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
1.3.1.1 Develop and implement programs that encourage community participation in reducing Wollongong's ecological footprint	67%	0%	33%	0%	0%
1.3.2.1 Finalise and deploy Council's Waste & Resource Recovery Strategy in consultation with industry leaders	100%	0%	0%	0%	0%
1.3.2.2 Implement water and energy saving strategies	100%	0%	0%	0%	0%
1.3.2.3 Emissions are monitored and reduction methods are investigated and utilised	100%	0%	0%	0%	0%
1.3.2.4 Investigate a landfill gas management system for Whytes Gully	100%	0%	0%	0%	0%
1.3.3.1 Develop and implement an Environmental Sustainability Policy and Strategy	100%	0%	0%	0%	0%
1.3.3.2 Seek external funds to support programs for Lake Illawarra, following the closure of the Lake Illawarra Authority	100%	0%	0%	0%	0%
1.3.3.3 Establish and maintain an Estuary Management Committee to protect the health of Lake Illawarra	100%	0%	0%	0%	0%
1.4.1.1 Work in partnership with others to promote a diverse range of heritage education and promotion programs	100%	0%	0%	0%	0%
1.4.1.2 Implement priority actions of the Heritage Strategy	100%	0%	0%	0%	0%



## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
1.4.1.3 Implement community and cultural promotions program	100%	0%	0%	0%	0%
1.4.2.1 Work with the local Aboriginal community in the management of Indigenous heritage	100%	0%	0%	0%	0%
1.5.1.1 Facilitate a range of programs and activities which improve food security and local food production	100%	0%	0%	0%	0%
1.6.1.1 Review planning controls for environmentally sensitive locations	100%	0%	0%	0%	0%
1.6.2.1 Implement the West Dapto Release Area Masterplan	100%	0%	0%	0%	0%
1.6.3.1 Provide high quality development assessment and certification based on QBL principles (note: QBL or the Quadruple Bottom Line takes consideration of environmental, economic, social and governance factors)	100%	0%	0%	0%	0%
1.6.3.2 Maximise sustainability principles in the design and construction of Wollongong's built form	100%	0%	0%	0%	0%
1.6.3.3 Prepare for the introduction and implementation of the NSW State Government Planning Reforms	100%	0%	0%	0%	0%
2.1.1.1 Support regional activities and partnerships that result in increased business investment and jobs growth	100%	0%	0%	0%	0%
2.1.2.1 Ensure that Wollongong is attractive to diverse companies for business expansion, establishment and relocation	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
2.1.2.2 Progress implementation of the CBD Action Plan	100%	0%	0%	0%	0%
2.1.3.1 Build on partnerships which enable the retention of local talent	100%	0%	0%	0%	0%
2.1.3.2 Establish Wollongong City Council as a employer of choice	100%	0%	0%	0%	0%
2.1.4.1 Develop and maintain partnerships with the business sector to fund and contribute to a broader range of community projects and activities	100%	0%	0%	0%	0%
2.1.5.1 Work with community, government and business partners to support development of local employment opportunity for people who are disadvantaged within the labour market	100%	0%	0%	0%	0%
2.1.6.1 In collaboration with key agencies, facilitate the West Dapto Taskforce to deliver the first stages of the West Dapto Urban Release area	100%	0%	0%	0%	0%
2.2.1.1 Facilitate the delivery of business and tourism information services	100%	0%	0%	0%	0%
2.2.2.1 Support projects that investigate opportunities for the provision of tourism infrastructure	50%	0%	25%	25%	0%
2.2.2.2 Use funds obtained from Restart NSW Illawarra to commence concept designs and planning for the Bald Hill Improvement Program	100%	0%	0%	0%	0%
2.2.3.1 Review the current investment to deliver a more efficient and targeted destination marketing program	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
2.3.1.1 Undertake major refurbishment works in the City Centre	100%	0%	0%	0%	0%
2.3.1.2 Manage and deliver improved marketing and promotion of the City Centre	100%	0%	0%	0%	0%
2.3.1.3 Provide a diverse range of activities in the City Centre that target and engage a broad community	100%	0%	0%	0%	0%
2.3.1.4 Improve policies and systems to support the revitalisation of the City Centre	100%	0%	0%	0%	0%
2.3.1.5 Deliver the Access and Movement Strategy for the City Centre	100%	0%	0%	0%	0%
2.3.2.1 Review the current investment to deliver a more efficient and targeted destination marketing program	100%	0%	0%	0%	0%
2.3.2.2 Deliver Visitor Information Services to the city and our visitors	100%	0%	0%	0%	0%
2.3.2.3 Pursue initiatives that promote the region as place to holiday to both the domestic and international markets	100%	0%	0%	0%	0%
2.4.2.1 Ensure that Wollongong is attractive to research & development based companies & organisations	100%	0%	0%	0%	0%
2.5.1.1 Implement a range of programs that incorporates learning and development	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
3.1.1.1 Promote Made in Wollongong through a variety of locally produced events, productions and programs	100%	0%	0%	0%	0%
3.1.2.1 Provide support to existing and emerging arts workers & their networks	100%	0%	0%	0%	0%
3.1.2.2 Provide opportunities for local artists and performers to exhibit, promote and perform at Council venues and events	100%	0%	0%	0%	0%
3.1.3.1 Successful collaborations with other organisations and agencies are established	100%	0%	0%	0%	0%
3.2.1.1 Seek funding for the promotion of heritage sites and museums to the community and visitors	100%	0%	0%	0%	0%
3.2.2.1 Encourage the integration of urban design & public art	100%	0%	0%	0%	0%
3.2.3.1 Deliver and support a range of projects and programs which build harmony and understanding	100%	0%	0%	0%	0%
3.3.1.1 Implement a coordinated approach to event acquisition & provision in Wollongong via the delivery of the Events Strategy	100%	0%	0%	0%	0%
3.3.1.2 Encourage Sports Associations to conduct regional, state and national events in the city	100%	0%	0%	0%	0%
3.3.1.3 Implement a sustainable program of local events via the Events Strategy	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
3.3.1.4 Plan for, and host, culturally sensitive events and programs celebrating the Bi-Centenary of European Settlement in Wollongong across 2015-2016	100%	0%	0%	0%	0%
3.3.1.5 Coordinate Council's support and investment in events and festivals	100%	0%	0%	0%	0%
3.3.2.1 Coordinate an integrated approach to infrastructure improvement and service delivery in the Civic Plaza and through the re-establishment of an Arts Precinct in the city	100%	0%	0%	0%	0%
3.4.1.1 Support the coordination of an externally funded delivered calendar of activities across the City	100%	0%	0%	0%	0%
3.4.2.1 Develop a new Cultural Plan	100%	0%	0%	0%	0%
3.4.3.1 Deliver a program of activities in local communities	75%	0%	0%	0%	25%
4.1.1.1 Ensure an effective community engagement framework connects the community to Council decision making	100%	0%	0%	0%	0%
4.1.2.1 Expand Council's use of social media and online options for communication and engagement	67%	0%	33%	0%	0%
4.1.3.1 A coordinated approach to communication is developed and implemented	100%	0%	0%	0%	0%
4.1.3.2 Re-establish Council's commitment to partnering with our local Aboriginal community	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
4.1.3.4 Continue to provide regular information updates to the community about Council's Financial Sustainability Review	100%	0%	0%	0%	0%
4.2.1.1 Increase opportunities for the community to connect with volunteering organisations	100%	0%	0%	0%	0%
4.2.1.2 Support community participation in non-profit activities	100%	0%	0%	0%	0%
4.2.1.3 Build the capability of community based organisations in managing, developing and sustaining their volunteers	100%	0%	0%	0%	0%
4.2.2.1 Support a range of projects and programs in the city	100%	0%	0%	0%	0%
4.2.3.1 Contribute to activities and programs that enhance civic pride in Wollongong	100%	0%	0%	0%	0%
4.3.1.1 Lobby for the expansion of NBN to all suburbs within the LGA within the next five years	100%	0%	0%	0%	0%
4.3.2.1 Review community facilities and consider rationalisation, replacement or refurbishment to achieve facilities that are strategically located, good quality and meet identified community need	100%	0%	0%	0%	0%
4.3.2.2 Investigate the provision of a district level community and library centre for the southern suburbs	100%	0%	0%	0%	0%
4.3.2.3 Review and implement a revised library service model for Unanderra and surrounding suburbs	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
4.3.3.1 Continue to participate and contribute to an integrated community service network	100%	0%	0%	0%	0%
4.4.1.1 Improve community understanding and awareness of Council decisions	100%	0%	0%	0%	0%
4.4.1.2 Ensure appropriate strategies and systems are in place, monitored and reviewed	80%	0%	0%	20%	0%
4.4.1.3 Continue to build a professional, customer focussed quality organisation	67%	0%	33%	0%	0%
4.4.1.4 Lead continuous improvement in Council's health and safety culture and behaviour	100%	0%	0%	0%	0%
4.4.2.1 Coordinate a service review program with a focus on business development and improvement	100%	0%	0%	0%	0%
4.4.2.2 Deliver the Asset Management Strategy and Improvement Plan 2012-17	0%	0%	100%	0%	0%
4.4.2.3 Investigate provision of cremation services across the region and determine Council's role in the market	100%	0%	0%	0%	0%
4.4.3.1 Improve systems for recording community & staff ideas	100%	0%	0%	0%	0%
4.4.4.1 Ensure policies and procedures are regularly reviewed, updated and promoted	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
4.4.4.2 Streamline reporting across the organisation and provide user friendly, plain English reports	100%	0%	0%	0%	0%
4.4.5.1 Effective and transparent financial management systems are in place	100%	0%	0%	0%	0%
4.4.5.10 Explore innovative options to increase revenue at Council facilities	100%	0%	0%	0%	0%
4.4.5.11 Improve the efficiency of supply management in order to achieve operational efficiencies	100%	0%	0%	0%	0%
4.4.5.12 Pursue alternative funding options to deliver Council services and facilities	0%	0%	0%	0%	100%
4.4.5.2 Achieve an operational savings as a part of Council's financial sustainability Review with savings to be directed to asset renewal	100%	0%	0%	0%	0%
4.4.5.3 Reduce Council's discretionary spend (excluding assets) by 2.75% with savings to be directed to asset renewal	100%	0%	0%	0%	0%
4.4.5.4 Undertake a review of Council's employment conditions including the consideration of more flexible employment conditions and Enterprise Agreement	0%	0%	0%	100%	0%
4.4.5.5 Continue to pursue alternative funding option to deliver financially sustainable services and facilities	100%	0%	0%	0%	0%
4.4.5.6 Apply for a special rate variation of 6.13% in 2014-15, 6.23% in 2015-16 and 6.24% in 2016-17 with additional funds to be directed to asset renewal	100%	0%	0%	0%	0%



## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
4.4.5.7 Review and increase fees and charges to achieve a minimum of \$500,000 to ensure the financial sustainability of service provision	100%	0%	0%	0%	0%
4.4.5.8 Investigate removing the pensioner and charitable waste exemptions	100%	0%	0%	0%	0%
4.4.5.9 Continue to actively seek grants and contributions to deliver core community infrastructure and services	100%	0%	0%	0%	0%
4.4.6.1 Deliver a consistent and effective integrated frontline customer service centre	100%	0%	0%	0%	0%
5.1.1.1 Partner with community based organisations in the provision of services	100%	0%	0%	0%	0%
5.1.2.1 Actively engage children and young people in planning and design processes	100%	0%	0%	0%	0%
5.1.3.1 Partner with agencies and health authorities to support improvements to the region's medical services	100%	0%	0%	0%	0%
5.1.4.1 Assess the changing profile of the community and reprioritise services appropriately	100%	0%	0%	0%	0%
5.1.4.2 Investigate provision of Leisure Services in the greater Dapto area, taking into account expansion of West Dapto, and determine Council's role in the market	50%	0%	50%	0%	0%
5.1.4.3 Investigate the future provision of Aquatic Services across the local government area and implement improvements	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
5.1.5.1 Continue to undertake social, land use and environmental planning activities that assists in service planning	100%	0%	0%	0%	0%
5.1.5.2 Carry out commercial business management of Council's operational lands	75%	0%	25%	0%	0%
5.1.5.3 Develop a sustainable financial model and strategy for the maintenance and management in perpetuity for Council cemeteries, in response to the Cemeteries Act and establishment of 'Cemeteries NSW'	100%	0%	0%	0%	0%
5.1.6.1 Review planning controls for priority locations	100%	0%	0%	0%	0%
5.1.6.2 Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	100%	0%	0%	0%	0%
5.1.6.3 Policies and plans are developed, reviewed and implemented to encourage physical activity	100%	0%	0%	0%	0%
5.2.1.1 Prepare a Housing Study and Strategy incorporating Affordable Housing Issues	50%	0%	50%	0%	0%
5.2.2.1 Integrated services are provided to residents in need of urgent shelter	100%	0%	0%	0%	0%
5.3.1.1 Promote and enforce compliance with litter reduction	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
5.3.2.1 Manage and maintain public facilities	100%	0%	0%	0%	0%
5.3.2.3 Use additional funds achieved through the financial sustainability review for renewal of major building projects as per capital program	100%	0%	0%	0%	0%
5.3.3.1 Manage and maintain community infrastructure portfolio with a focus on asset renewal	100%	0%	0%	0%	0%
5.4.1.1 Facilitate a range of partnerships and networks to develop community safety initiatives	100%	0%	0%	0%	0%
5.4.1.2 Provide lifeguarding services at beaches (in partnership with Surf Life Saving Illawarra) and Council pools	100%	0%	0%	0%	0%
5.4.2.1 Continue to liaise with Local Area Commands on key initiatives and crime reduction strategies.	100%	0%	0%	0%	0%
5.4.2.2 Deliver projects and programs to reduce crime in the Wollongong Local Government Area	100%	0%	0%	0%	0%
5.4.3.1 Safety is considered in the planning and design of any development	100%	0%	0%	0%	0%
5.5.1.1 Maintain and establish corridors and parks that strengthen open space connections and people movement.	100%	0%	0%	0%	0%
5.5.1.2 Coordinate an access improvement program through pre-planning and renewal activities	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
5.5.2.1 Use data to assess the current community infrastructure available, community demand and develop a strategic framework and policies to either rationalise, enhance or expand to meet hanging community needs	100%	0%	0%	0%	0%
5.5.2.2 Implement Council's Planning, People, Places Strategy	75%	0%	25%	0%	0%
5.5.2.3 Develop a Regional Botanic Garden of Excellence	100%	0%	0%	0%	0%
5.5.2.4 Provide statutory services to appropriately manage and maintain our public spaces	100%	0%	0%	0%	0%
5.5.2.5 Develop a play strategy to support the planning of high quality centralised and integrated park facilities	100%	0%	0%	0%	0%
5.5.2.6 Use additional achieved through the Financial Sustainability Review to replace below standard playground facilities informed by the Play Strategy	100%	0%	0%	0%	0%
5.5.3.1 Deliver a range of programs for older people	100%	0%	0%	0%	0%
5.5.3.2 Deliver a range of recreational pursuits for older people	100%	0%	0%	0%	0%
5.6.1.1 Deliver a diverse suite of projects to the community that foster and enhance community strengths	100%	0%	0%	0%	0%

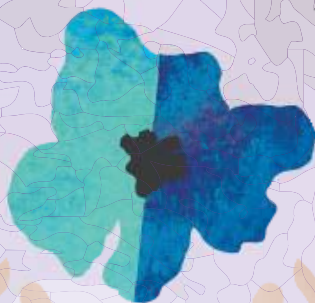
## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
6.1.1.1 Establish a strategic framework and a plan for cycleways and bicycle facilities within Wollongong	100%	0%	0%	0%	0%
6.1.2.1 Assess the feasibility to expand the Gong Shuttle service to outer suburbs	50%	0%	50%	0%	0%
6.1.3.1 Improve the connectivity of the local government area through the upgrade in our network of footpaths and cycleways	100%	0%	0%	0%	0%
6.1.3.2 Use additional funds achieved through the Financial Sustainability Review to accelerate the footpath renewal program by about \$4M	100%	0%	0%	0%	0%
6.1.3.3 Extend the average lives of footpaths to 80 years to create about \$1M saving in depreciation annually	100%	0%	0%	0%	0%
6.1.3.4 Use funds obtained from Restart NSW Illawarra to design and construct the Grand Pacific Walk - Stage one	0%	0%	100%	0%	0%
6.1.4.1 Work in partnership with key stakeholders to consider the establishment of a 'Park n Ride' commuter bus network	100%	0%	0%	0%	0%
6.2.1.1 Develop an integrated Transport Strategy	100%	0%	0%	0%	0%
6.2.1.2 Deliver sustainable transport asset renewal programs	100%	0%	0%	0%	0%
6.2.1.3 Allocate approximately \$6M of additional funds achieved through the Financial Sustainability Review to road resurfacing and reconstruction	100%	0%	0%	0%	0%

## APPENDIX 1: ANNUAL DELIVERABLE PROGRESS BY 5 YEAR ACTION – DELIVERY PROGRAM 2012-17

5 Year Action	On track (Projects / Ongoing)	Not Scheduled to Commence	Delayed	Deferred	Complete (Projects Only)
6.2.2.1 In collaboration with agencies deliver the infrastructure required to support the first stage of the West Dapto Release Area	100%	0%	0%	0%	0%
6.2.2.2 Use funds obtained from Restart NSW Illawarra and funds contributed by Council to construct the road link between Fowlers Road Dapto to Fairwater Drive Horsley	100%	0%	0%	0%	0%
6.2.3.1 Work with State and Government agencies and lobby improve rail services and stations across the LGA.	100%	0%	0%	0%	0%
6.2.4.1 Work with State and Government agencies to lobby and promote opportunities for transport to reduce travel time between Sydney and Wollongong	100%	0%	0%	0%	0%
6.2.5.1 Work with key agencies and partners to continue and improve late night transport options	100%	0%	0%	0%	0%
<b>Total Annual Deliverable Progress</b>	<b>94%</b>	<b>0%</b>	<b>4%</b>	<b>1%</b>	<b>1%</b>

*overcoming the divide*



**AUSTRALIAN LOCAL GOVERNMENT  
WOMEN'S ASSOCIATION  
2016 NSW CONFERENCE**

**GUNNEDAH**

Shire of  
**Gunnedah**  
Land of Opportunity





## THURSDAY 10 MARCH 2016 - DAY ONE

### 2.00PM - 4.00PM

Registration opens in the Smithurst Theatre, 158 Conadilly Street.

### 5.00PM - 6.30PM

Event: Mayoral Reception at CHATTERChinos, 362 Conadilly Street.

Welcome from Mayor Owen Hasler

Your Hosts: SANTOS

### 6.30PM - 8.00PM

Gunnedah's retail community welcomes you to a night of shopping in Gunnedah's Downtown Precinct.

### 8.00PM

DAY ONE OF CONFERENCE CONCLUDES

## FRIDAY 11 MARCH 2016 - DAY TWO

### 6.30AM - 7.30AM

Yoga in the Park at Woolshed Reserve Picnic Area, Maitland Street.

### 8.00AM - 4.00PM

Registrations open at the Smithurst Theatre Foyer & Trade exhibitions open in Smithurst Theatre.

### 8.30AM

Opening of the Day 2, 2016 ALGWA NSW Conference in the Gunnedah Town Hall and Welcome to Country.

Master of Ceremonies **Kate Ramien**

### 8.45AM - 9.00AM

Welcome from **Sarah Mitchell MLC** & **Kevin Anderson MP**.

### 9.00AM - 9.15AM

Official welcome and address from **Clr Vicki Scott**, ALGWA NSW President.

*Clr Vicki Scott was elected as President of ALGWA NSW at the 2015 Wollongong ALGWA NSW Conference. Clr Scott has been a Councillor of Gosford City Council since 2004 and a member of the ALGWA Executive for 7 years, serving as Vice President in 2013 and 2014.*

### 9.15AM - 10.15AM

*"Surviving Life - what are the attributes we need to live the best, most rewarding and fulfilling life possible?"*

Keynote address from **Dr Gill Hicks**, survivor of the London Terrorist Bombings and founder of M.A.D (Making a Difference) for Peace.

### 10.15AM - 10.45AM

MORNING TEA IN THE SMITHURST THEATRE

### 10.45AM - 11.30AM

*"Managing the unmanageable - ways working women can have their cake and eat it too!"*

Address from **Jo Scard**, Founder & Managing Director at Fifty Acres, The Communications Agency.

*Mum and co-author of 'The Working Mother's Survival Guide', along with Melissa Doyle, Jo provides a practical, down to earth and entertaining guide for working women who want to have babies but keep their career on track too!*





## DAY TWO CONTINUED

### 11.30AM - 12.15PM

"Tricks of the trade - building self-confidence and making your mark in business and life".

Address from **Glenise Anderson**, Director of Self Confident Women.

*Glenise is an enthusiastic Entrepreneur, Coach, Trainer and Speaker. She is the Director of Self Confident Women, empowering women one at a time and the Director of SR Group, offering Solutions and Results to businesses looking to build teams that communicate.*

### 12.15PM - 1.00PM

"Compelling change through our own actions".

Address from **Glenn Learmont**, Manager Human Resources, Gunnedah Shire Council.

*Glenn has been engaged in senior management level as an embedded Human Resources generalist for 17 years. This has been predominately within the export industry with the last 6 years in local government. Responsibilities have covered lead positions for nationwide engagement processes for a US based multinational, various aspects of employee and industrial relations, recruitment, WHS and regional wide responsibilities concerning corporate citizenship. Glenn enjoys presenting on topics including leadership, developing self-brand and best practice.*

### 1.00PM - 2.00PM

LUNCH IN THE SMITHURST THEATRE SPONSORED BY WALKER BEER SOLICITORS & CONVEYANCERS.

### 2.00PM - 2.55PM

Workshops

Session 1: "Communication strategies and modern politics: the good, the bad and the selfie".

Facilitated by **Melinda McDonald**, Manager | Marketing and Business Relationships | TAFE New England

Session 2: "What makes you tick and how that affects your leadership style – Extended Disc Personality Model".

Facilitated by **Glenise Anderson**, Director of Self Confident Women.

### 3.00PM - 3.20PM

The UTS Centre for Local Government and the NSW Australian Local Government Women's Association (ALGWA NSW) launch an exciting new program, "Empowering Women in Local Government.

Address from **Nicole Campbell**, UTS Centre for Local Government Program Manager.

*Nicole has over 20 years' experience at a senior level in the NSW State Government working as a strategic policy analyst in environmental management, sustainable design, urban renewal and Aboriginal Affairs.*

### 3.20PM - 4.20PM

Q&A Session facilitated by Master of Ceremonies **Kate Ramien**.

### 4.20PM - 4.30PM

Nominations for ALGWA NSW Executive Committee declared open.

- Secretary
- Country Vice President
- Treasurer
- Executive Members

### 4.30PM - 5.00PM

AFTERNOON TEA IN THE SMITHURST THEATRE.

### 7.00PM - 9.30PM

EVENT - 'An evening under the stars' networking function at Pensioners Hill Lookout.

Your Hosts: Local Government Super

## SATURDAY 12 MARCH 2016 - DAY THREE

### 8.30 AM

Opening of Day 3 of the 2016 ALGWA NSW Conference in the Gunnedah Town Hall.  
Master of Ceremonies **Fiona Ferguson**

### 8.35AM - 9.05AM

Address from the **Clr Coral Ross**, ALGWA National President.

### 9.05AM - 9.15AM

Brief presentation from major sponsor, "**United Services Union**".

### 9.15AM - 10.00AM

"The secret to a happy life – health self-advocacy, happiness and wellbeing".

Address from **Dr Simone Ryan**, CEO & Founder of One Life, Live It!

*Founder and head physician of 'One Life Live It', Dr Ryan and her team are industry leaders in educating employees about preventive medicine and provides tools for total wellbeing and best-performance.*

### 10.00AM - 10.30AM

MORNING TEA IN THE SMITHURST THEATRE.

### 10.30AM - 11.15AM

"Diversity is the spice of life".

Address from **Clr Dai Le**, CEO & Founder of DAWN and Fairfield City Councillor.

*Dai Le is the founder of DAWN, a social enterprise whose mission is to unlock and promote the talent from Australia's culturally diverse population, through the organisation's tailored emerging leadership programs which aim to provide mentorship, connections and encouragement for individuals aspiring to be tomorrow's leaders.*

### 11.15AM - 11.30AM

2018 Conference Bids for Regional and Rural Councils.

### 11.30AM - 12.30PM

"Hot Spots Session"

Facilitated by **Clr Vicki Scott**, ALGWA NSW President.

### 12.30PM

LUNCH IN THE SMITHURST THEATRE SPONSORED BY "SANTOS".

### 1.15PM - 3.15PM

ALGWA Annual General Meeting – to be held in The Civic.

### 7.30PM - 12.00AM

EVENT - Gunnedah's Great Gatsby Gala Dinner.  
Your Hosts: United Services Union

DAY THREE OF CONFERENCE CONCLUDES



## **Standard Conditions for Road Closures**

### **For Special Events and Work Related activities Within Council Road Reserves.**

**Following approval by Wollongong City Council**, road closures are subject to the additional Council conditions:

1. **The Applicant must complete the Council form** *'Application to Open and Occupy or Underbore a Roadway or Footpath'* (Refer to Checklist below – relates to Section 138 of the Roads Act.)
2. **NSW Police Approval:** The Applicant must obtain written approval from NSW Police, where required under the Roads Act.
3. **If the Road Closure is within 100m of any traffic control signals or on a 'State Classified Road'** the Applicant must obtain a Road Occupancy Licence (ROL) from NSW Roads & Maritime Services (RMS).
4. **The Applicant must advise all affected residents and business owners** within the closure area of the date/s and times for the closure, at least 7 days prior to the intended date of works.
5. **The Applicant must advise Emergency Services:** Ambulance, Fire Brigade and Police, Taxi and Bus Companies of the closure dates and times in writing, 7 days prior to the intended date of works. The Applicant must endeavour to minimise the impact on bus services during the closure.
6. **Traffic Management Plan:** The closure must be set up in accordance with the approved **Traffic Management Plan (TMP)** prepared by an appropriately qualified traffic controller; a copy of whose qualifications must be included with the submitted TMP.
7. **Traffic Management Plan Setup:** The Traffic Management Plan must be set up by appropriately qualified traffic control persons or the NSW Police.
8. **Access to properties affected by the road closure must be maintained where possible.** Where direct access cannot be achieved, an alternative arrangement must be agreed to by both the applicant and the affected person/s.
9. **Public Notice Advertisement:** The Applicant must advertise the road closure in the Public Notices section of the local paper, detailing closure date/s and times at least 7 days prior to the closure.
10. **Public Liability Policy:** The Applicant must provide Council with a copy of their current insurance policy to a value of no less than \$20 million dollars to cover Wollongong City Council from any claims arising from the closure.

#### **Checklist:**

- ☒ **Completed Council Form:**

*'Application to Open and Occupy or Underbore a Roadway or Footpath'.*

#### **Required information as shown below *MUST* be attached:**

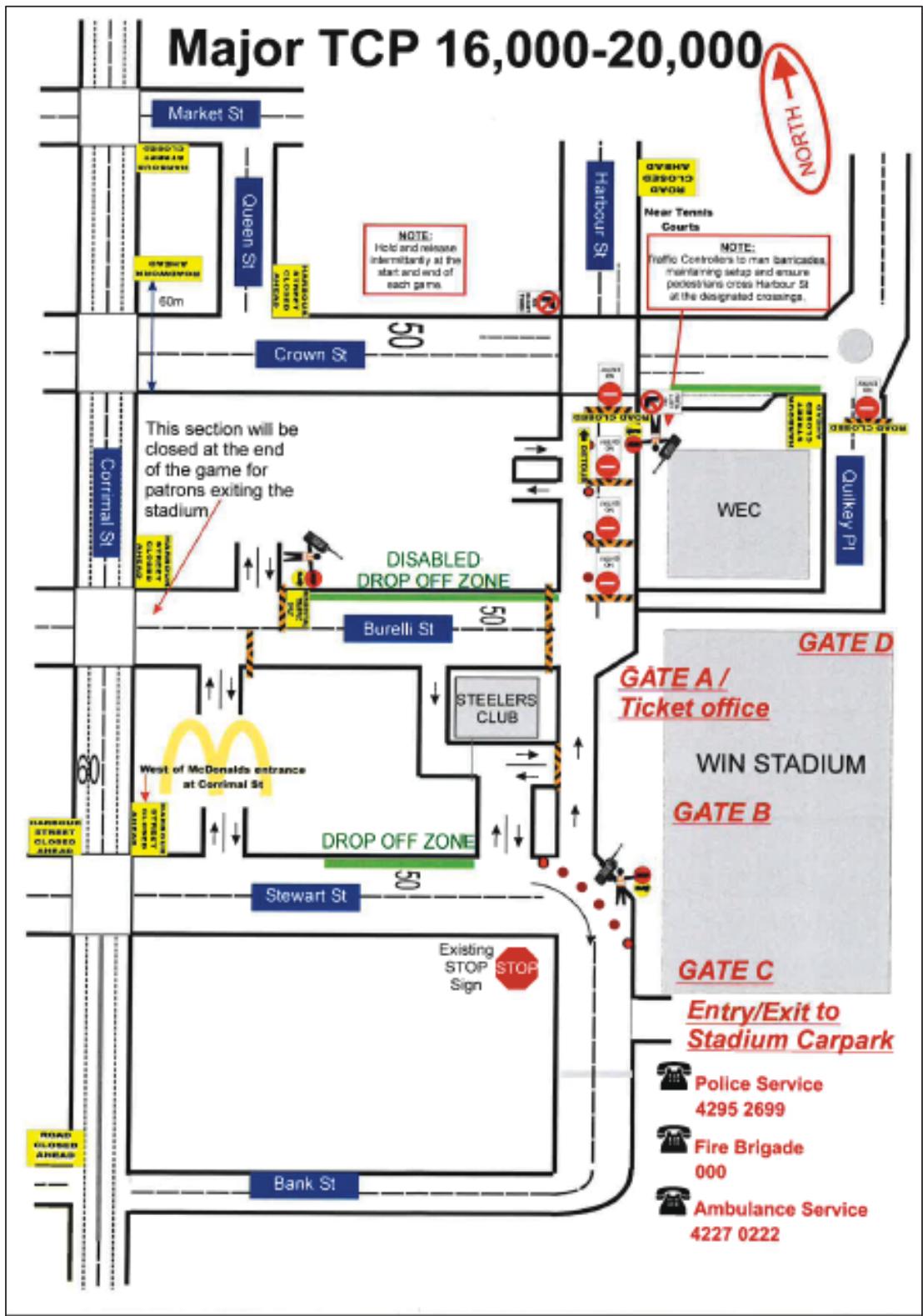
- ☒ A copy of the letter from the Traffic Committee authorising the closure
- ☒ The Traffic Management Plan (TMP)
- ☒ The Road Occupancy Licence (ROL) *if required*
- ☒ Written approval from NSW Police
- ☒ Public Liability Insurance

**Applications may be lodged in** the Customer Service Centre located on the Ground Floor of Council's Administration Building, 41 Burelli Street Wollongong between 8.30am and 5pm Monday to Friday.

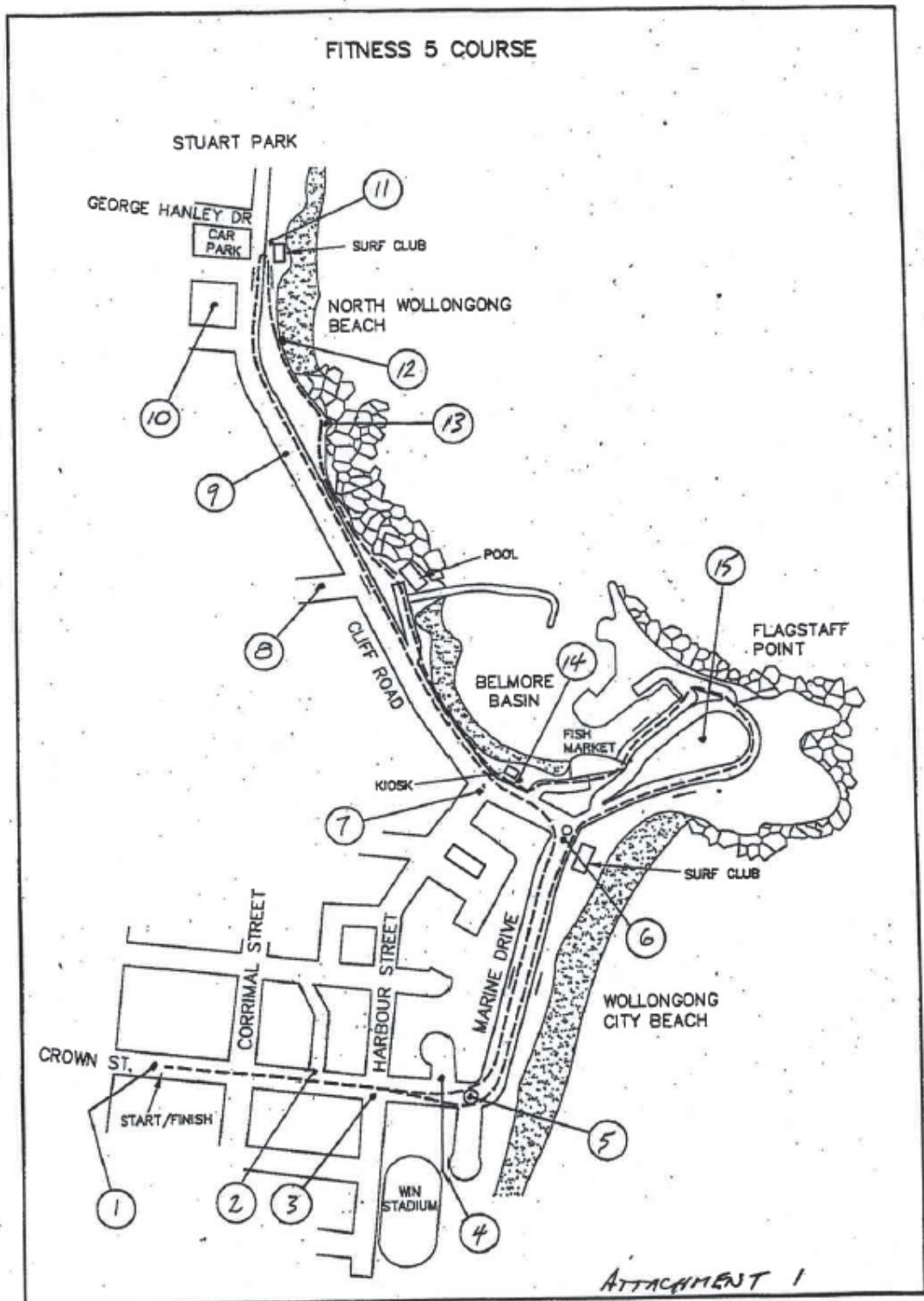




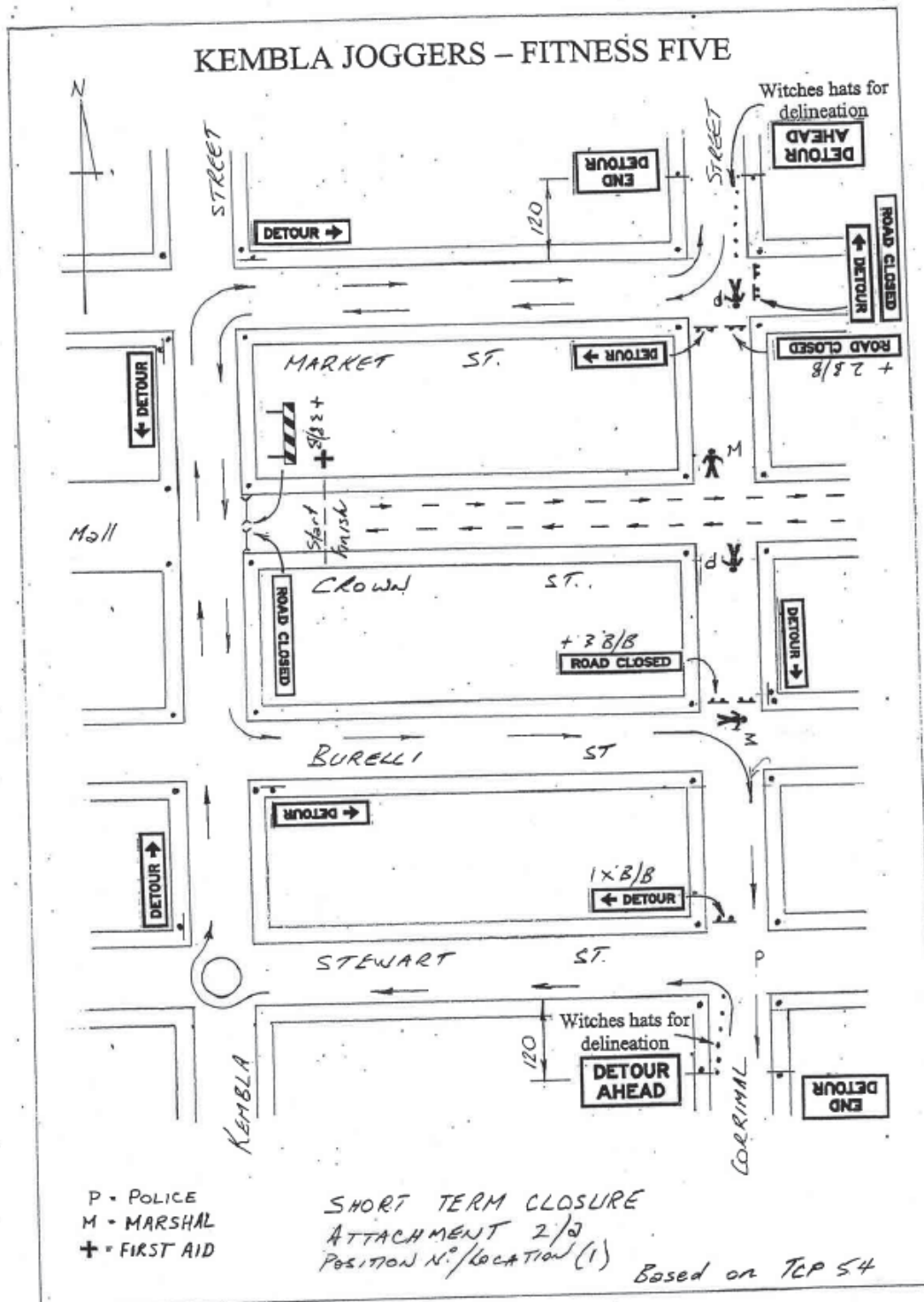














www.invarion.com

## SOUTHERN FREEWAY HAYWARDS BAY

**Team leader:**

- Manage overall work area
- Provide relief
- Sign checking
- Communication with client

**Traffic Controllers:**

- Are to escort pedestrians around work area ensuring safe path
- Are to watch over drive ways & escort vehicles in & out where applicable

**General Notes:**

- Extra Signs to be installed if required
- Size B signs to be used for advance warning

**WORKERS ON FOOT**

SITE EXIT =	NO GO ZONE =
SITE ENTRY =	RESTRICTED ZONE =
EVACUATION POINT =	SHARED ZONE =

**D = THE SPEED OF TRAFFIC MEASURED IN KM/H**

80KM = 80M	EG:
70KM = 70M	
60KM = 60M	
50KM = 50M	

SEE SECTION 4.3  
TRAFFIC CONTROL AT WORK SITES MANUAL

**PEDESTRIAN SIGNS TO BE INSTALLED WHERE APPLICABLE IF REQUIRED**







**TCP 83 USED AS A GUIDE**

<p>PLAN NOT TO SCALE</p>	<p><b>Author: A KELLY</b></p> <p>PREPARED BY Ashley Kelly CERT NO. 2273514622</p> <p><b>TMP No:</b> <b>LCCGEN-J7311.2</b></p>	<p><b>Implemented By</b></p> <p>Name:.....</p> <p>Date:.....</p> <p>Signed:.....</p> <p>Cert No:.....</p>	<p><b>Comments:</b></p> <ol style="list-style-type: none"> <li>1. TCP Designed as a guide only. Team leader to Select &amp; Modify TCP to suit.</li> <li>2. All signage is to be removed on completion of the works.</li> <li>3. Sign distances may vary due to obstructions, drive ways etc.</li> <li>4. Traffic Controllers are to manage pedestrians as well.</li> </ol> <p>This plan is in accordance with AS 1742.3 Traffic Control Devices at work sites and The RTA "Traffic Control at work sites" manual, 4.0</p>	<p><b>PROJECT</b></p> <p>BICYCLING AUSTRALIA</p>	<p><b>WOLLONGONG</b></p> <p>Phone: (02) 42727133 Fax: (02) 42727134 <b>SYDNEY</b> Phone: (02) 9631 7962 Fax: (02) 9631 7963 <b>WEB</b> www.dtraffic.com.au</p> <p></p> <p><b>INAD TRAFFIC MANAGEMENT DOES NOT ACCEPT LIABILITY FOR IMPLEMENTATION OF THIS TCP IF NOT DIRECTLY INVOLVED IN ITS IMPLEMENTATION</b></p>	
--------------------------	---------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

- Manage overall work area
- Provide relief
- Sign checking
- Communication with client




- Are to escort pedestrians around work area ensuring safe path
- Are to watch over drive ways & escort vehicles in & out where applicable

- Extra Signs to be installed if required
- Size B signs to be used for advance warning

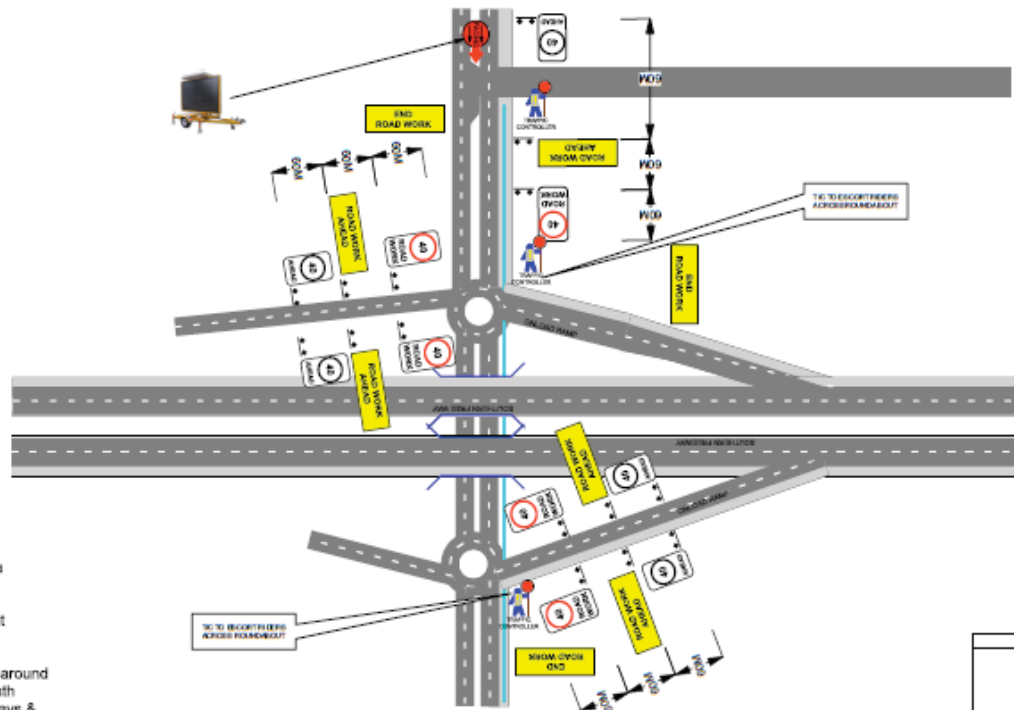
WORKERS ON FOOT	
SITE EXIT = 	NO GO ZONE = 
SITE ENTRY = 	RESTRICTED ZONE = 
EVACUATION POINT = 	SHARED ZONE = 

PEDESTRIAN SIGNS TO BE INSTALLED  
WHERE APPLICABLE IF REQUIRED

TCP N/A  
USED AS  
A GUIDE

 PLAN NOT TO SCALE	Author : <b>A KELLY</b> PREPARED BY Ashley Kelly CERT NO. 2273014822  TMP No: <b>LCCGEN-J7311.3</b>	Implemented By Name: ..... Date: ..... Signed: ..... Cert No: .....	Comments: 1. TCP Designed as a guide only. 2. Team leader to Select & Modify TCP to suit. 3. All signage is to be removed on completion of the works. 4. Sign distances may vary due to obstructions, driveways etc. 4. Traffic Controllers are to manage pedestrians as well.	PROJECT BICYCLING AUSTRALIA	HOLLOWONGS Phone: (02) 42727133 Fax: (02) 42727134 SYDNEY Phone: (02) 9631 7962 Fax: (02) 9631 7963 WEB <a href="http://www.ktmtrg.com.au">www.ktmtrg.com.au</a>	 D&D TRAFFIC MANAGEMENT DOES NOT ACCEPT LIABILITY FOR IMPLEMENTATION OF THIS TSP IF NOT STRICTLY IN ACCORDANCE WITH ITS OWN GUIDANCE	
	This plan is in accordance with AS 1742-3 Traffic Control Devices at work sites and the SITA Traffic Control at work sites manual, v.4.0.						

## F6 OFFLOAD RAMP AT NORTHCLIFFE DR



## Team leader:

- Manage overall work area
- Provide relief
- Sign checking
- Communication with client

## Traffic Controllers:

- Are to escort pedestrians around work area ensuring safe path
- Are to watch over drive ways & escort vehicles in & out where applicable

## General Notes:

- Extra Signs to be installed if required
- Size B signs to be used for advance warning

D = THE SPEED OF TRAFFIC MEASURED IN KMH	EG:	80KM = 80M 70KM = 70M 60KM = 60M 50KM = 50M
SEE SECTION 4.2 TRAFFIC CONTROL AT WORK SITES MANUAL		

WORKERS ON FOOT	
SITE EXIT =	NO GO ZONE =
SITE ENTRY =	RESTRICTED ZONE =
EVACUATION POINT =	SHARED ZONE =

PEDESTRIAN	BICYCLIST	TCP N/A USED AS A GUIDE
PEDESTRIAN SIGNS TO BE INSTALLED WHERE APPLICABLE IF REQUIRED		

 PLAN NOT TO SCALE	Author : <b>A KELLY</b> PREPARED BY Ashley Kelly CERT NO: 2273014822  TMP No: <b>LCCGEN-J7311.3</b>	Implemented By Name:..... Date:..... Signed:..... Cert No:.....	Comments: 1. TCP Designed as a guide only. 2. Team leader to Select & Modify TCP to suit. 3. All signage is to be removed on completion of the works. 4. Sign distances may vary due to obstructions, driveways etc. 5. Traffic Controllers are to manage pedestrians as well.  This plan is in accordance with AS 1742.3 Traffic Control Devices at work sites and This RDA "Traffic Control at work sites" manual: 4.0	PROJECT  BICYCLING AUSTRALIA	WOLLONGONG Phone: (02) 42727133 Fax: (02) 42727134 SYDNEY Phone: (02) 9631 7962 Fax: (02) 9631 7963 WEB www.bbttraffic.com.au	 D&D TRAFFIC MANAGEMENT DOES NOT ACCEPT LIABILITY FOR IMPLEMENTATION OF THIS TCP IF NOT DIRECTLY INVOLVED IN ITS IMPLEMENTATION