



## BUSINESS PAPER

# ORDINARY MEETING OF COUNCIL

To be held at 6:00 pm on

**Monday 1 February 2021**

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

(Note: Councillors will be able to attend and participate in this meeting via electronic means in accordance with legislation relating to the COVID-19 pandemic)

### Order of Business

- 1 Opening Meeting
- 2 Acknowledgement of Traditional Owners
- 3 Civic Prayer
- 4 Apologies and Applications for Leave of Absence by Councillors
- 5 Confirmation of Minutes of Ordinary Council Meeting
- 6 Confirmation of Minutes of Extraordinary Ordinary Council Meeting
- 7 Conflicts of Interest
- 8 Petitions and Presentations
- 9 Confirmation of Minutes of Council Committee Meeting
- 10 Public Access Forum
- 11 Call of the Agenda
- 12 Lord Mayoral Minute
- 13 Urgent Items
- 14 Reports to Council
- 15 Reports of Committees
- 16 Items Laid on the Table
- 17 Notices of Motions(s)/Questions with Notice
- 18 Notice of Rescission Motion
- 19 Confidential Business
- 20 Conclusion of Meeting

### Members

Lord Mayor –  
Councillor Gordon Bradbery AM (Chair)  
Deputy Lord Mayor –  
Councillor Tania Brown  
Councillor Ann Martin  
Councillor Cameron Walters  
Councillor Cath Blakey  
Councillor David Brown  
Councillor Dom Figliomeni  
Councillor Janice Kershaw  
Councillor Jenelle Rimmer  
Councillor John Dorahy  
Councillor Leigh Colacino  
Councillor Mithra Cox

**QUORUM – 7 MEMBERS TO BE PRESENT**

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MINUTES

ORDINARY MEETING OF COUNCIL

at 6.00 pm

Monday 7 December 2020

**Present**

Lord Mayor – Councillor Gordon Bradbery AM (in the Chair)  
Deputy Lord Mayor – Councillor Tania Brown  
Councillor Ann Martin  
Councillor Cameron Walters  
Councillor Cath Blakey  
Councillor David Brown  
Councillor Dom Figliomeni  
Councillor Janice Kershaw

Councillor Jenelle Rimmer  
Councillor John Dorahy  
Councillor Leigh Colacino  
Councillor Mithra Cox

**In Attendance**

General Manager	Greg Doyle
Director Infrastructure + Works, Connectivity Assets + Liveable City (Acting)	Glenn Whittaker
Director Planning + Environment, Future City + Neighbourhoods	Linda Davis
Director Corporate Services, Connected + Engaged City	Renee Campbell
Director Community Services, Creative + Innovative City	Kerry Hunt
Manager Governance + Customer Service	Todd Hopwood
Chief Financial Officer	Brian Jenkins
Manager Property + Recreation (attended via electronic means)	Lucielle Power
Chief Information Officer (attended via electronic means)	Ingrid McAlpin
Manager City Strategy (attended via electronic means)	Chris Stewart
Manager City Works (attended via electronic means)	Corey Stoneham
Manager Project Delivery (Acting) (attended via electronic means)	Robert Ryan
Manager Infrastructure Strategy + Planning (attended via electronic means)	Trish McClure
Manager Open Space + Environmental Services (Acting) (attended via electronic means)	Paul Tracey
Manager Community Cultural + Economic Development (attended via electronic means)	Sue Savage
Manager Library + Community Services (attended via electronic means)	Jenny Thompson

Note: Due to current government requirements around social distancing obligations due to the COVID-19 pandemic, participants in the meeting can participate via electronic means as permitted under legislation relating to the COVID-19 pandemic. Those who participated via electronic means are indicated in the attendance section of the Minutes.

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## CLOSED SESSION

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### Reason for Confidentiality

*This report recommends that this item be considered in Closed Session to the exclusion of the press and public in accordance with Section 10A(2)(d(i)) of the Local Government Act, 1993, as the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.*

## CONFLICTS OF INTERESTS

Councillor Martin declared a non-significant non-pecuniary conflict of interest in Item 1 – Draft Illawarra Shoalhaven Regional Plan 2040 and Item 2 Wollongong City Centre – Draft Planning Strategy, Draft Planning Proposal, Draft Developmental Control Plan due to her employment with the Department of Planning. As she is not part of the Regional Planning team and has had no role in the development of this Regional Plan, Councillor Martin advised she would remain in the Chamber during debate and voting on the item.

Councillor Colacino declared a non-significant non-pecuniary conflict of interest in Item 22 Notice of Motion – Councillor Leigh Colacino – Traffic Control Measures – Stanwell Park as he resides in Stanwell Park. Councillor Colacino advised that he would remain in the Chamber during debate and voting on the item.

Councillor Walters declared a non-significant non-pecuniary conflict of interest in Item C1 – Financial Support – ITeC Pty Ltd as he is a Council representative on the board of ITeC. Councillor Walters will depart the Chamber and not participate in debate nor voting on the item.

## CONFIRMATION OF MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON MONDAY, 16 NOVEMBER 2020

- 465 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that the Minutes of the Ordinary Meeting of Council held on Monday, 16 November 2020 (a copy having been circulated to Councillors) be taken as read and confirmed.

## PUBLIC ACCESS FORUM

ITEM	TITLE	NAME OF SPEAKER
25	Notice of Motion – Councillor Cameron Walters – Wollongong CBD Free Parking Period	Travis Machan, MMJ Wollongong For Recommendation
9	Draft Planning Agreement - Hanlyn Pty Ltd - 344 Farmborough Road, Farmborough Heights	Jair Graham Against Recommendation

- 466 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor T Brown that all speakers be thanked for their presentation and invited to table their notes.

## CALL OF THE AGENDA

- 467 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that the staff recommendations for Items 3 to 6, 8, 11, 12, 13, 15, 17 to 20 be adopted as a block.

## ITEM A - LORD MAYORAL MINUTE - DRAFT ILLAWARRA SHOALHAVEN REGIONAL TRANSPORT PLAN

- 468 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Bradbery that Wollongong City Council write to Minister for Transport and Roads to -

- 1 Acknowledge and thank the NSW Government for committing \$44 million to progress the Picton Road motorway upgrade and \$21 million to progress the Mt Ousley Interchange Project.
- 2 Request that the consultation period for the draft Illawarra-Shoalhaven Regional Transport Plan be extended to 14 February 2021 to provide adequate time for community feedback and for Council to respond.

## ITEM 1 - DRAFT ILLAWARRA SHOALHAVEN REGIONAL PLAN 2040

- 469 **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor T Brown that delegation be issued to the General Manager to finalise the draft submission on the Draft Illawarra Shoalhaven Regional Plan 2041 and Proposed Special Infrastructure Contribution Illawarra Shoalhaven (Attachment 2) and to submit to the NSW Department of Planning, Industry and Environment.

## ITEM 2 - WOLLONGONG CITY CENTRE - DRAFT PLANNING STRATEGY, DRAFT PLANNING PROPOSAL, DRAFT DEVELOPMENT CONTROL PLAN

- 470 **COUNCIL'S RESOLUTION** - RESOLVED on the motion of Councillor D Brown seconded Councillor Martin that -

- 1 Council note and give in-principle support for the draft Wollongong Development Control Plan 2009 – Chapter D13 Wollongong City Centre (attachment 3)
- 2 The draft Wollongong City Centre Planning Strategy (attachment 1) and the draft Wollongong City Centre Planning Proposal (attachment 2) and the Wollongong Development Control Plan (attachment 3) be considered for endorsement of exhibition and referral for Gateway Determination following further development of:
  - a The LGA-wide Retail Centres Study
  - b The Wollongong City Centre – Access and Movement for People Study, including consideration given to a DCP clause identifying a part or parts of the city with a zero minimum parking requirement.
  - c The City Centre Affordable Housing Contributions Study and related strategies to include consideration of value capture policies including (but not limited to) consideration of how any value capture scheme will relate to the 2% City Centre Development Contributions.
  - d An appropriate incentive scheme for commercial-only developments (as per point 7 of the staff recommendation in the report on this matter)
  - e Any instrument needed to give effect to the provision of mid-block pedestrian laneway access
  - f An LEP Clause at 7.18 Design Excellence in the Wollongong City Centre to require preparation of an arts plan as a site-specific requirement for lots above 2500 sqm.

*In favour* Councillors Kershaw, Rimmer, D Brown, T Brown, Martin, Colacino, Walters and Dorahy  
*Against* Councillors Cox, Blakey, Bradbery and Figliomeni

Councillor Cox FORESHADOWED a MOTION should Councillor D Brown's Motion be defeated that -

- 1 The draft Wollongong City Centre Planning Strategy (Attachment 1) be endorsed for exhibition.
- 2 The draft Wollongong City Centre Planning Proposal (Attachment 2) be endorsed for referral to the NSW Department of Planning, Industry and Environment for a Gateway Determination to enable exhibition. The Department be advised that Council will not be seeking delegation to progress the finalisation of the Planning Proposal after exhibition and the consideration of submissions.
- 3 An application be made to the NSW Department of Planning, Industry and Environment requesting that the table in clause 25K of the Environmental Planning and Assessment Regulation 2000 be amended to refer to both the B3 Commercial Core and B4 Mixed Use zones within the Wollongong City Centre, as mapped in the Wollongong Local Environmental Plan 2009. This would enable development contributions of up to 2% of the capital development of development to be collected from the entire revised City

Centre area. This request is included in the draft Planning Proposal.

- 4 The draft Wollongong Development Control Plan 2009 – Chapter D13 Wollongong City Centre (Attachment 3) be endorsed for exhibition.
- 5 Following the receipt of the Gateway Determination, all documents be exhibited for a minimum period of 60 days. In the interim period prior to the commencement of formal exhibition, the draft documents are to be available on Council's website for information and informal consultation.
- 6 Following the exhibition period, the issues raised in submissions be reported to Council.
- 7 To incentivise the construction of new employment generating developments, the 2% Wollongong City Centre Development Contribution rate under the Wollongong City Wide Development Contributions Plan be reduced to 1% for new commercial- only development applications within the B3 Commercial Core zone of the Wollongong City Centre lodged after this meeting, for a period of 3 years.

### **DEPARTURE OF COUNCILLOR**

During debate and prior to voting on Item 2, Councillor Cox departed and returned to the meeting, the time being from 7:07 pm to 7:08 pm.

During debate and prior to voting on Item 2, Councillor Walters departed and returned to the meeting, the time being from 7:08 pm to 7:09 pm.

### **ITEM 3 - WEST DAPTO DEVELOPMENT CONTRIBUTIONS PLAN 2020 FOR ADOPTION**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

**COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that The West Dapto Development Contributions Plan 2020 (Attachment 1) be adopted.

### **ITEM 4 - POST EXHIBITION - STAGE 1 HERITAGE SCHEDULE HOUSEKEEPING REVIEW**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 In response to the exhibition, the exhibited draft Planning Proposal be amended to include the additional proposed updates detailed within Attachment 2.
- 2 The draft Planning Proposal to update Schedule 5 of the Wollongong Local Environmental Plan 2009 with the changes detailed in Attachment 4 of this report, and the proposed Heritage Map changes detailed within Attachment 3, be submitted to the NSW Department of Planning, Industry and Environment for review and finalisation through the preparation of an amending Local Environmental Plan.

## **ITEM 5 - POST EXHIBITION - ELECTRIC VEHICLES CHARGING INFRASTRUCTURE ON PUBLIC LAND**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

**COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that Council adopt the Electric Vehicle (EV) Charging Stations on Public Land Policy.

## **ITEM 6 - POST EXHIBITION - KEIRAVILLE - GWYNNEVILLE ACCESS MOVEMENT STUDY**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 Council adopt the final draft Keiraville - Gwynneville Access and Movement Study Overview.
- 2 Council note the Keiraville - Gwynneville Access and Movement Study consultant report and Action Plan.

## **ITEM 7 - POST EXHIBITION - WOLLONGONG COMMUNITY SAFETY PLAN 2021-2025**

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

- 1 Council adopt the Wollongong Community Safety Plan 2021-2025.
- 2 Council submit the adopted Wollongong Community Safety Plan 2021-2025 to the NSW Department of Communities and Justice for endorsement.

## **ITEM 8 - PROPOSED FUNDING AGREEMENT WITH THE ILLAWARRA COMMUNITY HOUSING TRUST**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 Council resolve to enter into a proposed funding agreement with the Illawarra Community Housing Trust.
- 2 Council authorise the General Manager to execute the agreement between Wollongong City Council and the Illawarra Community Housing Trust.

**ITEM 9 - DRAFT PLANNING AGREEMENT - HANLYN PTY LTD - 344 FARMBOROUGH ROAD, FARMBOROUGH HEIGHTS**

**472 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Figliomeni seconded Councillor Dorahy that -

- 1 The Draft Planning Agreement and Explanatory Note between Wollongong City Council and Hanlyn Pty Ltd (Attachments 2 and 3) for 344 Farmborough Road, Farmborough Heights, be exhibited for a period of 42 days (including an extension of the required 28 days due to the Christmas – New Year holiday period).
- 2 The Wollongong Local Planning Panel be advised that Hanlyn Pty Ltd and Council are proposing to enter into a Planning Agreement for the dedication of land and a monetary contribution, and should it determine that DA-2020/1245 be approved, appropriate conditions of consent be included requiring the Planning Agreement to be entered into and the terms of the Agreement to be satisfied.
- 3 Following public exhibition of the draft Voluntary Planning Agreement that a further report be presented to Council before the Planning Agreement is finalised.

**DEPARTURE OF COUNCILLOR**

During debate and prior to voting on Item 9, Councillor Colacino departed and returned to the meeting, the time being from 7:36 pm to 7:37 pm.

**ITEM 10 - ADOPTION AND GAZETTAL OF THE LAKE ILLAWARRA COASTAL MANAGEMENT PROGRAM**

**473 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Martin seconded Councillor Figliomeni that -

- 1 The certified Lake Illawarra Coastal Management Program be adopted (Attachment 1).
- 2 A Notice advising adoption and gazettal of the Lake Illawarra Coastal Management Program, be endorsed and published in the NSW Gazette (Attachment 3).

**ITEM 11 - WASTE AND RESOURCE RECOVERY - FEES AND EXEMPTIONS COUNCIL POLICY**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 Council adopt the draft Waste and Resource Recovery – Fees and Exemptions Council Policy from 11 January 2021.
- 2 Council support eligible Local Community Service Organisations through the development and implementation of Individualised Waste Management Plans to assist in waste reduction and increase diversion of material from landfill.
- 3 Council undertake additional community consultation in relation to fee exemptions for Pensioner Concession Cardholders in early 2021.

## **ITEM 12 - TENDER T20/14 - CONSTRUCTION OF CORRIMAL TENNIS COURT AMENITIES**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Donnelley Civil Pty Ltd for the construction of Corrimal Tennis Court Amenities, in the sum of \$162,100.00, 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 13 - TENDER T20/22 - CRINGILA HILLS PLAYGROUND LANDSCAPE WORKS**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Undercover Landscapes Pty Ltd for Landscape Works as described in Tender T20/22, in the sum of \$445 376.00, excluding GST.
- 2 Council delegate authority to the General Manager 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 14 - TENDER T20/36 - DESIGN AND CONSTRUCTION OF THE BULLI TENNIS CLUBHOUSE**

**474 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Rimmer seconded Councillor Kershaw that -

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Colin Joss & Co Pty Ltd for the design and construction of the Bulli Tennis Clubhouse, in the sum of \$514,955.34, 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 15 - TENDER T20/37 - BEATON PARK GRANDSTAND ROOF REPLACEMENT AND REMEDIAL WORKS**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Sullivans Constructions Pty Ltd for Beaton Park Grandstand Roof Replacement and Remedial Works, in the sum of \$477,646.00, 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 16 - APPOINTMENT OF ARIC CHAIRPERSON**

**475** **COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Dorahy seconded Councillor D Brown that

- 1 Ms Donna Rygate be appointed as chairperson of the Audit, Risk and Improvement Committee for the period up to 31 October 2023.
- 2 Council acknowledge and thank Mr Terry Clout for his contribution as chair of the Audit, Risk and Improvement Committee.

*Variation The variation moved by the Lord Mayor, Councillor Bradbery (the addition of point 2 "Council acknowledge and thank Mr Terry Clout for his contribution as chair of the Audit, Risk and Improvement Committee.") was accepted by the mover and seconder.*

## **ITEM 17 - CODE OF CONDUCT COMPLAINT STATISTICS REPORT 2019-2020**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

**COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that the report on Code of Conduct Complaint Statistics for 2019-2020 be received and noted.

## **ITEM 18 - OCTOBER 2020 FINANCIALS**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

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

- 1 The financials be received and noted.
- 2 Council approves the proposed changes to the Capital Budget.

## **ITEM 19 - STATEMENT OF INVESTMENT - OCTOBER 2020**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

**COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that Council receive the Statement of Investment for October 2020.



## **ITEM 20 - CITY OF WOLLONGONG TRAFFIC COMMITTEE MINUTES OF MEETING HELD ON 11 NOVEMBER 2020**

The following staff recommendation was adopted as part of the Block Adoption of Items (refer Minute Number 467)

**COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Colacino that in accordance with powers delegated to Council, the Minutes and Recommendations related to Regulation of Traffic, of the City of Wollongong Traffic held on 11 November 2020, be adopted.

## **ITEM 21 – PLANNING PROPOSAL AUTHORITY – DRAFT PLANNING PROPOSAL – 3-15 SHORT STREET AND 312-324 PRINCES HIGHWAY, CORRIMAL**

**476 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Kershaw seconded Councillor Rimmer that the NSW Department of Planning, Industry and Environment be advised that Council is willing to be the Planning Proposal Authority for the draft Planning Proposal for 3-15 Short Street and 312-324 Princes Highway, Corrimal.

## **ITEM 22 - NOTICE OF MOTION - COUNCILLOR LEIGH COLACINO - TRAFFIC CONTROL MEASURES - STANWELL PARK**

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

- 1 Council investigate, as soon as possible, options available that would put in place traffic calming measures along the length of road from the corner of Station Street and Lawrence Hargrave Drive slip road to the intersection of the Lawrence Hargrave Drive slip road and Lawrence Hargrave Drive main road Stanwell Park. The investigation to look at, but not be limited to, speed humps, blisters and side barriers.
- 2 Council investigate, with community consultation, what is required to lower the speed limit on all streets in Stanwell Park to 40 km/h, including the Lawrence Hargrave slip road mentioned in point 1, but excluding Lawrence Hargrave Drive.
- 3 A report, including costings for all options in points 1 and 2, in the form of Briefing Note or at a Briefing, be delivered to Councillors before the Councillor Planning Workshop meeting scheduled for 27 February 2021 so that works can be included into the 2021-2022 work schedule or sooner.

*Variations The variation moved by the Lord Mayor, Councillor Bradbery (the addition of the words “with community consultation” in point 2) was accepted by the mover and seconder.*

*The variation moved by the Lord Mayor, Councillor Bradbery (the removal of the words “and implement as soon as possible” in point 2) was accepted by the mover and seconder.*

A PROCEDURAL MOTION was MOVED by Councillor Walters seconded Councillor Martin that Councillor Colacino be granted an additional 3 minutes to address the meeting in relation to Item 22.

## **DEPARTURE OF COUNCILLOR**

During debate and prior to voting on Item 22, Councillor T Brown departed and returned to the meeting, the time being from 8:07 pm to 8:09 pm.

During debate and prior to voting on Item 22, Councillor Cox departed and returned to the meeting, the time being from 8:14 pm to 8:15 pm.

During debate and prior to voting on Item 22, Councillor Walters departed and returned to the meeting, the time being from 8:17 pm to 8:18 pm.

**ITEM 23 - NOTICE OF MOTION - COUNCILLOR MITHRA COX - ILLAWARRA RENEWABLE ENERGY ZONE**

**478 COUNCIL'S RESOLUTION** - RESOLVED UNANIMOUSLY on the motion of Councillor Cox seconded Councillor Colacino that the General Manager write to Energy Minister Matt Kean to –

- 1 Thank him for his leadership in legislating a plan to transform the NSW electricity grid to renewable energy, for naming the Illawarra as a Renewable Energy Zone in the Renewable Energy Infrastructure Bill, and for including \$50m for the development of a green hydrogen industry.
- 2 Request a briefing on the Illawarra Renewable Energy Zone and how it may impact on Council's Economic Development Plan, our ambition to achieve net zero emissions in Wollongong by 2050 and on our future land use planning.

**DEPARTURE OF COUNCILLOR**

During debate and prior to voting on Item 23, Councillor Rimmer departed and returned to the meeting, the time being from 8:44 pm to 8:46 pm.

**ITEM 24 - NOTICE OF MOTION - COUNCILLOR CAMERON WALTERS - INTERNAL MEDIA TRANSPARENCY**

MOVED by Councillor Walters seconded Councillor Colacino that Council -

- 1 Establishes a Media Notifications Protocol for media events organised by Wollongong City Council for the Lord Mayor and Councillors.
- 2 Outlines that the protocol:
  - a Provides 7 days' notice to elected officials of a planned media event that Wollongong City Council holds or organises;
  - b Provides a minimum 72-hour alert via email to all elected officials of any media event due to occur, and, if this period is missed, justification be provided to all elected officials within 24 hours via email, and;
  - c Allows for events planned within this 72-hour period to occur after immediate email notification of the pending media event to all elected officials, once it has been raised with Council staff.

*Variation The variation moved by Councillor Kershaw (amend point 2a to read "provides 7 days") was accepted by the mover and seconder.*

*In favour* Councillors Kershaw, Martin, Colacino, Walters, Dorahy and Figliomeni

*Against* Councillors Rimmer, D Brown, T Brown, Cox, Blakey and Bradbery

Due to votes being tied, the Lord Mayor used his Casting Vote to vote against the Motion and the Motion was therefore LOST.

## **ITEM 25 - NOTICE OF MOTION - COUNCILLOR CAMERON WALTERS - WOLLONGONG CBD FREE PARKING PERIOD**

MOVED by Councillor Walters seconded Councillor Dorahy that Council -

- 1 Notes the ongoing consequences and financial impacts of COVID-19 on residents and businesses in the Wollongong LGA;
- 2 Turns off all parking meters in the Wollongong CBD, starting 21 December 2020 and finishing 17 January 2021, with the following put in place:
  - a All metered zones are to become free parking, with current time limits still applying;
  - b Appropriate signage and social media alerts be arranged, noting that parking is “free” during the above dates, and;
  - c Notification be made to local businesses within the CBD that free parking will be offered during the above dates.
- 3 Write to the owners of Wollongong Central, GPT Group, calling on them to implement free parking during this period in line with Wollongong City Council, noting in the letter:

That, as a compromise, Wollongong City Council would be supportive of a 3-hour free parking period during the above dates in Wollongong Central car parks.

*In favour*

Councillors Kershaw, Rimmer, Colacino, Walters, Dorahy and Figliomeni

*Against*

Councillors D Brown, T Brown, Martin, Cox, Blakey and Bradbery

Due to votes being tied, the Lord Mayor used his Casting Vote to vote against the Motion and the Motion was therefore LOST.

A PROCEDURAL MOTION was MOVED by Councillor Colacino seconded Councillor Dorahy that Councillor Walters be granted an additional 2 minutes to address the meeting in relation to Item 25.

A PROCEDURAL MOTION was MOVED by Councillor T Brown seconded Councillor Martin that Councillor D Brown be granted an additional 30 seconds to address the meeting in relation to Item 25.

A PROCEDURAL MOTION was MOVED by Councillor Colacino seconded Councillor Walters that Councillor Dorahy be granted an additional 30 seconds to address the meeting in relation to Item 25.

## **DEPARTURE OF COUNCILLOR**

During debate and prior to voting on Item 25, The Lord Mayor, Councillor Bradbery, departed and returned to the meeting, the time being from 9:41 pm to 9:43pm. During this time Deputy Lord Mayor, Councillor T Brown, presided the meeting as Acting Chair.

During debate and prior to voting on Item 25, Councillor Cox departed and returned to the meeting, the time being from 9:51 pm to 9:52 pm.

## **EXTENSION OF MEETING TIME**

During the debate on Item 25, a PROCEDURAL MOTION was MOVED by Lord Mayor Councillor Bradbery that the meeting time be extended by 60 minutes to conclude at 11pm.

**ITEM 26 - NOTICE OF MOTION - COUNCILLOR CAMERON WALTERS - SUPPORT FOR PERSONAL ELECTRIC TRANSPORT**

**479 COUNCIL'S RESOLUTION** - RESOLVED on the motion of Councillor Walters seconded Councillor Cox that Council -

- 1 Supports the usage and uptake of personal electric transport such as electric bicycles in the City of Wollongong;
- 2 Notes the increased usage and demand for electric scooters and skateboards, and;
- 3 Writes to the Minister for Transport and Roads, The Hon Andrew Constance MP, to support the legalisation and regulation of electric scooters and skateboards on public land in New South Wales, noting in the letter that:
  - a Public usage of electric scooters and skateboards is already widespread in the Wollongong LGA, even though they can only be used legally on private property
  - b Council would prefer that legislation was in place to allow for the safe usage of electric scooters and skateboards in New South Wales, just like electric bicycles, and;
  - c Wollongong City Council would be willing to host a trial period for electric scooters and skateboards before any state-wide legalisation was put in place.

*Variations The variation moved by Councillor Kershaw (the addition of the words 'even though they can only be used legally on private property' in point 3a) was accepted by the mover and seconder.*

*The variation moved by the Lord Mayor, Councillor Bradbery (the addition of the words 'and regulation' in point 3) was accepted by the mover and seconder.*

*In favour* Councillors Kershaw, D Brown, T Brown, Martin, Cox, Blakey, Colacino, Walters, Bradbery and Dorahy

*Against* Councillors Rimmer and Figliomeni

Councillor Figliomeni FORESHADOWED a MOTION should Councillor Walters Motion be defeated that -

Council write to the Minister of Transport and Transport NSW requesting the development of legislation to regulate the use of electronic scooters and skateboards, noting that Council will also offer to host a trial period before any state-wide legalisation is put in place.

**DEPARTURE OF COUNCILLOR**

During debate and prior to voting on Item 26, Councillor Colacino departed and returned to the meeting, the time being from 10:29 pm to 10:30 pm.

Due to a previously disclosed conflict of interest, prior to debate and voting on Item C1, Councillor Walters departed the meeting at 10.48 pm.

## CLOSED COUNCIL SESSION

The Lord Mayor called for a Motion to close the meeting to consider a Confidential Item, which deals with a report to Council regarding financial assistance to Illawarra ITeC Pty Ltd, in accordance with Section 10A (2) (d(i)) of the Local Government Act 1993.

Prior to putting the above Motion to the vote, the Lord Mayor advised the meeting that Item C1 relates to a report to Council regarding financial assistance to Illawarra ITeC Pty Ltd and is classified as Confidential for the following reason -

- 1 Section 10A (2)(d(i)) of the Local Government Act 1993, permits the meeting to be closed to the public, as the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.

As no representations had been received prior to the meeting, from members of the public objecting to the closure of this section of the meeting, the Lord Mayor advised that the webcast will be paused while Council considers these items.

**480 COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor T Brown seconded Councillor Dorahy that -

- 1 The meeting move into Closed Session to consider a report to Council regarding the financial assistance to Illawarra ITeC Pty Ltd, in accordance with Section 10A (2)(d(i)) of the Local Government Act 1993, on the basis that the report contains commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
- 2 On balance, the public interest in preserving the confidentiality of the information supplied outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.

There being no members present in the gallery, the MOTION was PUT to the VOTE and was CARRIED UNANIMOUSLY.

At this stage, the time being 10:49 pm, the meeting moved into Closed Session.

### ITEM C1 – CONFIDENTIAL: FINANCIAL SUPPORT – ILLAWARRA ITEC PTY LTD

**481 COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor D Brown seconded Councillor Blakey that -

- 1 Council agrees to support the application by ITeC to a financial institution for an overdraft facility of \$500,000, with that support provided by acting as guarantor of the repayment of the facility by ITeC.
- 2 Council notes that such a guarantor arrangement constitutes financial assistance for the purposes of the *Local Government Act* 1993.
- 3 The guarantor arrangement be only implemented where ITeC has entered into a Deed with Council that includes the following matters:
  - a the guarantor arrangement (and overdraft facility) ceases five years from the date of the Deed;
  - b a mortgage in favour of Council over identified ITeC assets;
  - c an agreement from ITeC concerning repayment of any drawdowns of funds, and
  - d provisions relating to continuous disclosure, notification of drawdowns, financial statements, periodic forecasts, actuals and variations (and proposed actions if negative) to Council.
- 4 The General Manager be authorised to execute a Deed between ITeC and Council that includes the matters identified at point 3 above.

**482 COUNCIL'S RESOLUTION** – RESOLVED UNANIMOUSLY on the motion of Councillor

Dorahy seconded Councillor Kershaw that the meeting move out of Closed Session and into Open Council.

Council resumed into Open Session at 11:04 pm

#### **EXTENSION OF MEETING TIME**

During the debate on Item C1, a PROCEDURAL MOTION was MOVED by Councillor Bradbery that the meeting time be extended by 15 minutes

#### **RETURN OF COUNCILLOR**

Prior to the Lord Mayor advising the meeting of Council's Resolution whilst in Closed Session, Councillor Walters returned to the meeting, the time being 11.05 pm.

#### **OPEN COUNCIL SESSION**

##### **RESOLUTIONS FROM THE CLOSED SESSION OF COUNCIL**

The Lord Mayor advised the meeting of Council's Resolutions whilst in Closed Session (refer to Minute Number 481).

#### **THE MEETING CONCLUDED AT 11:06PM**

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Confirmed as a correct record of proceedings at the Ordinary Meeting of the Council of the City of Wollongong held on Monday 1 February 2021.

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Chairperson

ITEM A

LORD MAYORAL MINUTE - OPTIONS FOR CREATING A DEDICATED CYCLEWAY ON CLIFF ROAD

The increased number of pedestrians and cyclists using the shared pathway between Belmore Basin and North Wollongong Surf Club is the subject of complaints and concerns about safety.

The speed of cyclists and density of pedestrian numbers warrants a review of the more effective use of the parallel section of Cliff Road west of the pathway. Removing speed humps and reducing the speed limit would make Cliff Road more conducive to cycling and take the pressure of the pathway, especially at 'the cutting'. Introducing single lane one-way traffic, from north to south, would create space for a dedicated cycleway in both directions. Establishing angled parking only on the eastern side of Cliff Road would offset any parking loss on the western side. I commend the review and investigation.

### RECOMMENDATION

Wollongong City Council investigate options for creating a dedicated cycleway along Cliff Road in the section from Bourke Street to Harbour Street. The options for consideration should include -

- 1 Creating single lane one-way traffic flow, removing speed humps, reducing the speed limit and establishing angled parking on the eastern side of Cliff Road.
- 2 Making the Blue Mile a pedestrian only pathway from Belmore Basin to the North Wollongong Surf Club on the condition that a corresponding dedicated cycleway is provided on Cliff Road.

### ATTACHMENTS

There are no attachments for this report.



## ITEM 1 PUBLIC EXHIBITION - DRAFT KING GEORGE V PARK RECREATION MASTER PLAN

In accordance with the Delivery Program 2018-2022, Operational Plan 2020-21 and Port Kembla 2505 Revitalisation Plan 2018-2043, a draft Master Plan has been developed to provide Council with a vision to inform the future enhancement of King George V Park, Port Kembla.

The draft King George V Park Recreation Master Plan (draft Master Plan) focuses on improving community access, engagement and increased usage within the park and proposes a range of improvements to meet these objectives. Key features of the draft Master Plan include an expanded play precinct, new sport amenities, improved hardcourt facilities, new path networks and skate boarding opportunities.

Public exhibition of the draft King George V Park Recreation Master Plan will allow the community to provide further insight and input into the refinement of the plan. This report seeks Council's endorsement of the draft Master Plan for exhibition and for a subsequent report with findings from engagement be presented to Council on completion.

### RECOMMENDATION

- 1 Council endorse the draft King George V Park Recreation Master Plan for public exhibition from 5 February to 5 March 2021.
- 2 Following exhibition, Council receive a further report with an updated Master Plan incorporating the community engagement findings.

### REPORT AUTHORISATIONS

Report of: Lucielle Power, Manager Property + Recreation  
Authorised by: Sue Savage, Director Community Services - Creative and Innovative City (Acting)

### ATTACHMENTS

- 1 Draft King George V Park Recreation Master Plan
- 2 King George V Park Master Plan Engagement Report Phase 1

### BACKGROUND

King George V Park is an iconic parcel of active and passive open space in Port Kembla.

In 2018, the *Port Kembla 2505 Revitalisation Plan 2018-2043* was produced to provide a '25-year aspirational vision for the future of Port Kembla'. The associated Implementation Plan identified the need to deliver a Master Plan for the King George V Precinct.

The lower portion of the park hosts a range of recreation activities including senior cricket ground, cricket training nets, football field, junior cricket ground, local playground, and two hard courts. The sports field park has recently undergone flood lighting, turf wicket and irrigation improvements, making it a popular training and competition facility for cricket and football players.

The Port Kembla Cricket clubhouse is situated in the centre of the park on the western side of the cricket field. The modest building was constructed in the 1960's, is ageing and does not provide contemporary gender equity or accessibility facilities. The park also provides limited storage space for sports and Council's ground maintenance equipment.

The existing playground is well utilised but primarily caters for younger children in the 2–8 year age group. The playground is supported by carparking but lacks supporting amenities such as shade, picnic facilities, water refill stations and bike racks.

Public toilet facilities are currently incorporated into the clubhouse building, although there are currently no formal pathways to the amenities, with access from the playground, basketball court and carparks via informal grass tracks.



The upper portion of the park is a large grassed area and without designated paths or infrastructure. Large sections of this area are affected by a relatively steep topography and open to prevailing winds and is known to be used occasionally for recreational paragliding activities. The south west portion provides sweeping views over Port Kembla Beach and broader residential area to the east. This area does contain an off-leash dog area and is relatively popular with locals for this purpose. This section of the site also has several informal walking tracks, which are used to access the playground, pool and beach.

Over the past decade a local bushcare group have worked in partnership with Council to pursue native bush and tree plantings at the base of the hill.

King George V Park sits central within a tapestry of significant sites including Coomaditchie Lagoon, Hill 60 and Fishermans and Port Kembla beaches. This presents an opportunity to 'connect with country' and engaging with the local Aboriginal community in design of infrastructure and vegetation management.

Given the diverse range of recreation pursuits and community groups who actively use the King George V Park, community consultation is key in developing a clear understanding of the possible uses for the site, its constraints and options for best meeting identified needs. As such, the process of community engagement and the preliminary engagement findings have formed the basis of the draft Master Plan.

## PROPOSAL

The draft King George V Park Recreation Master Plan focuses on enhancing existing recreational opportunities and improving community access, engagement and usage of the popular park and surrounds.

Key aspects of the draft King George V Park Recreation Master Plan include:

- New and relocated multi-purpose sporting amenities and formalisation of the carpark

A contemporary and larger facility servicing the growth in sports, relocated between the senior cricket oval and football field providing dual access to both codes. The new facility will incorporate new gender equitable changerooms, canteen, clubroom and storage for both cricket and football use.

This facility will also incorporate new compliant public toilets servicing all park patrons.

It is also proposed that the existing carpark will be formalised (including asphalt, line marking, trees etc) providing improved car parking and access to the relocated amenities building.
- Expanded and improved play precinct targeting a broad age range

Given the lack of facilities in the park for older children, the draft Master Plan proposes an expansion of the playground, to provide additional play opportunities which cater for a broader range of ages. The expansion aims to harness the topography of the adjacent hill, incorporating adventure and nature play opportunities eg large slides down the embankment.
- New picnic facilities – including shelters, seating and barbeques

Amenity and usability of the park will be improved through the integration of additional facilities, particularly in the areas surrounding the playground and basketball court. This includes the addition of new picnic facilities, as well as bike racks, additional tree planting and water refill stations.
- Development of a new skate facility

The draft Master Plan proposes a new skate facility which will be configured in a linear configuration, between the existing playground and senior cricket oval. The facility will incorporate multiple skateable elements creating additional opportunities for young people and families.
- Outdoor fitness equipment

Multiple outdoor fitness equipment stations will be introduced around the outside of the cricket field. These exercise stations will support a broad range of community members and promote physical activity within the park. The new facilities will complement existing outdoor exercise equipment at MM beach, by providing a mixture of different static and dynamic equipment.

- Development of a contemporary art trail and viewing area

The draft Master Plan incorporates contemporary art installations, interpretive signage, pathways, seating and a viewing area. The proposed art walk has largely been designed to be wheelchair accessible and will lead to a viewing area which incorporates public art. The dog off-leash area will be maintained but re-sited north of the current area to help minimise potential conflict.

- New formal path networks incorporating accessible pathways

To improve community access and engagement with the space, the draft Master Plan proposes new formal path networks throughout the park. The proposed path networks will incorporate accessible pathways, linking different areas of the precinct.

- Upgrade existing hard court to multi-sports area with fencing

Since re-sealing the basketball court at the northern end of the park, community use of the hard courts has significantly increased. Taking into consideration this increased demand, the draft Master Plan proposes a multi-use court to be established next to the existing basketball court. Both courts will be fenced with potential for community artwork to be placed on fencing.

- Improved amenity, access and connectivity for pedestrians and vehicles on Cowper Street and Military Road
- Improvements to Port Kembla pool forecourt and carpark

Port Kembla pool and beach are popular swimming locations, which are frequented by both locals and visitors. The draft Master Plan reimagines the configuration of the pool carpark and forecourt area, to better cater to residents and visitors, reduce conflict between pedestrians and cars, provide additional picnic and barbeque facilities and improve disability access.

## CONSULTATION AND COMMUNICATION

To help assist in clarifying aspirations for the site, significant engagement has already occurred and has directly informed the development of the draft Master Plan. The preliminary engagement phase ran from 13 October to 2 November 2020 where community members were invited to share their ideas about King George V Park; how they use it and how it can be improved as a sporting, social and green space. The community were informed about the project through:

- Mailout to all households, owners and businesses within 400m of the site
- Multiple notices in the Illawarra Mercury throughout October
- Media release on Council's website
- Development of a short video explaining the project and encouraging people to have their say
- Facebook post on 13 October 2020
- Emails promoting the exhibition were sent to key stakeholders including Neighbourhood Forum 7, local sporting clubs utilising King George V Park, and stakeholders who had previously contributed to the Port Kembla Revitalisation Plan with the invitation to share through their networks
- Posters were displayed at Warrawong and Wollongong libraries and some Wentworth Street, Port Kembla businesses
- Posters was emailed to local schools for inclusion in their newsletters
- Five signs promoting the engagement were placed around the park

- Invitation for the community to attend booked, COVID-safe, information sessions

Feedback was invited through an online survey, an interactive mapping tool, face-to-face meetings, online Zoom sessions and via the information sessions.

Feedback was received from a wide range of community members, of these people, 74 submitted online surveys, 32 people attended the information sessions and 35 people placed 160 pins on the interactive mapping tool. Community Engagement findings were collated in an Engagement Report, which has directly informed the draft Master Plan. An overview of the community feedback is as follows:

- Culture and history
- Amenities and connections
- Greening and shade
- Sport and recreation
- Children, young people and families
- Improving safety.

The full Engagement Report is attached to this report – refer Attachment 2.

In addition to the above, a key initiative and a first for a Council project was the undertaking of a Walk on Country with Mr Paul Knight CEO, Illawarra Local Aboriginal Lands Council (ILALC) and Council staff. Mr Knight shared his knowledge and helped to explain the significance of the area and connection to Country for the local Aboriginal community. The connection to Hill 60, beach and foreshore and Coomaditchie was highlighted, as was the role of the area for gathering food and materials supporting life and culture.

It is anticipated that the local Aboriginal community will play a key role in contributing to the detailed design and delivery of future upgraded and new facilities in the park as identified in the draft Master Plan. This will help residents and visitors gain a deeper understanding of local Aboriginal history and culture, ensuring it is a visible part of the built and natural environment.

Moving forward, should Council resolve to support the public exhibition of the draft King George V Recreation Master Plan, additional community engagement is planned to run from 5 February to 5 March 2021 seeking feedback on draft plans. The following means of promoting the draft Master Plan will involve:

- Notices in the Illawarra Mercury
- Mail out – all households/businesses within 400m of site
- Our Wollongong: Join the Conversation - online survey, FAQ, key documents
- Media release
- Flyers/posters/feedback forms dropped off at local libraries
- Social media
- Opportunities for face to face consultations will be guided by Public Health Orders affecting the Wollongong LGA or Port Kembla.

The findings of this second phase of community consultation will be used to refine the draft Master Plan and reported for Council's future consideration.

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 Goal 5 – “We have a healthy community in a liveable city”. It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2020-21
Strategy	4 Year Action	Operational Plan Actions
5.1.4 Urban areas are created to provide a healthy and safe living environment for our community	5.1.4.1 Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	Prepare a landscape masterplan for King George V Oval
	5.1.4.1 Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	Pursue actions outlined in the 2017-2021 Sports Ground & Sporting Facilities Strategy
	5.1.4.1 Provide an appropriate and sustainable range of quality passive and active open spaces and facilities	Implement actions from the Port Kembla 2505 Revitalisation Strategy in accordance with the strategy implementation plan
1.2.2 Government and community work together to mitigate the impacts of climate change on our environment and future generations	1.2.2.1 Our community is proactively engaged in a range of initiatives that improve the sustainability of our environment	Deliver priority actions from the Urban Greening Strategy Implementation Plan 2017-21

## SUSTAINABILITY IMPLICATIONS

The draft Master Plan has carefully considered the natural values of the site. All proposed initiatives utilise site topography, avoiding extensive cut and fill exercises and maintaining current landscape form.

Existing bush regeneration areas will be maintained with targeted improvements to sightlines improving safety along key pedestrian paths. Where new infrastructure intersects with vegetation it is expected that integrated landscape outcomes are achieved enhancing both objectives.

Planting of the steeper sections of the grassed park area with coastal native grasses has also been identified as a priority. This proposed transitional landscape assists in restoring vegetation of the hill area to a pre-European state, whilst also reducing maintenance requirements yet maintaining expansive views to the coast and surrounds. It is envisaged that Council will conduct pilots to determine plant suitability before proceeding to large scale deployment. A Vegetation Management Plan is required to assist in managing these works to ensure that these proposed plantings are protected, maintained and enhanced and integrate with other planned infrastructure.

Finally, in accordance with Council’s long-term commitment to urban greening, increased natural shade across the site will be pursued over time.

## FINANCIAL IMPLICATIONS

The draft Master Plan envisages significant works that will provide new and upgraded recreational facilities along with additional supporting amenities. These works are designed to be delivered in a staged manner over time.

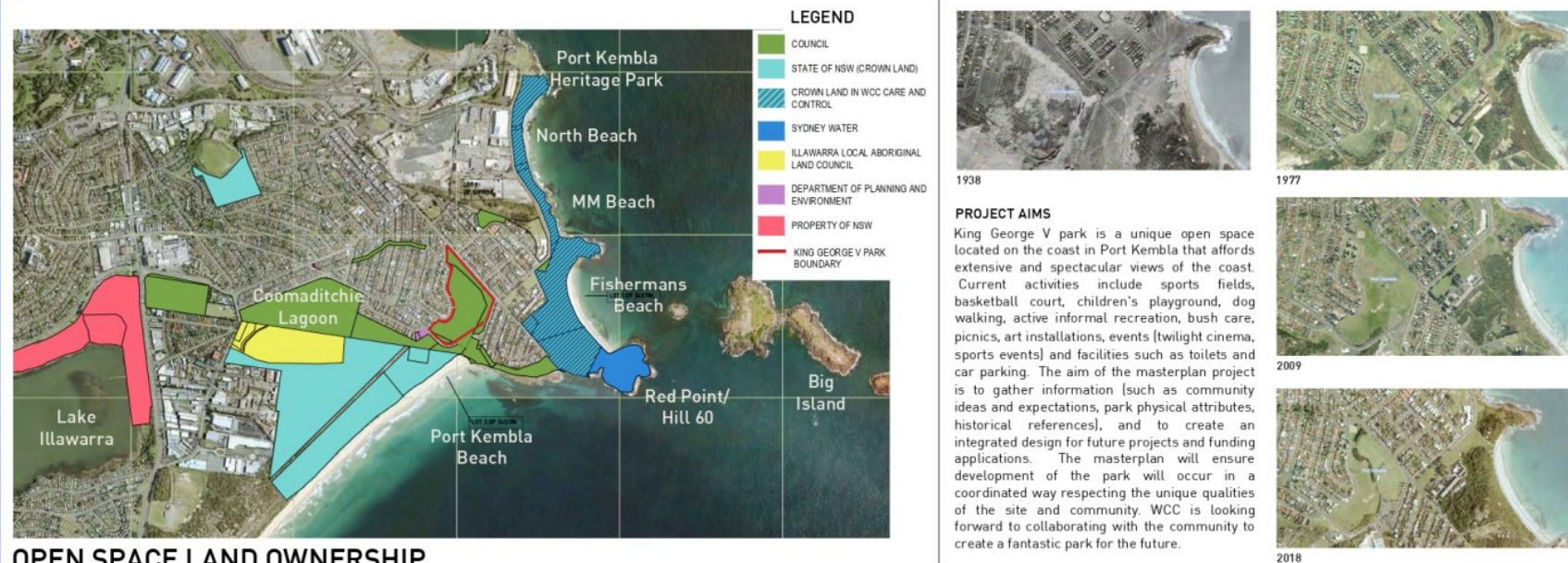
Additional information including preliminary high-level cost estimates will be provided to Council in April–June 2021 following community feedback and development of a revised draft Master Plan and an accompanying Implementation Plan. It is anticipated that once adopted, the King George V Recreation Master Plan will help inform the forward capital delivery program requirements and external grant opportunities, including the Port Kembla Community Infrastructure Fund.

## CONCLUSION

The draft King George V Park Recreation Master Plan has been developed to stimulate community input to guide the future direction of the King George V precinct. The prepared draft Master Plan focuses on

improving community access, engagement and usage of the park for locals and visitors. Key features of the draft Master Plan include an expanded play precinct, new sport facilities, improved hardcourt facilities, new path networks and a new skate facility. Endorsement of the draft King George V Park Recreation Master Plan for exhibition will allow community feedback and input, to assist in refining the Master Plan and ensuring its success.



















## King George V Park Master Plan

Engagement Report: Phase 1 – Initial Engagement  
to Inform Draft Master Plan

November 2020

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The information in this report is based on data collected from community members who chose to be involved in engagement activities and therefore should not be considered representative.

This report is intended to provide a high-level analysis of the most prominent themes and issues. While it's not possible to include all the details of feedback we received, feedback that was relevant to the project has been provided to technical experts for review and



## Executive Summary

We invited community members to share their ideas about King George V Park; how they use it and how we can improve it as a sporting, social and green space. Extensive community engagement has already occurred around the Park precinct as part of the Port Kembla Revitalisation Plan (PKRP). The King George V Park Master Plan is listed as an action in the Port Kembla Revitalisation Plan (6.5). The aim of this project was to further engage stakeholders and community members to inform the draft master plan design.

The engagement period ran from 13 October to 2 November 2020. The community were informed about the project through:

- Multiple notices in the Illawarra Mercury throughout October
- Media release on Council's website
- Email to previous participants and identified stakeholders
- Posters displayed in some Wentworth Street Port Kembla businesses, Warrawong and Wollongong libraries
- Posters emailed to local schools requesting it be included in their school newsletter
- Facebook
- Signs promoting the engagement placed around the Park

The community was asked through an online survey and hardcopy feedback forms whether they currently use King George V Park, their ideas about how the Park can be improved for the whole community and whether they still supported the vision developed for the Port Kembla Revitalisation Plan.

An interactive online mapping tool allowed people to 'pin' their ideas to share culture and history; amenities, access and connections; greening and shade; sports and recreation; children, young people and families; improving safety and ideas for other things. Some concerns were raised about the mobile compatibility of the mapping tool, with some finding it difficult to use. Those that contacted the Engagement team were offered alternative methods to provide feedback.

Due to COVID-19 restrictions, limited face to face engagement activities were undertaken. The community could book in a 20-minute period to attend an information session with Council staff, to learn about the Master Plan and provide feedback. 32 people attended an information session. 75 submissions were received via the online survey, email and hardcopy. The interactive mapping tool had 35 people place 160 pins. Feedback was also received through face-to-face meetings and online Zoom sessions with primary school students.

We received feedback from a wide range of community members, including:

- Local cricket and football sporting clubs who currently use King George V Oval
- People who live in the Port Kembla area
- Aboriginal Elders and community members
- Community groups (e.g. bushcare volunteers)
- School children

An overview of the community feedback is as follows:

### **Culture and history**

Feedback indicated integrating local Aboriginal history and culture into the Park was important to reflect the site's significance to the local Aboriginal community. Creating an inclusive space incorporating local heritage and history would help encourage more residents to feel welcome in the space and enhance community connection.

### **Amenities and connections**

It was suggested that more and updated amenities were needed at King George V Park. Better connectivity including more walking and bike paths throughout the park and improved access for people with disabilities, older people, mums with prams were seen as priorities, whilst improved weather-proof bus shelters and stops were mentioned.

### **Greening and shade**

Residents generally noted the good work done by local bushcare groups operating in the park, but vegetation management in the Park was an issue for some respondents. More trees, including natives, especially for shade, was generally supported if lines of sight

were maintained with regular thinning of overgrown shrubs for safety reasons. Feedback raised the need for additional shade provisions over the playground and bus stops.

### **Sport and recreation**

Improving clubhouse amenities including change rooms and storage space was mentioned in many submissions. More lighting and improved irrigation was suggested for both the cricket and football fields. An Athletics running track and outdoor gym equipment was also suggested.

### **Children, young people and families**

There was strong support for expanding the playground and providing a broader range of play equipment and experiences including greater use of hill. Providing a skate-facilities for all ages and abilities and upgrading the playground and adding a bike track in the Park was suggested in many submissions. Some residents felt the space currently doesn't cater for passive recreation opportunities for older children, teens and more spaces for young people should be created.

### **Improving safety**

Safety for people using the Park, and moving between the Park and the beach, was a key issue for respondents. Feedback indicated improving lighting, installing a net around the playground, clearing the thick shrubs and installing a pedestrian crossing from the Park to the beach would improve safety.

### **Other comments**

Feedback indicated that off-leash dog facilities should remain and should be fenced. Some respondents suggested the hill area of the park could be used for more events and live entertainment. Some respondents said the park was good as is and no changes were necessary.

Those completing the online survey and hardcopy feedback forms indicated they currently use King George V Park and consider the Vision included in the Port Kembla Revitalisation Plan to still be relevant.

## Background

Port Kembla is a suburb that is well known for its industry, Aboriginal culture and role in military history. Today, the face of Port Kembla is changing, with a shift away from heavy industry as new residents and businesses establish themselves in the region. The area is home to a thriving artists' community, historic hotels, three beautiful beaches and an ocean pool and five schools (preschool, primary and high school).

Extensive engagement in 2017 and 2018 informed the development of the Port Kembla 2505 Revitalisation Plan 2018 – 2043. The Revitalisation Plan outlines a plan forward for a number of spaces in Port Kembla including the Town Centre, Military Road spine, coastal areas, recreational areas and Coomaditchie Lagoon. Recreational areas include King George V Park, Port Kembla Pool and Surf Club.

King George V Park (the Park) sits at the corner of Military Road and Cowper Streets, opposite Port Kembla Beach, between Hill 60 and Coomaditchie Lagoon, and has strong Aboriginal cultural heritage. It is a popular area for both residents and tourists. Council invited the Traditional Custodian groups and Aboriginal community members to share their ideas for the space during the development of the Port Kembla 2505 Revitalisation Plan 2018 – 2043.

The Park offers a range of active recreational opportunities through the playground, cricket pitch, football field and basketball court. The Park also includes some vegetation along the base of the foothill, a very large off-leash dog area with amazing views over Port Kembla Beach, Port Kembla Pool and Perkins Beach. The Park has regular user groups including Port Kembla Cricket Club and Port Kembla Pumas Football Club. A Bushcare group also operates within the reserve and is overseen by Council.

The NSW Government has established the Port Kembla Community Investment Fund to activate, enhance and build community amenity in Port Kembla. Round Four opened in August 2020 with a total of \$2 million available. Successful applications for funding have seen a number of initiatives occurring at King George V Park, including new sports

lighting, upgraded sporting infrastructure, installation of small grandstand seating and a shade sail for the playground.

From the engagement for the Revitalisation Plan, the following vision themes arose for the Park.

### Vision

“A vibrant and active recreation area, balancing a youth focus with organised sport facilities, catering to people of all ages.”

- Additional trees within the recreational area to provide shading and places to sit and picnic beneath.
- Retain and enhance sporting activities within the precinct.
- Provide paths and routes that improve connections within and through the park paired with lighting and planting.
- New infrastructure provides facilities and activity spaces that cater for youth.

In 2019/2020, Council engaged with young people from Port Kembla Public School, Port Kembla Youth Project and Warrawong High School regarding the upgrade of the basketball court. In addition to basketball court colours, young people were asked their ideas for the western side of the court. Ideas revolved around the following themes; recreation (e.g., yoga, handball, play equipment, painted games on ground), infrastructure (e.g., seating, bike racks, tables), public art and urban greening (particularly for shade).

### Stakeholders

Stakeholders identified prior to the start of this engagement period included:

- Local residents
- Traditional Owners
- Aboriginal community members
- Port Kembla Primary School, Kemblawarra Primary School, Five Islands High School and Warrawong High School
- Neighbourhood Forums



- Multicultural groups
- Sporting groups using the Park
- Previous engagement participants
- Bushcare group

## Methods

A project page published on Council's Engagement HQ website on 13 October 2020 provided a short video explaining the intent of the engagement, maps, Frequently Asked Questions, Important Links, survey tool and an interactive mapping tool.

The public exhibition of the King George V Park Master Plan was advertised through a number of methods including:

- Multiple notices in the Illawarra Mercury throughout October
- Media release on Council's website
- Facebook post on 13 October 2020
- Emails promoting the public exhibition were sent to key stakeholders including all Neighbourhood Forums and previous participants, with the invitation to share through their networks.
- Posters were displayed at Warrawong and Wollongong libraries and some Wentworth Street Port Kembla businesses
- Posters was emailed to local schools for inclusion in their newsletters
- 5 signs promoting the engagement were placed around the Park
- Invitation for the community to attend booked, COVID-safe information sessions

Feedback was invited through an online survey, an interactive mapping tool, face-to-face meetings, online Zoom sessions and via the information sessions.

## Engagement with Aboriginal community

The approach to engagement in this project was informed by draft guidance documents for how Council should engage with Aboriginal community members. The project team

consulted with Council's Aboriginal Community Development Officer to plan a meaningful and culturally sensitive engagement and to identify Aboriginal organisations and individual community members who the project team should engage with. Traditional Custodians, individual community members and Aboriginal organisations were notified of the project before broader community engagement started and also sought their feedback throughout the three-week engagement period.

The draft engagement guidance document places high importance on face-to-face meetings with community members on a consistent basis (i.e., not just for the life of the project). The project team have ongoing relationships with a number of Aboriginal community members and were able to engage with these community members to discuss the Master Plan and gain feedback.

Meeting Aboriginal community members face-to-face was not appropriate for everyone due to COVID-19 safety restrictions, however a number of face-to-face meetings were able to occur. Many phone calls, emails, letters and four face-to-face meetings took place with Aboriginal community members during this project. Face-to-face meetings were held at spaces in the community where Aboriginal community members felt safe and comfortable. Illawarra Local Aboriginal Lands Council facilitated a Walk on Country for Council staff to better understand the Aboriginal history and cultural significance of the area.

## Results

This section provides details on the participation at engagement activities (Table 1), the online participation summary (Table 2) and the feedback received via surveys, interactive map pins, feedback forms, emails, (Table 3) information sessions, meetings with Aboriginal Elders and primary school Zoom sessions.

### Engagement Activity Participation

Details of the number of participants for each engagement activity are presented in Table 1 below.

Table 1: Engagement activity results

Engagement Activities	Participation
Targeted engagement meetings with Aboriginal Elders and community members	12
Attendance at Information Sessions during the exhibition period	32
Schoolchildren participating in zoom sessions (Port Kembla 45, Kemblawarra 22)	67

### Online Participation

The usage statistics for the project page on Council's Engagement HQ website appears in Table 2.

Table 2: Summary of online participation

Measure and explanation	Usage
Unique Site Visits – Total number of visits to the website	955
Aware – Total number of users who viewed the project page	726
Informed - Total number of users who opened a hyperlink or read a document	373
Engaged – Total number of users who have actively contributed to the project by filling in the feedback form	51

## Engagement feedback

The number of submissions received during the exhibition period are presented in Table 3.

Table 3: Feedback methods

Feedback methods	Participation
Engagement website survey tool	51
Email submission	1
Hardcopy submissions	22
PowerPoint submission	1
Interactive map tool	160 pins

Feedback was also received and noted at the information sessions, face- to-face meetings and school Zoom sessions with two of the four schools that accepted the invitation to participate in the engagement. Attendance at these sessions and meetings has been reported in Table 1 above rather than included in Table 3. The feedback has been incorporated into the results reported in the following sections.

### Currently using King George V Park

We asked the community if they currently use King George V Park Via the online survey and the feedback forms. 42 people said they currently use it and two people said they don't currently use the Park.

### Ideas about how King George V Park can be improved

We asked the community to share their ideas about how King George V Park can be improved for the whole community. The communities' ideas for improving the Park, whether received via the survey, feedback form, email, or face-to-face, have been themed into the following categories.

- culture and history
- amenities and connections
- greening and shade

- sport and recreation
- children, young people and families
- improving safety
- other things

### **Ideas to share culture and history**

Respondents said sharing the history and culture of the space was important. They asked Council to integrate Aboriginal history into future plans for the Park to reflect how significant the site is to the local Aboriginal community. Adding signage that indicated the direction and distance to Aboriginal sites of significance in the area was suggested.

Creating an inclusive space reflecting local heritage and history would encourage more to feel welcome in the space and enhance community connection.

Other suggestions for incorporating culture and history include:

- Incorporate Aboriginal place names, stories, artwork and culture into the Park
- Information explaining the military history of the area
- Rename the Park to something more culturally appropriate, such as a Dharawal name.
- Acknowledgement of Aboriginal sports people
- Sports clubs to understand the history and Aboriginal culture of the area

### **Ideas for amenities and connections**

People said more and updated amenities were needed at King George V Park. Toilets, seating, water fountains, BBQs and picnic tables were mentioned. Better connectivity, including more walking, bike and cycling paths throughout the park were raised by respondents. Better access for people with disabilities, older people and mums with prams was raised. More parking was requested to meet the growing popularity of the Park, especially during summer.

Suggestions for amenities and connections included:

- Additional tables, seating and covers, similar to the beach front, could be added installed adjacent to the playground to improve comfort as more families enjoy celebrations

- More walkways in the open field with areas for sitting and looking at the view
- Formalise the area on the hill overlooking the ocean with a terrace set up and picnic shelters overlooking the beach
- Bike/walking track from the beach to the play area to the basketball courts down Military Road to fields
- The toilets should be located closer to the playground or at least have a pathway connecting the playground to the toilets. There should be more toilets.
- The amenities in the park look tired
- Paths from the hill into the lower part of the oval
- At the moment there is not enough parking to service the beachgoers, people visiting the playground and sporting activities.
- Road markings for more cars
- Add BBQs near the oval, BBQs in lower levels of the reserve with easy access from Cowper Road for those with access issues
- Coffee van on weekends and throughout summer
- Space for community food markets
- A water filling station would assist the myriad of individuals and teams undertaking activities eg: runners, soccer, football, cricket teams, gym and other training

### **Ideas for greening and shade**

Some said vegetation in the Park was an issue. More trees were advocated by many respondents, with some suggestions saying undergrowth or lower shrubs needed greater attention, to prevent antisocial behaviour and improve lines of sight. Many commented on the need for more shade throughout the Park, including around sporting fields for spectators, to enjoy picnicking and the playground. Including more trees and natives was seen as an opportunity to involve the Aboriginal community in bush care, for community planting, to provide food, encourage wildlife and combat global warming on a local scale.

Suggestions for greening and shade include:

- Additional trees are fine if they are spaced out and provide useable areas around and underneath

- The current vegetation in the park creates issues with the connectivity of the park as well as line of site
- Balancing views and planting of trees
- The vegetation in the Park should be consistent
- More opportunities for community planting as this creates more ownership over the space. The planting doesn't need to happen all at once.
- Reduced areas for mowing

### Ideas for sport and recreation

Improving clubhouse amenities was mentioned by sporting clubs and in many submissions. Some suggested new amenities would need to focus on gender equity with change rooms for both men and women. More lighting and improved irrigation was suggested for both the cricket and football fields. The need for greater storage space was also mentioned. An athletics running track and outdoor gym equipment was suggested.

Suggestions for sport and recreation include:

- Improve/upgrade facilities for sporting clubs that use fields
- Storage of equipment is a huge issue, as the club currently uses a storage container
- Some low fencing around the fields would be good as it could deter motorbikes from damaging the fields
- Current change rooms provide very little privacy
- It would be great if the current playing surfaces – football and junior cricket oval could be levelled out
- Restore the rundown clubhouse, cricket screens, new scoreboard, floodlights
- More soccer nets, new scoreboard and floodlights
- Improve the current tennis courts
- A multi-purpose court
- Multiuse enclosed courts for tennis and indoor soccer
- Increase provision for little athletics, school athletics carnival and local training groups.
- Running track around the boundary of the Park
- Gym equipment stationed around the Park similar to Lang Park

### **Ideas for children, young people and families**

Providing a skate park for all ages and abilities was raised by respondents. Requests were made for an upgraded playground, with many suggestions for how the playground could be improved. Some said an additional playground was needed. Respondents mentioned including a bike track in the Park. Suggested locations and features for these facilities were made. Other suggestions included flying foxes, waterslides and a ninja course. It was felt the space currently doesn't cater for teens. It was suggested Council apply for Port funds to create more spaces for young people.

Suggestions for children, young people and families include:

- Slides on hill
- Expand existing playground with updated equipment
- Upgrade the playground to including a flying fox, trampolines etc see new playground at Reddall Reserve
- It would be good to see another playground near the basketball courts
- Incorporate nature play opportunities on the hill connected to the playground.
- Include water play in the playground with a warped wall (ninja course) make it for a variety of ages
- Not all kids play team sports – there should be more variety of things/places to play
- Bike path – various locations around the perimeter of the park, around the cricket ground from the hill to the carpark
- Mini-bike path with road signs and roundabouts
- Invest in a skate park for the area – one that has opportunities for progression and caters for young children to people who are more advanced. Make it a family space.
- Skate park – different locations – suitable for learners too

### **Ideas for improving safety**

Safety for people moving between the Park and the beach was raised in many submissions. A pedestrian crossing, pedestrian refuge and speed humps and were



some of the suggested solutions. Safety around parking was considered an issue especially during summer. Respondents said more lighting would improve safety around the cricket club, playground and carpark. It was stated locals avoid areas in the Park with thick shrubbery and trees due to anti- social behaviour. Clearing the thick shrubs, it was felt, would improve the perception of safety. Respondents said netting around the playground would protect kids from cricket balls.

Suggestions for improving safety include:

- Add a pedestrian crossing between the playground carpark and main pool/beach carpark would improve safety. This would be a proactive addition as many families with young children and prams, beach equipment and the elderly traverse this crossing.
- Crossing roads is dangerous due to the traffic
- More lighting around the car park closer to the playground to deter unwanted things happening at night
- This area is unsafe due to poor visibility (because of trees) and ample hiding spots for threatening behaviour
- The parking along Cowper Street is unsafe especially for children
- On nice days when people flock to the area, there isn't enough parking, and safe parking in particular
- Public safety should be given high consideration

### **Ideas for other things**

The off-leash dog area was mentioned in many submissions. Respondents suggested the Park could be utilised for events and artwork. Some said the Park was good as it is, and no changes were necessary. Submissions mentioned sealing the carpark and including a café in the Park.

Suggestions for other things include:

- Keep the off-leash dog area, but fence it
- Don't reduce the dog area. Add a dog agility park, bubblers for dogs and recycling bins.

- Venue for live music, open air cinema, market stalls
- Outdoor amphitheatre for events
- Potential location for sculptures by the sea
- Music box
- Food truck could come on the site for events
- Seal the carpark
- The oval should be left as is. It is already a wonderful space for families and the community.
- Don't need to do much to the area

### Vision for King George V Park

We asked the community if the Vision for the Park outlined in the Port Kembla Revitalisation Plan was still relevant via the online survey and the hard copy feedback forms. We also asked if the actions in the Vision were still important for King George V Park.

Most people who answered this question felt the Vision was still relevant. Many included a comment about aspects of the Vision. Six people made comments on sport, trees, parking and the Parks' name without directly indicating their support for the Vision. One person said they were happy with the whole area as it is.

Relevance of Vision	Responses
Yes (still relevant 39), Yes (somewhat relevant 2)	41
Comments only, relevance not mentioned	6
No	1

### Mapping Results

An interactive map on the website provided the community with an option to share their ideas on how to improve the Park for the whole community. The map covered the King George V Park and surrounding areas and identified: sporting facilities, vegetation, existing and proposed cycleways, bus routes, views, and activity hubs.

35 people place 160 pins using the online interactive map tool. Respondents were able to identify locations on the digital map, place pins, make comments and attach photos.

We asked the community to share their ideas on: culture and history; amenities and connections; greening and shade; sport and recreation; children, young people and families; improving safety; and any other ideas. The information and feedback will inform the creation of the Draft Master Plan.

A summary of the responses for each pin category have been themed and appear below.

**Culture and history** - 8 pins were placed for this category:

- Name of the Park
- Aboriginal art
- Indigenous food walk
- Cricket club building
- Name of Cricket Club shipping container

**Amenities and connections** - 35 pins were placed for this category:

- Bike paths/cycleway
- Footpaths
- Water fountains
- BBQs
- Signage
- Improve carpark
- Picnic tables
- Improve toilets
- Provide more shade
- Improve pedestrian access
- More seating

**Greening and shade** - 28 pins were placed for this category:

- More trees for shade

- Native trees, native grasses, coastal natives
- Coastal natives
- Trees vs. views
- Fig trees
- Eucalyptus
- Vegetation to promote birdlife
- Walking trails
- Fruit trees
- Plant species signage
- Vegetation on the hill

**Sport and recreation** - 34 pins were placed for this category:

- Skatepark
- Improve the playground
- Change use of junior cricket field
- Running track
- Outdoor exercise equipment
- Professional cricket matches
- Updated clubhouse
- Digital scoreboard
- Ninja course
- Improve basketball nets, backboards
- Bike path around the Park

**Children, young people and families** - 31 pins were placed for this category:

- Ninja course
- Protection from cricket balls
- Amphitheatre
- Skatepark
- Picnic, BBQ facilities, water fountains, seating and shade
- Bike path
- Playground around landscape,

- Pop up food markets
- Ping pong table
- Pedestrian refugee, extend footpaths

**Improving safety** - 14 pins were placed for this category:

- Formalised pathway/stairs
- Cricket nets in poor position
- Pedestrian refugee/crossing
- More lighting
- Stairs
- Fences

**Other ideas** - 11 pins were placed for this category:

- Move Bushcare seat
- Charging stations
- Café, pop up food stall or truck
- Drinking fountains/dog bowls
- Exercise equipment
- Notice wall
- Events
- Road crossing

ITEM 2

DRAFT PLANNING PROPOSAL FOR THE FORMER BULLI BOWLING CLUB, LOT 360 DP1214993, NO. 218 PRINCES HIGHWAY, BULLI PP-2019/3

In 2019, a Planning Proposal request was lodged to rezone the former Bulli Bowling Club to enable a mixed-use development. The proposal has been considered twice by Wollongong Local Planning Panel (LPP). The LPP recommends that the proposal not be progressed at this time.

It is recommended that the draft Planning Proposal to rezone the site not be supported.

## RECOMMENDATION

- 1 A draft Planning Proposal not be prepared for the former Bulli Bowling Club site (Lot 360 DP 1214993) No. 218 Princes Highway Bulli, as it does not have strategic merit.
- 2 The proponent be advised of Council's decision not to progress the proposal.

## REPORT AUTHORISATIONS

Report of: Chris Stewart, Manager City Strategy

Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

## ATTACHMENTS

- 1 Location Map
- 2 Concept Plan and Proposed Planning Controls
- 3 Wollongong Local Planning Panel Advice 7 August 2019
- 4 Wollongong Local Planning Panel Advice 2 April 2020

## BACKGROUND

The former Bulli Bowling Club site is located at No. 218 Princes Highway, Bulli (Lot 360 DP 1214993), on corner of Grevillea Park Road. The site has an area of 8,301m<sup>2</sup> and is zoned RE2 Private Recreation (Attachment 1).

The site is located within the Bulli Showground/Recreation precinct. In 1967 Council sold the site to the Bulli Bowling Club. The Bowling Club closed in 2013. The current owner purchased the site in 2016, and currently has an approval to use the site as an indoor recreational facility (gym).

The site is on the fringe of the Bulli Town Centre. The site is located within 160m of the town centre and less than 370m of the Bulli train station. The site is located within the Bulli Heritage Conservation Area under the Wollongong Local Environmental Plan 2009. The site has a medium flood risk.

## PROPOSAL

In 2019, a draft Planning Proposal request was lodged for the site, proposing -

- To rezone the site from RE2 Private Recreation to R1 General Residential
- Increasing the maximum building height limits from 9m to 14m, 17m and 19m, and
- Introducing a Floor Space Ratio of 1.4:1
- Permitting the additional uses under Schedule 1 Restaurants or Cafes, Office Premises, Medical Centre and Markets (Noting that restaurants or cafes, and markets are permitted under the current RE2 Private Recreation zone).

The proposed controls were based on a concept design seeking a mixed-use development consisting of one three-storey building, one four-storey building (with ground floor café and co-working space) and two five-storey buildings, enabling approximately 95 dwellings, including five dwellings for Affordable Rental Housing.

The draft Planning Proposal request was lodged with supporting documentation including -

- Planning Proposal Report
- Urban Design Report
- State of Heritage Impact
- Flooding Report
- Geotechnical Assessment
- Preliminary Community Consultation Report
- Bush Fire Assessment Report
- Traffic and Parking Impact Assessment

Council officers considered the proposal and recommended to the proponent that the rezoning request be withdrawn, as there was no adopted strategy supporting the proposal and therefore the proposal did not have strategic merit to proceed.

The proponent indicated that they wished to progress the proposal. On 7 August 2019, the proposal was considered by the LPP, who deferred the item seeking additional information. Further information on the LPP deliberations and recommendations are detailed later in this report.

The proponent requested additional time to revise the proposal. Additional information was submitted in October 2019, December 2019 and January 2020. The revised draft Planning Proposal sought to -

- Rezone the site from RE2 Private Recreation to R1 General Residential to enable a mixed-use development consisting of three residential flat buildings
- Increasing the maximum building height limit from nine (9) to 16 metres, and
- Introducing a maximum Floor Space Ratio (FSR) of 1.3:1.

The revised planning proposal has been reduced from 1.4:1 to 1.3:1 FSR and a reduction in height from 19 metres to 16 metres. The revised concept shows development comprising of two buildings with predominantly three storey heights, plus additional attic storey above basement parking, (with ground floor café, child care centre and co-working space), enabling approximately 100 dwellings (Attachment 2).

Council officers assessed the revised proposal and again recommended that it be withdrawn, as the proposal did not have strategic merit to proceed. The proponent advised that they wished to progress the proposal.

On 2 April 2020, the revised proposal was considered by the Wollongong Local Planning Panel (LPP) who recommended that the proposed rezoning not be progressed as it is premature to the strategic planning consideration of Bulli and does not demonstrate strategic merit. Further information on the LPP deliberations and recommendations are detailed later in this report.

The proponent requested time to explore some design response options for the site. These were provided in June 2020, outlining 4 potential options -

- 1 FSR of 0.5:1 and building height of 9 metres – similar to the surrounding R2 Low Density Residential zone and would yield up to 28 dwellings (the proponents concept plan shows a mix of dual occupancies and detached dwelling houses).
- 2 FSR of 0.75:1 and building height of 9 metres and 13 metres – similar to the nearby former Bulli Brickworks Site, which would yield some 54 units
- 3 FSR of 1:1 and building height of 13 metres and would yield some 71 units

- 4 FSR 0.5:1 and 1:1 [building height is not given, estimated to be approximately 13 metres] and would yield some 10 dwelling houses and 27 units.

By comparison the current planning controls applying in the nearby residential areas along the Princes Highway are R2 Low Density Residential zone, with a nine metre height limit and 0.5:1 floor space ratio. The former Bulli Brick Works site is zoned R3 Medium Density with a 0.75:1 floor space ratio and 13 metre height limit. The B2 Local Centre zone within Bulli town centre has an 11 metre height limit and 1.5:1 floor space ratio.

The proposal is seeking a significant uplift in potential development density compared with the current character of controls applying to the areas surrounding Bulli town centre.

The options were considered by staff and again the applicant was advised to withdraw the proposal in August 2020 as it was not supported due to the lack of strategic merit, and concerns relating to the impact on character and heritage. The applicant was advised that the proposal could be considered as a submission to the draft Housing and Affordable Housing Options paper as an “opportunity site” for additional housing.

### Recent DA history

- DA-2017/419 Change of use to indoor recreation facility – approved 15 June 2017
- DA-2018/43 Change of use to community facility – refused 25 January 2018
- DA-2019/137 Change of use - proposed community market on the old Bulli Bowling Club greens – approved 14 August 2019
- DA-2019/958 Use of existing greenkeeper’s shed for community DIY space – approved 22 October 2019
- DA-2020/705 Alterations and additions to existing building and change of use to food and drink premises (restaurant/café) and community markets stalls – approved 30 October 2020

### Strategic Context

The draft Housing and Affordable Housing Options Paper indicates that the LGA currently has sufficient capacity to meet housing demand, however there is a need to provide more townhouses and villas (the missing middle) and affordable housing.

The Wollongong Local Strategic Planning Statement provides a planning vision for the LGA and a holistic approach to considering suitable areas for increased housing. This document notes that the LGA already has adequate capacity available with regard to housing, and that Council has studies to increase future capacity either underway, or planned. In this regard, there is little urgency to consider this site in isolation ahead of detailed strategic planning for the area.

The Planning Proposal has inconsistencies with -

- Illawarra Shoalhaven Regional Plan (2015)
- Council’s Planning Proposal Policy (2018)
- Section 9.1 (Environmental Planning and Assessment Act (1979), Ministerial Direction 4.3 (Flood Prone Land)
- NSW State Flood Prone Land Policy and NSW Floodplain Development Manual (2005)
- Wollongong Local Environmental Plan 2009 Clause 7.3 Flood Planning
- Wollongong Local Environmental Plan 2009 Clause 5.10 Heritage Conservation

### Planning Issues

The main planning issues relating to the draft Planning Proposal are -

- The proposal lacks strategic merit
- It has not been demonstrated that the proposal is suitable within the Heritage Conservation Area
- Close proximity to a major recreation facility – Bulli Showground (noise, amenity and traffic impacts)



- Flooding and site access – the potential risk in the absence of a strategic reason to proceed
- Potential traffic implications
- The need for additional child care facilities in the area and the existing site zoning permits this use. It is noted that there is a child care facility next door (on Council land). Child care facilities are permitted in a range of zones
- The proposal seeks a bulk and scale out of character with existing development

## Heritage and Character

The site is within the Bulli Heritage Conservation Area. The LPP advice to Council in August 2019 was that the height, size, density and configuration proposed had the potential to impact on the visual quality of the area, particularly the views of the Bulli Heritage Hotel, escarpment and 'sense of arrival' in Bulli.

The proposed height and density sought is greater than the height and floor space ratio within Bulli town centre, despite this site being on the fringe. This would likely set a precedent, as other landowners would be able to argue that their properties within the town centre could have similar heights and densities.

Wollongong Development Control Plan 2009 describes the desired future character for Bulli as retaining its relatively low density residential suburban character and generally be restricted to two stories in height. The proposed height and floor space ratio sought is not in keeping with the desired character of the precinct.

## Flood Risk

The site is located within the Slacky Creek catchment and has a medium flood risk. The proposal is supported by a flood study which indicates mitigation measures. There is insufficient justification to place future residents at risk and consider flood mitigation works, when other sites could provide additional housing with less risk from flooding. It is also likely that the development will need to be raised clear of flood levels, which would potentially impact on the streetscape / Heritage Conservation Area.

## Traffic

A traffic study accompanied the initial proposal. It estimated that the proposal would generate an additional 117 traffic movements in the AM peak hour, and 64 movements in the PM peak hour. The Study found that there would be little impact on the traffic exiting Grevillea Park Road, but there would be increased queuing on the Princes Highway right turn into Grevillea Park Road. The AM queuing distance increasing from 57.5m to 76.3m (an extra three vehicles). The Study also found a decrease in the level of service at the Point Street and Park Street intersections, particularly in the AM peak hour, although considered it a minor impact.

The Princes Highway - Grevillea Park Road intersection does have traffic lights, but no south bound right turning lane. This intersection, and other ones between the Northern Distributor / Memorial Drive and Thirroul are prone to queueing and side swipe accidents. Transport for NSW, with Council's assistance, is investigation options to improve traffic flow and safety between Bulli and Thirroul.

## RE2 Private Recreation Zone

The RE2 Private Recreation zone has the objectives of -

- *To enable land to be used for private open space or recreational purposes.*
- *To provide a range of recreational settings and activities and compatible land uses.*
- *To protect and enhance the natural environment for recreational purposes.*

The zone permits the following range of uses:

Animal boarding or training establishments; Aquaculture; Boat building and repair facilities; Boat sheds; Camping grounds; Caravan parks; Cemeteries; Centre-based child care facilities; Community facilities; Entertainment facilities; Environmental facilities; Environmental protection works; Extensive agriculture; Function centres; Kiosks; Markets; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Registered clubs;

Respite day care centres; Restaurants or cafes; Roads; Signage; Take away food and drink premises; Water recreation structures

In addition, other uses are permissible under various State Environmental Planning Policies. For example SEPP Seniors Housing permits residential development on land adjoining an urban zone, provided a site compatibility statement is obtained from the NSW Department of Planning, Industry and Environment.

### **Residential zones**

The submitted draft Planning Proposal proposes the rezoning of the site to the R1 General Residential zone. The R1 General Residential zone currently applies to land around the Wollongong City Centre in North Wollongong, West Wollongong and South Wollongong, having been introduced as part of the Wollongong City Centre LEP 2007. The R1 zone has very broad permissibility and does not indicate the preferred housing form or likely future character unlike the R2 Low Density Residential, R3 Medium Density Residential and R4 High Density Residential zones.

If the draft Planning Proposal is progressed, it would be preferable to use the R2 Low Density Residential or R3 Medium Density Residential zone, with appropriate floor space ratio and building height controls.

As noted, the nearby residential areas along the Princes Highway are R2 Low Density Residential zone, with a 0.5:1 FSR and 9m height limit. The R3 Medium Density Residential zone with the former Bulli Brickworks site has a 0.75:1 FSR and 13m height limit. The B2 zone within Bulli town centre has an 11 metre height limit and 1.5:1 floor space ratio.

## **CONSULTATION AND COMMUNICATION**

### **Wollongong Local Planning Panel Consideration**

On 7 August 2019, the item was considered by the LPP who acknowledged that the land is a key site with capability for some development. The LPP noted that the site is located at the northern edge of the Bulli Town Centre and may be described, along with the surrounding land, as the significant northern gateway to new Bulli. The site is in a prominent visual location with an escarpment backdrop and is located within the Bulli Heritage Conservation Area. The site sits within a landscaped buffer to the village. The mature trees of Mailbag Reserve opposite the site, the riparian vegetation along the creek line, and the open space created by the former bowling greens, the garden of the child care centre and the Bulli showground all add to the escarpment backdrop and create a landscape threshold to the village. The site is also constrained by flooding. Therefore, the height, size, density and configuration of any future development on the site must be carefully controlled to ensure an appropriate built form outcome (Attachment 3).

The LPP raised concerns in relation to the following aspects of the proposal -

- There is no apparent strategic justification for a residential development of this size in this location
- It is unclear how the proposed development fits within the overall context of Bulli
- The proposal to increase the permissible building heights has the potential to impact on the visual quality of the area in that the buildings will be higher than the existing tree line and may block views of the escarpment from the Princes Highway
- The height and scale of the development will visually detract from the view of the heritage conservation area, in particular the Bulli Heritage Hotel, in the arrival sequence to Bulli
- The floor level is proposed to be raised significantly higher than the ground level to be above the 1:100 year flood event. How is this to be resolved in terms of access to the buildings, access to basement car park and visual impact
- The fine grain "laneway" design approach adopted for the concept does not translate to the proposed built form
- Overall, the height, scale and density of the proposal appears to ignore the established character of Bulli

The LPP also noted that a large building setback is proposed to the Princes Highway frontage. This is considered to be an important design principle to ensure that the green open gateway to Bulli is maintained. It is considered however that the encroachment of the proposed corner building on this setback is not appropriate.

The proponent requested that the LPP defer consideration of the planning proposal for eight weeks to allow the proponent to address the concerns raised at the meeting.

The LPP recommended that action in relation to this planning proposal be deferred until 2 October 2019 to provide the proponent with an opportunity to respond to the following matters -

- 1 *The impact of flooding on the site and further details of the impacts and behaviour of floodwaters and information as to whether reticulated sewer, water and electricity would be affected by a 1 in 100 year flood event. Whether residents would need to be evacuated and if so, how this would occur during a flood event.*
- 2 *Identify more clearly the strategic context of the site in terms of the Bulli Town Centre, proposed Town Centre Study and residential growth.*
- 3 *Review the surrounding character and context of the site and how residential development should be controlled to ensure that character is maintained.*
- 4 *Consider a more appropriate lower density, height and scale for the site in keeping with the character of the locality and impacts on the sense of arrival at the town centre of Bulli.*
- 5 *Provide a visual assessment of the locality and the escarpment backdrop, which identifies the impacts of development of the site as proposed and how these impacts may be lessened by a lower height, less bulky development concept.*
- 6 *Provide detailed information as to how the ground floor of the buildings and the basement carpark will have a suitable transition to the ground level. These levels need to be resolved to ensure compliance with DDA and to prevent inappropriate visual impacts.*

Following receipt of an amended Planning Proposal and supporting information, the draft Planning Proposal was referred again to the LPP on 2 April 2020. The LPP noted that many of the points raised in the previous consideration still applied to the revised proposal. The LPP acknowledged that the site is worth considering as part of Council's forward planning work for the Bulli Town Centre. The LPP recommended that the proposed rezoning not be progressed as it would be premature to the strategic planning consideration of Bulli and it does not demonstrate strategic merit (Attachment 4).

The LPP provides advice to Council to assist the decision-making process. Council can resolve to progress the draft Planning Proposal, to seek a Gateway Determination and then exhibit the draft Planning Proposal to enable community submissions.

## PLANNING AND POLICY IMPACT

Under Council's Planning Proposal Policy, the key factor in determining whether a Planning Proposal should proceed is whether the proposal demonstrates strategic merit. The urban design and architectural merits are secondary to the overall strategic consideration. At Planning Proposal stage, Council is considering the overall planning controls that would apply to the site, not a specific development proposal.

Having reviewed the new material provided, Council officers are not supportive of the planning proposal at this time, in isolation of a broader strategic plan for the area. As such, the concept is not considered to have sufficient strategic merit to warrant a change to Wollongong LEP 2009 as this will pre-empt and potentially compromise upcoming strategic planning for the wider area.

The key reasons that the concept lacks strategic merit are (but not limited to) the following -

### Illawarra-Shoalhaven Regional Plan 2015

The Illawarra-Shoalhaven Region Plan 2015 is the NSW Government's strategy for guiding land use planning decisions for the region for the next 20 years. In the strategy, the focus for increased housing

activity is within five precincts, with centres identified including Thirroul, Corrimal and Fairy Meadow. Action 2.2 in the strategy states that there is capacity to accommodate 24,100 new homes in existing urban areas. The strategy also states that a place-based approach will be adopted to consider these opportunities.

There is no urgency to increase housing capacity at Bulli in the short to medium term. It is noted that other sites within Wollongong are being developed within the current planning control regime and there is spare capacity for residential development within existing zones on less constrained land. A zoning change including increase in height and FSR on the site is therefore considered to be low priority within this context.

### **The concept pre-empt's Wollongong City Council's planned housing strategy**

On 23 March 2020, Council endorsed the draft Housing and Affordable Housing Options Paper to be exhibited. The Options Paper being part of the preparation of a new Housing Strategy which will guide housing outcomes over the next 20 years, with particular consideration to the need for affordable housing. It is noted that the State Government recently expanded application of State Environmental Planning Policy No. 70 – Affordable Housing to enable Wollongong City Council to require contributions for affordable housing.

Although the site is well located near Bulli Train Station, and close to the Bulli Town Centre, this area has not been identified as being able to potentially cater for additional residential density (Illawarra-Shoalhaven Urban Development Program, 2016 Update, Department of Planning and Environment).

The draft Housing and Affordable Housing Strategy is being prepared and the site can be considered as an “opportunity site” for future consideration. This acknowledges the LPP advice.

The Wollongong LGA has enough capacity under current planning controls for housing expected increases in population, although some adjustments are required to meet the changing demand. There is not an urgent shortage that justifies consideration of a spot rezoning ahead of more holistic studies.

### **Wollongong Local Strategic Planning Statement (2020)**

On 29 June 2020, Council adopted the Wollongong Local Strategic Planning Statement (LSPS). The LSPS informs the City's future planning controls, including desired housing outcomes across the local government area and to ensure appropriate sequencing of development. The LSPS suggests that Wollongong Local Government Area already has adequate capacity available with to meet our housing demand and that council has studies to increase future capacity either underway or planned. In this regard, there is little urgency to consider this site in isolation ahead of proper strategic planning for the area.

There is no strategic rationale for a site-specific planning proposal being progressed and other sites may be disadvantaged by a development of this scale, as it could receive a greater proportion of future uplift than it might otherwise have received had it been considered in the broader strategic context.

### **Bulli Showground Masterplan**

The site is surrounded by land owned by Council including the Bulli Showground and Bulli Child Care Centre. A draft Bulli Showground Masterplan is in preparation, with a Community Survey being undertaken in 2018.

The Bowling Club use was consistent with the recreational use of the precinct. A residential use would be a significant change in character.

The site sits at a distance from other residential precincts, although is mid-way between the former Bulli Brickworks and Bulli Town Centre.

It is not agreed that there are no viable private recreation uses for the site. The background report suggests that uses such as community facilities, restaurant/café and public park will contribute to the renewal of the site. In considering the location close to the showground precinct and Bulli Town centre, uses such as community facilities, centre-based child care facilities, entertainment facilities, restaurants,

markets, recreation facilities etc are permitted within the existing RE2 zone and would complement the uses in the entertainment precinct.

### Wollongong City Council's Planning Proposal Policy

The Planning Proposal does not comply with Council's Planning Proposal Policy, as it is not supported by a strategy, plan or policy and is of limited public benefit to the greater Wollongong community.

The future uses of the land and appropriate housing forms are better considered holistically as part of a wider consideration of this area.

### There is no significant public benefit to this proposal

There is no urgent need in housing supply terms to consider this site ahead of the guiding strategies and studies discussed above. The proposal seeks a building height limit and floor space ratio greater than is currently permitted within the Bulli town centre. Council has not yet formulated its own vision with the community to inform the future desired development style, height and density. As previously noted, the proposed height and floor space ratio sought is not in keeping with the desired character of the precinct as outlined in the current planning controls.

### OPTIONS

This report recommends that Council not support the progression of a draft Planning Proposal. Council has the option of resolving to progress a draft Planning Proposal, seek a Gateway Determination and then exhibit the draft Planning Proposal. To progress the draft Planning Proposal, a suitable alternate resolution would be:

- 1 A draft Planning Proposal be prepared for the former Bulli Bowling Club site (Lot 360 DP 1214993) No. 218 Princes Highway Bulli, incorporating:
  - a Rezoning the site from RE2 Private Recreation to R3 Medium Density Residential,
  - b Introducing a Floor Space Ratio of 0.75:1,
  - c Increasing the Maximum Height of Buildings to 11m,
  - d Introducing a Minimum Lot Size of 449m<sup>2</sup>.
- 2 The draft Planning Proposal request be forwarded to the NSW Department of Planning, Industry and Environment for a Gateway Determination.
- 3 Following the gateway determination, the draft Planning Proposal be exhibited for a minimum period of 28 days.
- 4 The NSW Department of Planning, Industry and Environment be requested to issue authority to the General Manager to exercise plan making delegations, following the consideration of the post exhibition Council report.

### PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 "We have a healthy community in a liveable city". It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2020-21
Strategy	4 Year Action	Operational Plan Actions
5.1.1 We work in partnership to build on opportunities to strengthen vulnerable communities	5.1.1.2 Continue to undertake social, land use and environmental activities that assist in service planning.	Access rezoning submission and progress supported Planning Proposals.

### CONCLUSION

The former Bulli Bowling Club site has some development potential that may be considered in the future, however, this would best be achieved through a holistic study for the broader area, to work out the wider



demands, type of development desired within the area and best suited to the site. There are other areas in the Wollongong local government area, close to public transport and commercial hubs that can accommodate additional development density under current planning controls while strategic studies are carried out.

It is noted that there is a need for additional child care facilities within the locality, as position availability is extremely limited and likely to increase in demand with population growth. The site is well located and could be utilised for a child care facility under the current zoning provisions.

The draft Planning Proposal represents proposed over development of the site within the context of the character of Bulli and is not justified at this time. The site should be considered holistically as part of a wider plan for the area, undertaken by Council.

Council has the option of allowing the draft Planning Proposal to progress to be sent to the NSW Department of Planning, Industry and Environment for a “Gateway” determination to be issued, or to resolve not to progress the draft Planning Proposal. This report recommends that Council not progress the draft Planning Proposal at this time.



**WOLLONGONG LOCAL  
ENVIRONMENTAL  
PLAN 2009**

**Planning Proposal  
Bulli Bowling Club  
Bulli Bowling Club  
LEP2009**

- Legend**
- Subject Site
  - Neighbourhood Centre
  - Local Centre
  - Commercial Core
  - Mixed Use
  - Enterprise Corridor
  - Business Park
  - National Parks & Nature Reserves
  - Environmental Conservation
  - Environmental Management
  - Environmental Living
  - General Industrial
  - Light Industrial
  - Heavy Industrial
  - Working Waterfront
  - General Residential
  - Low Density Residential
  - Medium Density Residential
  - High Density Residential
  - Large Lot Residential
  - Public Recreation
  - Private Recreation
  - Primary Production
  - Rural Landscape
  - Primary Production Small Lots
  - Special Activities
  - Infrastructure
  - Tourist
  - Natural Waterways
  - Recreational Waterways
  - Working Waterways

Cadastre  
Cadastre 05.06.19 @ Wollongong City Council



0 75  
Meters

Projection: GDA 1994  
MGA Zone 56

Scale 1:12000 @ A3

Map Identification number: BBC LEP2009 Map.mxd









## PLACE LED FLOOD SOLUTIONS

At the Planning Proposal stage careful consideration has been given to a place-led flooding solution. Beyond the network of linear greens, courtyards and plazas contributing to the flooding solution, flood mitigation is further improved by the provision of freeboard integrated into the building design. For residential uses, the freeboard is taken up by elegant steps contributing to an engaging public realm.

The world-famous New York brownstone terraces with their front steps or stoop is a precedent. For commercial uses, the freeboard is taken up inside the ground floor and is setback approximately 2-3m from the façade glass line. The perception is of a generous shopfront connecting to the footpath.



NTS



NTS

- Separate Buildings
- Water Flow Path
- Highly Permeable Ground
- Green Open Space

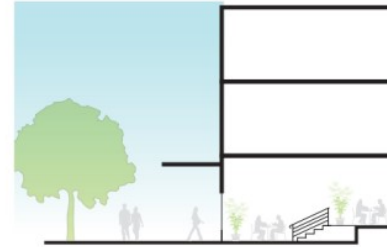
## FREE BOARDS

TYPICAL RESIDENTIAL:



**EXTERNAL  
FREE BOARD**

TYPICAL COMMERCIAL:



**INTERNAL  
FREE BOARD**

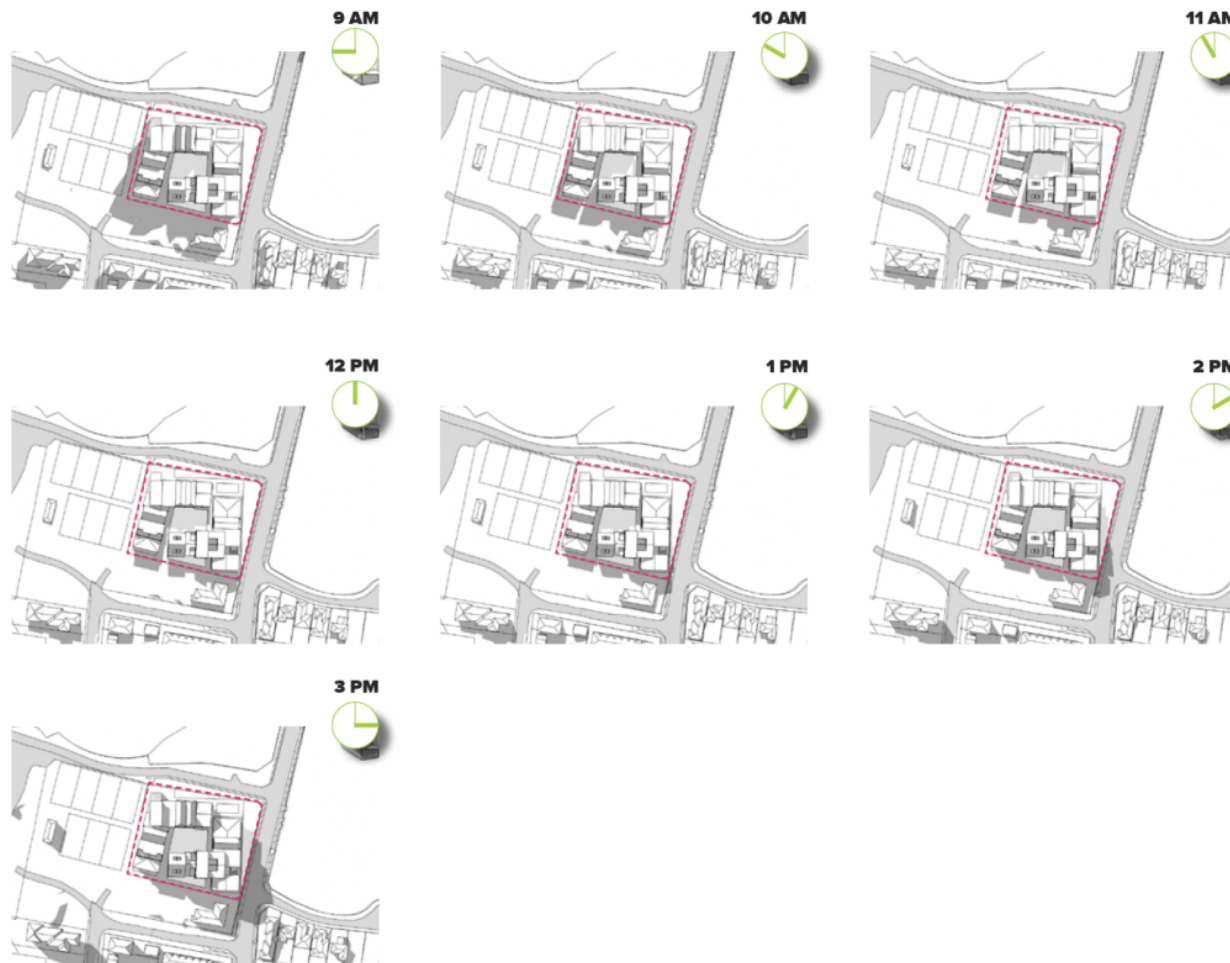


## SOLAR ANALYSIS

### WINTER SOLSTICE

The adjacent diagrams illustrate solar amenity for mid-winter between 9am-3pm on 21 June.

The diagrams illustrate compliance with ADG and maintaining of reasonable solar amenity to the southern property.



## VISUAL ASSESSMENT SUMMARY OF FINDINGS

A visual assessment study has been undertaken to understand the proposal and its relationship to:-

- The experience of 'arrival' into the town centre
- The escarpment
- Local character particularly built form to tree canopy

We highlight various improvements to pedestrian experience and site conditions previously identified in the Report.

In general, the proposal is acceptable, having a low impact on the existing landscape and public views. Specifically, the proposal maintains the majority of views of the escarpment and mid-ground tree line.

In addition, the roof profile of the proposal fits into the taper of the escarpment creating visual harmony between built form and landscape.

PRINCES HIGHWAY WESTERN SIDEWALK LOOKING SOUTH





# ASSESSMENT METHODOLOGY

## DETAILED ASSESSMENT METHODOLOGY

A qualitative assessment of the visual impacts and changes to landscape has been undertaken based on the following guidelines:

- RMS Environmental Impact Assessment Guidance Note: Guidelines for landscape character and visual impact assessment (2013);
- The Guidance for Landscape and Visual Impact Assessment (GLVIA), Third Edition (2013) prepared by the Landscape Institute and Institute of Environmental Management and Assessment; and
- Visual Representation of Development Proposals, Technical Guidance Note 02 (2017).

The guidelines describe the assessment as a way to define the changes to the physical landscape and day to day visual effects of a project on people's views. The determination of the impacts is based on the following criteria:

**Sensitivity** is defined as "The sensitivity of a landscape character zone or view and its capacity to absorb change" (EIA No4 Guidelines, 2013, RMS).

The visual sensitivity of a view is defined by the nature of the view and its duration. A higher visual sensitivity is given to views which would be seen for longer, by a higher numbers of potential viewers and where visual amenity is important to viewers. The context of the view and the distance from the views are also used to determine the visual sensitivity level of the landscape.

**Magnitude** is defined as "The measurement of the scale, form and character of a development proposal when compared to the existing condition" (EIA No4 Guidelines, 2013, RMS).

It reflects the degree of visual contrast between the proposal and the existing landscape setting. In the case of visual assessment this also relates to how far the proposal is from the viewer.

For the purposes of this assessment the criteria listed in the following tables have been specifically defined for sensitivity and magnitude of change for both the assessment of landscape character and the visual impact to viewpoints. The combined assessment of sensitivity and magnitude provides an overall rating of the visual impact, as shown in the Impact Level table.

## EXISTING AND PROPOSED SCENARIOS

Finalisation of the amended design and supporting technical documentation enabled the selected vantage points to be realistically documented.

The accuracy of the existing and proposed images is based on the following process and information:

- Creating 3D model of the terrain and context;
- 3D massing model of the proposed built forms;
- Digitally linking the coordinate data and 3d model into Google Earth (GE);
- Positioning camera in 3D software to prepare proposed scenarios from vantage points based on existing coordination and reference points;
- Photo matching and rendering to reflect landscaping, intended materials and lighting.

	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High / Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

Impact Level (Matrix of Sensitivity & Magnitude)

Sensitivity	Criteria
Very High	Nationally designated landscape with high conservation or heritage value and absence of landscape detractors. Protected views identified in planning policy designation, State designated publicly accessible landscape or heritage assets.
High	Locally designated valued landscape with many distinctive characteristics and very few landscape detractors. Public views with a high visual prominence and a high number of users in close proximity, private views in close proximity, passive recreational receptors where the landscape has a high visual value.
Moderate	Landscape with some distinctive characteristics and few landscape detractors. Public views with a moderate visual value and a moderate number of users in close proximity, active recreational receptors where the landscape has little visual value.
Low	Landscape with few distinctive characteristics and presence of landscape detractors. Public views with a little visual value and a low number of users, where receptors are mostly road users in motor vehicles or passers-by, people at their work place or views from commercial buildings where the landscape has some visual value.

Sensitivity Ranking Criteria

Magnitude	Criteria
Very High	Total loss or major change to key characteristics of the existing landscape. The proposal forms a significant and immediately apparent part of the scene. It significantly contrasts in scale and character (either existing or planned). It is severely detrimental to the quality of the scene.
High	Notable loss or change to key characteristics of the existing landscape. The proposal forms a dominant feature of the scene to which other elements become subordinate. It contrasts in scale and character (either existing or planned). It is reducing the quality of the scene.
Moderate	Partial loss or change to key characteristics of the existing landscape. The proposal forms a visible new element within the overall scene, yet one that is relatively compatible with the surrounding character (either existing or planned) and view's composition. It is possibly reducing the quality of the scene.
Low	Minor loss or change to key characteristics of the existing landscape. The proposal constitutes only a minor component of the wider view, that is compatible with the surrounding character (either existing or planned) and view's composition.

Magnitude Ranking Criteria



## VANTAGE POINTS

In response to the Local Planning Panel considerations, the key vantage points for the purpose of visual impact assessment have been determined through identification of physical absorption capacity and visibility of the site as well as focus on the areas that are more likely to be affected by the proposal.

The scope of this visual analysis is focused on the views in close proximity as well as the distant views of the escarpment to identify any potential visual impact on main view corridors and local topography.

The key vantage points analysed include:

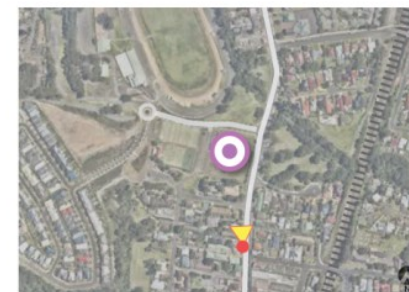
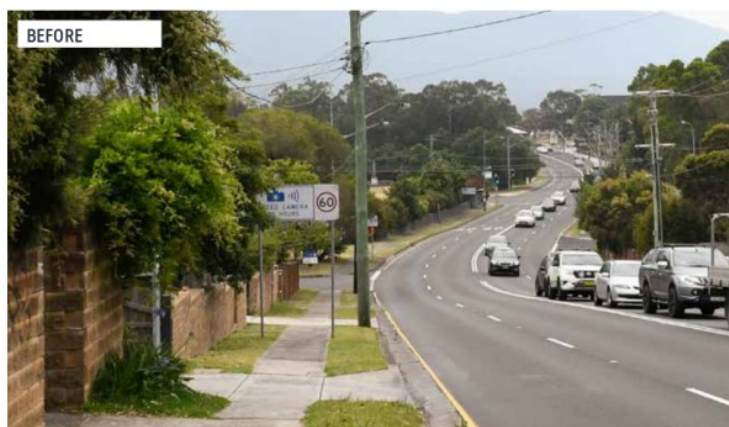
- View from Princes Highway (south)
- Distant view from Princes Highway (north)
- Close view from Princes Highway (north)
- View from intersection of Princes Highway and Point Street
- View from intersection of Princes Highway and Grevillea Park Rd
- View from west of Grevillea Park Rd
- View from Slacky Park east of Princes Highway





# VISUAL ASSESSMENT

## VIEW 1- PRINCES HIGHWAY SOUTH



	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High/ Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from Princes Highway is:

- To understand the visual impact of proposed built form viewed from the key highway connecting to Bulli from south;
- To assess to what degree the existing hills topography will be impacted by the proposal; and
- To test the extent to which the change of built elements may alter the existing character.

### Sensitivity

The sensitivity of view from Princes Highway factors the following points:

- Receptors are mostly road users in motor vehicles that are passing through therefore have short term views. In general, passers-by are less likely to notice or be concentrating on views;
- There are landscape detractors present in the view including existing housing, fences and utility poles.

However, the existing view corridor to the surrounding hills and ridges increases the sensitivity of this location. Therefore, the sensitivity of the viewpoint is considered MODERATE.

### Magnitude

The magnitude of the proposal in this view is considered VERY LOW, due to:

- Proposal responds to the existing view corridor through recessive building form which opens up a significant open space area along Princes Highway;
- The planting and landscaping of proposed open space along Princes Highway largely screen the proposal and soften the building facades;
- There already exists a presence of landscape detractors including the existing structures and built forms;
- Proposal is not reducing the quality of the scene.

### Conclusion

The visual impact for this view is assessed as LOW/ NEGLIGIBLE. The proposal is acceptable with a minimum impact on the existing landscape and escarpment.



# VISUAL ASSESSMENT

## VIEW 2 - PRINCES HIGHWAY NORTH



		MAGNITUDE					
		Very High	High	Moderate	Low	Very Low	Negligible
SENSITIVITY	Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
	High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
	Moderate	High/ Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
	Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
	Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from Princes Highway is:

- To understand the visual impact of proposed built form viewed from the key highway connecting to Bulli from north;
- To assess to what degree the existing landscape will be impacted by the proposal; and
- To test the extent to which the change of built elements may alter the existing character.

### Sensitivity

The view from Princes Highway is considered to have LOW sensitivity due to:

- Receptors are mostly road users in motor vehicles that are passing through therefore have short term views. In general, passers-by are less likely to notice or be concentrating on views;
- Public view has little visual value;
- There are landscape detractors present in the view including existing housing, fences and utility poles.

### Magnitude

The magnitude of the proposal in this view is considered NEGLIGIBLE, due to:

- Proposal is in the distance and completely screened by the existing topography, housing and landscaping;
- No change in the view.

### Conclusion

The visual impact for this view is assessed as NONE, which is the combination of the sensitivity and magnitude of impact.

The proposal is acceptable as it is not visible (with no impact) from this view.

# VISUAL ASSESSMENT

## VIEW 3 - INTERSECTION OF PRINCES HIGHWAY & POINT STREET

BEFORE



AFTER



	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High/ Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from Princes Highway is:

- To understand the visual impact of proposed built form viewed from the key highway in closer proximity to the site;
- To assess to what degree the existing landscape will be impacted by the proposal; and
- To test the extent to which the change of built elements may alter the existing character.

### Sensitivity

The view from Princes Highway is considered to have LOW sensitivity due to:

- Receptors are mostly road users in motor vehicles that are passing through therefore have short term views. In general, passers-by are less likely to notice or be concentrating on views;
- Public view has little visual value.

### Magnitude

The magnitude of the proposal in this view is considered NEGLIGIBLE, due to:

- Proposal is in the distance and completely screened by the existing vegetation and mature trees along Slacky Creek;
- No change in the view.

### Conclusion

The visual impact for this view is assessed as NONE, which is the combination of the sensitivity and magnitude of impact.

The proposal is acceptable as it is not visible (with no impact) from this view.



# VISUAL ASSESSMENT

## VIEW 4 - INTERSECTION OF PRINCES HIGHWAY & GREVILLEA PARK RD



	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High / Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from intersection of Princes Highway & Grevillea Park Rd is:

- To understand the visual impact of proposed built form viewed from the intersection at the corner of the site;
- To assess to what degree the existing hills topography will be impacted by the proposal; and
- To test the extent to which the change of built elements may alter the existing character.

### Sensitivity

The view from the intersection is considered to have MODERATE sensitivity due to:

- Passive recreational receptors along the Park are more sensitive to visual change of their surroundings;
- Public view has some visual value offering views to the surrounding hills and ridges;
- Proposal is in close proximity.

### Magnitude

The magnitude of the proposal in this view is considered MODERATE, due to:

- Proposal constitutes a relatively minor component of the wider view, that is compatible with the surrounding character;
- Proposal is partly screened by the landscaping along the streets and public open space;
- The majority of valuable views to the escarpment in background are maintained;
- Proposal is not reducing the quality of the scene.

### Conclusion

The visual impact for this view is assessed as MODERATE/LOW.

The proposal has a compatible built form and landscaping which results in a minimum impact on the existing landscape and escarpment.

# VISUAL ASSESSMENT

## VIEW 5 - GREVILLEA PARK RD



	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High/ Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from Grevillea Park Rd is:

- To understand the visual impact of proposed built form viewed from the west and along tennis courts;
- To assess to what degree the existing landscape will be impacted by the proposal; and
- To test the extent to which the change of built elements may alter the existing character.

### Sensitivity

The view from Grevillea Park Rd is considered to have LOW sensitivity due to:

- Grevillea Park Rd is not a main street and has relatively low flow of traffic;
- Receptors are mostly road users in motor vehicles that are passing through therefore have short term views. In general, passers-by are less likely to notice or be concentrating on views;
- Public view has little visual value.

### Magnitude

The magnitude of the proposal in this view is considered LOW, due to:

- Whilst the proposal forms a relatively apparent new element, it is consistent with the character of the area and provides compatible facade design and materials;
- Proposal is largely screened by the existing street trees and landscaping along Grevillea Park Rd;
- Proposal is not reducing the quality of the scene.

### Conclusion

The visual impact for this view is assessed as LOW/ Negligible.

The proposal is acceptable as it is compatible with the surrounding character with minimum impact on the existing landscape.



# VISUAL ASSESSMENT

## VIEW 6 - SLACKY PARK

BEFORE



AFTER



	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High/ Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from Slacky Park is:

- To understand the visual impact of proposed built form viewed from the east;
- To assess to what degree the existing escarpment will be impacted by the proposal; and
- To test the extent to which the existing mature trees along the Park will block the proposal.

### Sensitivity

The view from Slacky Park is considered to have MODERATE sensitivity due to:

- Passive recreational receptors in the Park are more sensitive to visual change of their surroundings;
- Public view has some visual value;
- Proposal is in close proximity.

### Magnitude

The magnitude of the proposal in this view is considered VERY LOW, due to:

- Proposal is largely screened by the existing mature trees in the Park and along Princes Highway;
- The valuable views to the escarpment in background are maintained;
- Proposal is not reducing the quality of the scene.

### Conclusion

The visual impact for this view is assessed as LOW/ Negligible.

The proposal has a compatible built form and landscaping which results in a minimum impact on the existing landscape and escarpment.



# VISUAL ASSESSMENT

## VIEW 7 - PRINCES HIGHWAY NORTH



	MAGNITUDE					
	Very High	High	Moderate	Low	Very Low	Negligible
Very High	Substantial	High	High/ Moderate	Moderate	Moderate/ Low	None
High	High	High/ Moderate	Moderate	Moderate/ Low	Low	None
Moderate	High/ Moderate	Moderate	Moderate/ Low	Low	Low/ Negligible	None
Low	Moderate	Moderate/ Low	Low	Low/ Negligible	Negligible	None
Very Low	Moderate/ Low	Low	Low/ Negligible	Negligible	Negligible/ None	None

The aim of assessing the view from Princes Highway is:

- To understand the visual impact of proposed built form viewed from the key highway connecting to Bulli from north;
- To assess to the visual impact of the proposal from close viewing distance; and
- To test the extent to which the change of built elements may alter the existing character.

### Sensitivity

The sensitivity of view from Princes Highway factors the following points:

- Receptors are mostly road users in motor vehicles that are passing through therefore have short term views. In general, passers-by are less likely to notice or be concentrating on views;
- There are landscape detractors present in the view including existing housing, fences and utility poles.

However, the existing view corridor to the surrounding hills and ridges increases the sensitivity of this location. Therefore, the sensitivity of the viewpoint is considered MODERATE.

### Magnitude

The magnitude of the proposal in this view is considered MODERATE, due to:

- Whilst the proposal forms an apparent new element, it is consistent with the surrounding character in terms of scale and built form;
- Proposal is partly screened by the landscaping along the streets and the proposed public open space;
- The mature trees in the future will further screen the proposal and reduce the visual impact;
- Proposal is not reducing the quality of the scene.

### Conclusion

The visual impact for this view is assessed as MODERATE/LOW.

The proposal has a compatible built form and landscaping which results in a minimum impact on the existing local character of the area.

## PARKING SUMMARY

The residential parking provision in accordance with the WDCP requires 148 car parking bays in total of which 116 are residential. RMS guidelines, as prescribed by the ADG's/SEPP 65 recommends 121 residential parking bays. The RMS Guidelines prescribes a 4% increase on Councils DCP requirements.

Given the sites location to existing transport networks and close proximity to various land uses and places of employment and study, it is suggested that the WDCP provision might be more than adequate for the site however the proposal has capacity to accommodate parking ratios compliant with the RMS.

We propose a total of 116 car parking bays for residential and 32 for other uses totalling 148 cars altogether. Of the total cars 13 spaces will be designed as accessible/disabled parking. There are 8 motorcycle spaces allowed for in the scheme and 42 bicycle parking spaces are provided.

On the basis of the above figures, Bulli Green delivers a compliant parking strategy.

### CAR PARKING REQUIREMENTS

Residential Flat Building, Multi dwelling housing:

- 0.75 space per 0-70sqm unit 7
- 1 spaces per 76-100sqm unit 89
- 0.2 visitor space per unit 20
- 1 car wash bay included in visitor bay provision

RESIDENTIAL SUB TOTAL 116

Other

- Childcare 16
- Co-working 1 space per 40 sqm 11
- Cafe 1 space per 25 sqm 5

SUPPORTIVE USES SUB TOTAL 32  
TOTAL 148

### ACCESSIBLE PARKING REQUIREMENTS

Accessible Parking:

- 10% of dwellings (WDCP) 9.9
  - 1% of other use car spaces (BCA) 3.2
- TOTAL 13.1

### MOTORBIKE PARKING REQUIREMENTS

- Residential uses 1 per 15 car spaces 7.7
  - Other uses 1 per 25 car spaces 1.2
- TOTAL 8.9

### BICYCLE PARKING REQUIREMENTS

- Residential uses 34
  - Other uses 8
- TOTAL 42

### RMS PARKING COMPARISON

Residential Flat Building, Multi dwelling housing:

- 0.6 space per 1 bedroom unit 6
- 0.9 spaces per 2 bedroom unit 53
- 1.4 spaces per 3 bedroom unit 42
- 1 visitor space per 5 dwellings 20

TOTAL 121

PARKING PROVIDED	SPACES	%
Residential Car Parking	116	59%
Other Uses	32	16%
Motorbike	8	3%
Total Bicycle Parking	42	22%
TOTAL	198	100%

# DEVELOPMENT SUMMARY

## GROSS FLOOR AREA

Floor area of each floor of a building measured from the inner face external walls of the building measured at a height of 1.4 metres above the floor, excluding:

- Any area for common vertical circulation, such as lifts and stairs;
- Any basement, plant rooms, lift towers;
- Car parking to meet any requirements of the consent authority (including access to that car parking);
- Any space used for the loading or unloading of goods (including access to it),
- Terraces and balconies with outer walls less than 1.4 metres high, and;
- Voids above a floor at the level of a storey or storey above.

## YIELDS

FSR: The ratio of overall Gross Floor Area to the whole development site area.

Site Area:	8,309 sqm
FSR Asking for:	1.3:1
Residential GFA:	9,776 sqm
Childcare GFA:	592 sqm
Co-working Space GFA:	438 sqm
Cafe GFA:	75 sqm
TOTAL GFA:	10,880 sqm

## JOB GROWTH

The following breakdown details the potential new jobs created by the proposed development and associated uses. It is expected that approximately 49 employees will be working at Bulli Green during operation, and 329 total job years generated during construction (Strategic Land Use Study Report):

### Coworking Space

- 438sqm
- GLA: 381sqm
- 25 employees, based on 1 employee/15sqm

### Other formulas used:

- WeWork Precedent: 1 employee/4sqm
- A-grade office buildings: 1 employee/per 8sqm
- Standard office: 1/10sqm (BCA requirement)

### Cafe

- 75sqm plus 50sqm of outdoor space: 125sqm
- GLA: 60sqm
- 2 employees, based on 1 employee/26sqm

### Childcare

- 592sqm
- GLA: 531sqm
- 13 employees, based on 1 employee/40sqm

### Work at Home

- GLA: 76sqm
- 8 employees, based on 1 employee/13 units

## RESIDENTIAL UNITS % MIX

1 Bed (60 sqm)	10	10%
2 Bed (80 sqm)	59	60%
3 Bed (100 sqm)	30	30%
Total Apartments	99	100%
Affordable Housing	5	5% of Total

## OTHER USES UNITS % OF GFA

Childcare	1	5.44%
Co-working Space	1	4.02%
Cafe	1	0.69%
Total Other	3	10.15%

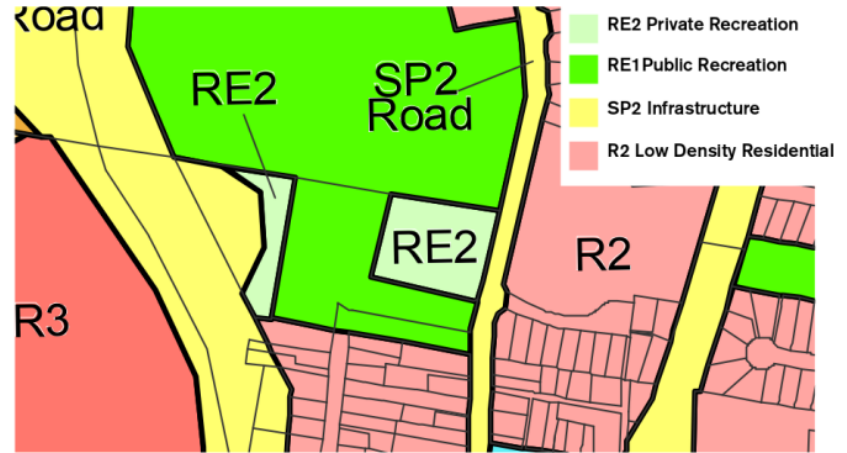
## OPEN SPACE AREA % OF SITE

Deep soil	1,472 sqm	18%
Communal Open Space	2,834 sqm	34%

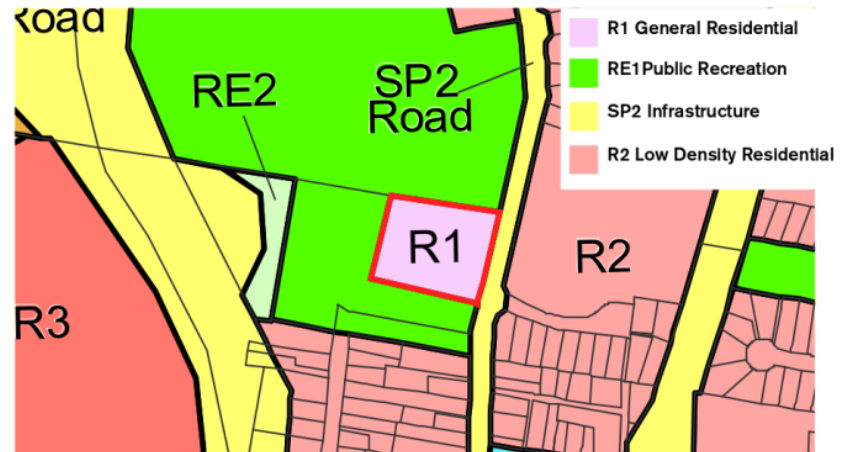
# PLANNING CONTROLS

WHAT WE ARE  
ASKING FOR

## ZONING



EXISTING - RE2

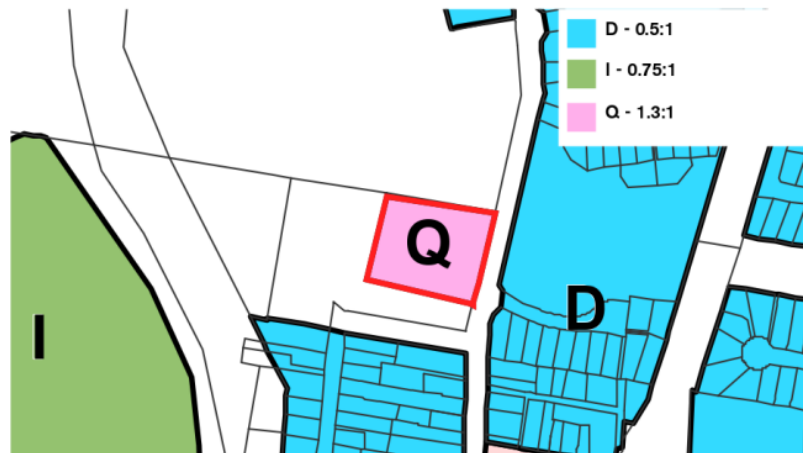


PROPOSED - R1

## FSR



EXISTING - N/A

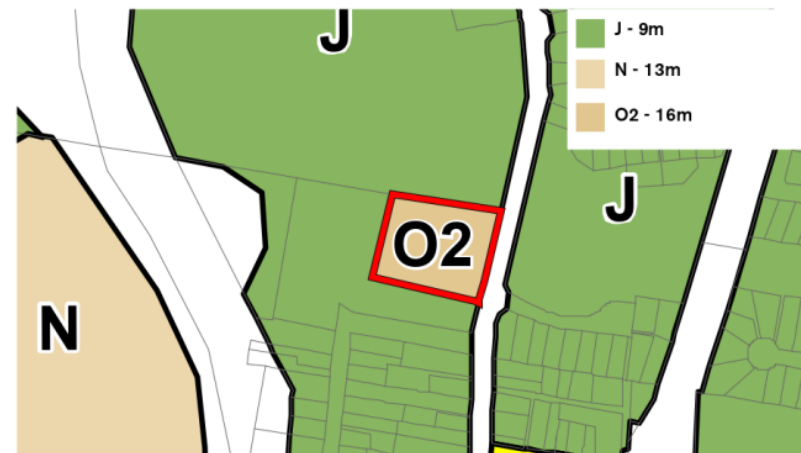


PROPOSED - 1.3:1

## HEIGHT OF BUILDINGS



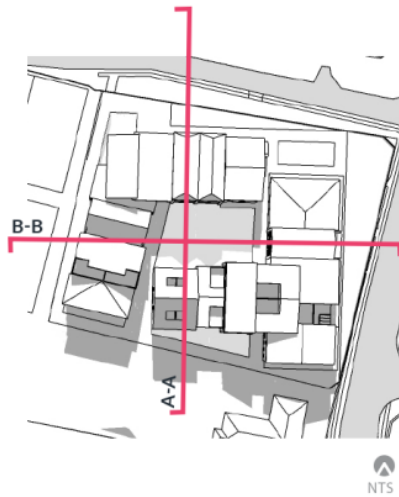
EXISTING - 9M



PROPOSED - 16M



## BUILDING LAYOUT AND SECTIONS



SECTION A-A  
NTS



SECTION B-B  
NTS



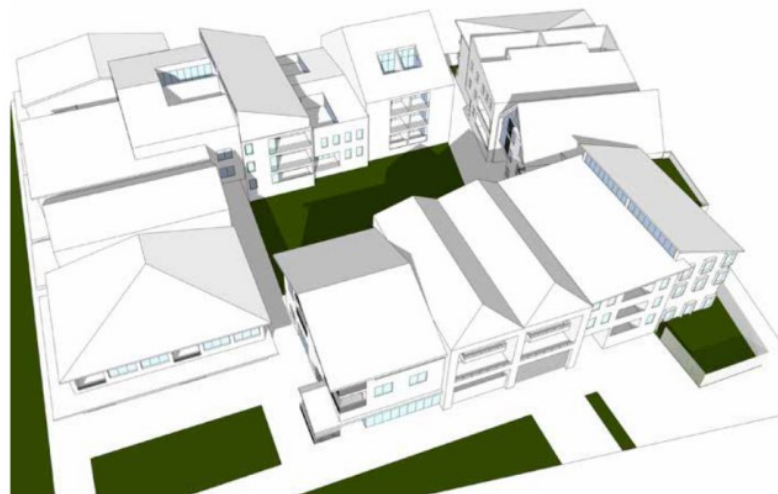
TYPICAL GROUND FLOOR LAYOUT

- 1 Bedroom Apartment
- 2 Bedroom Apartment
- 3 Bedroom Apartment
- Retail
- Cafe
- Child Care



TYPICAL FIRST FLOOR RESIDENTIAL LAYOUT

- Child Care
- 1 Bedroom Apartment
- 2 Bedroom Apartment
- 3 Bedroom Apartment



ROOF LAYOUT



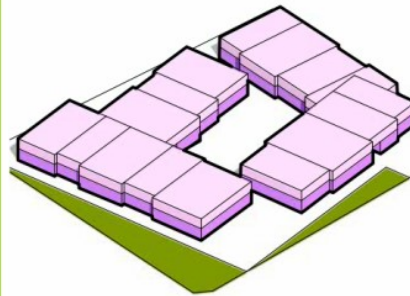
TYPICAL UPPER LEVELS RESIDENTIAL LAYOUT

- Child Care
- 1 Bedroom Apartment
- 2 Bedroom Apartment
- 3 Bedroom Apartment

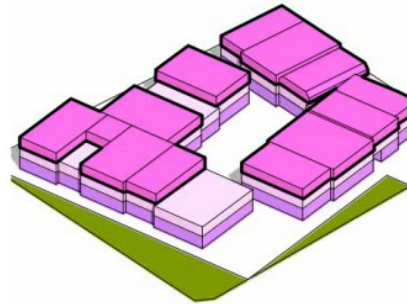
## BUILDING HEIGHTS AND TRANSITIONS

The proposal includes a variety of building heights to create transition to the surrounding areas. The proposed low-rise and diverse built form respects existing local character and is in harmony with its natural setting.

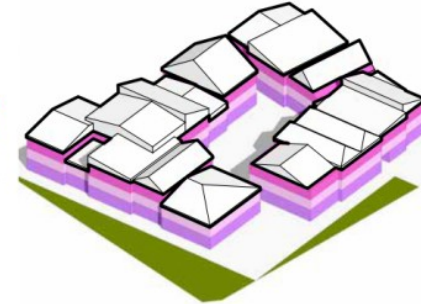
The potential attic level has been designed to create visual interest and a compatible built form with a minimum visual impact on the existing valuable views.



2 Storeys



3 Storeys



Attic

**63%**  
**OF THE SITE AREA IS**  
**2 STOREYS**

**ONLY**  
**12%**  
**OF THE SITE AREA IS**  
**ABOVE 3 STOREYS**

	% of Site
Ground Floor	31%
1st Floor	32%
2nd Floor	25%
Attic	12%

## ADVICE

### WOLLONGONG CITY COUNCIL – WOLLONGONG LOCAL PLANNING PANEL (WLPP)

<b>DATE OF MEETING</b>	7 August 2019
<b>PANEL MEMBERS</b>	Robert Montgomery (Chair), Mark Carlon and Sue Hobley
<b>STAFF IN ATTENDANCE</b>	David Green (Land Use Planning Manager), Jon Bridge (Senior Strategic Project Officer)
<b>PROPERTY</b>	Lot 360 DP 1214993 (former Bulli Bowling Club) Princes Highway Bulli

Wollongong Local Planning Panel (WLPP) meeting held at Corrimal Community Centre Meeting Room, Short Street Corrimal, opened at 1:12pm, adjourned from 1:20pm to 2:10 and closed at 3:20pm. Panel deliberations continued after the meeting closed.

#### CONFLICT OF INTEREST

None of the Panel members had any conflict of interests relating to the matter. The Chair disclosed that he sits on the Bayside Local Planning Panel, where Mr Stephen Moore, the applicant's consultant for this Item, also sits as an expert member. The Chair stated that he has no other professional association with Mr Moore and no conflict in relation to the matter.

#### ITEM 2

Planning proposal to rezone Lot 360 DP 1214993 (former Bulli Bowling Club) from RE2 Private Recreation to R1 General Residential, with associated changes to Building Height, FSR and additional uses.

#### PUBLIC SUBMISSIONS

As the Panel is providing advice only to Council on the planning proposal, the Panel meeting was not open to members of the public.

Mr Steve Hughes and Mr Stephen Moore, proponent's representatives, addressed the Panel.

#### PANEL CONSIDERATION

The Panel inspected the site prior to the meeting.

The Panel acknowledges that the land is a key site with capability for some development. The site is located at the southern edge of the new Bulli Town Centre and may be described, along with the surrounding land, as the significant northern gateway to new Bulli. The site is in a prominent visual location with an escarpment backdrop and is located within the Bulli Heritage Conservation Area. The site's immediate context sits it within a landscaped buffer to the village. The mature trees of Mailbag Reserve opposite the site, the riparian vegetation along the creek line, and the open space created by the former bowling greens, the garden of the childcare centre and the Bulli showground all add to the escarpment backdrop and create a landscape threshold to the village. The site is also constrained by flooding. Therefore, the height, size, density and configuration of any future development on the site must be carefully controlled to ensure an appropriate built form outcome.

The Panel raised concerns in relation to the following aspects of the proposal:

- There is no apparent strategic justification for a residential development of this size in this location;
- It is unclear how the proposed development fits within the overall context of Bulli;
- The proposal to increase the permissible building heights has the potential to impact on the visual quality of the area in that the buildings will be higher than the existing tree line and may block views of the escarpment from the Princes Highway;



- The height and scale of the development will visually detract from the view of the heritage conservation area, in particular the hotel, in the arrival sequence to Bulli;
- The floor level is proposed to be raised significantly higher than the ground level to be above the 1:100 year flood event. How is this to be resolved in terms of access to the buildings, access to basement car park and visual impact;
- The fine grain “laneway” design approach adopted for the concept does not translate to the proposed built form; and
- Overall, the height, scale and density of the proposal appears to ignore the established character of Bulli;

The Panel also noted that a large building setback is proposed to the Princes Highway frontage. This is considered to be an important design principle to ensure that the green open gateway to Bulli is maintained. It is considered however that the encroachment of the proposed corner building on this setback is not appropriate.

The proponent requested that the Panel defer consideration of the planning proposal for eight weeks to allow the proponent to address the concerns raised at the meeting.

#### ADVICE TO COUNCIL

The Wollongong Local Planning Panel recommends to Council that action in relation to this planning proposal be deferred until 2 October 2019 to provide the proponent with an opportunity to respond to the matters raised by the Panel. The Panel requests that the proponent address the following matters:

1. The impact of flooding on the site is considered by the Panel to be a threshold issue which needs to be satisfied prior to progressing any proposal for residential development. In this regard further details of the impacts and behaviour of floodwaters and information as to whether reticulated sewer, water and electricity would be affected by a 1 in 100 year flood event should be provided. It also important to understand whether residents would need to be evacuated and if so, how this would occur during a flood event;
2. Identify more clearly the strategic context of the site in terms of the Bulli Town Centre, proposed Town Centre Study and residential growth;
3. Provide a review of the surrounding character and context of the site and how residential development should be controlled to ensure that character is maintained;
4. Consider a more appropriate lower density, height and scale for the site in keeping with the character of the locality and impacts on the sense of arrival at the town centre of Bulli;
5. Provide a visual assessment of the locality and the escarpment backdrop, which identifies the impacts of development of the site as proposed and how these impacts may be lessened by a lower height, less bulky development concept; and
6. Provide detailed information as to how the ground floor of the buildings and the basement carpark will have a suitable transition to the ground level. These levels need to be resolved to ensure compliance with DDA and to prevent inappropriate visual impacts.

Voting: 3/0





## REZONING REVIEW RECORD OF DECISION

<b>DATE OF DECISION</b>	2 April 2020
<b>PANEL MEMBERS</b>	Alison McCabe, Sue Francis, Steven Layman
<b>APOLOGIES</b>	Nil
<b>DECLARATIONS OF INTEREST</b>	Steven Layman indicated that he had on one occasion previously worked in a consultant team with the proponent but that he was not working with him at present, has never been in any form of partnership with him and has not been involved in the subject proposal and as such did not believe he had any conflict of interest

### REZONING REVIEW

Planning Proposal PP-2019/3 – former Bulli Bowling Club, Princes Highway, Bulli

### LOCAL PLANNING PANEL CONSIDERATION AND DECISION

The Panel considered the material in the Council Planning Report listed at item 1 and the matters raised and/or observed at meeting.

Based on this review, the Panel determined that the proposed instrument:

- ☐ **should** be submitted for a Gateway determination because the proposal has demonstrated strategic and site-specific merit
- ☒ **should not** be submitted for a Gateway determination because the proposal has
- ☒ not demonstrated strategic merit
  - ☐ has demonstrated strategic merit but not site-specific merit

The decision was unanimous

### REASONS FOR THE DECISION

The Panel heard from the proponent and his expert team and had the benefit of a detailed report from staff in respect of this revised PP.

The Panel is aware that the site is vacant and that it is flood prone. The Panel is also aware of the prior consideration of previous PP by the LPP. In this respect, although this is a revised PP, many of the points raised previously remain relevant to the consideration of this revised proposal.

Further, the Panel considers that to rezone the site R1 with a FSR of 1.3:1 and a height of 16m would be premature to the strategic planning consideration of Bulli and that there are no exceptional circumstances that would warrant the site being considered for rezoning in the form proposed in advance of that ongoing strategic planning work.

The PP should not proceed at this stage.

However, the Panel does consider that the site is unusually large in the locality and is worthy of consideration for rezoning from RE2 in Councils forward planning work but that the following criteria should be considered in any such work:-

1. The proposed zoning of R1 is too broad having regard to the character of the existing development context. A more appropriate zoning to say R3, consistent with the zoning of the adjacent brickworks site would be more compatible with the densities in the area.
2. An R3 zone would allow uses such as childcare centres, aged care facilities, neighbourhood shops. Any other, more 'commercial' uses would have the potential to conflict with the existing Bulli Town Centre B2 zoned area
3. A proposed height and FSR consistent with the adjacent R3 zone would be a more appropriate density and scale of development in this out of centre, recreational precinct.

PANEL MEMBERS	
 Alison McCabe	 Sue Francis
 Steven Layman	

SCHEDULE 1		
1	PANEL REF – LGA – DEPARTMENT REF - ADDRESS	PP-2019/3
2	LEP TO BE AMENDED	Wollongong LEP 2009
3	PROPOSED INSTRUMENT	n/a
4	MATERIAL CONSIDERED BY THE PANEL	Council Planning Report

## ITEM 3 DRAFT EXPOSURE BILL - LOCAL GOVERNMENT RATING REFORM SUBMISSION

In December 2015, the Premier of NSW requested that the Independent Pricing and Regulatory Tribunal (IPART) undertake a review of the Local Government Rating System. IPART released an issues paper and conducted public hearings with a draft report being released in August 2016 for further consultation from the Local Government Industry. Council provided input to the process through submissions and staff had a number of conversations with IPART before a final recommendations report to the Premier of NSW in December 2016. On 21 June 2019, the Office of Local Government (OLG) released the final report received from IPART and requested further submissions on some of the recommendations put forward within the report. Council again made submission as part of that consultation.

On 22 December 2020, the Minister of Local Government released the Exposure Draft of the Local Government Amendment (Rating) Bill 2020 for consultation. The proposed actions, other than for postponed rates, being progressed in this stage of the review are generally consistent with Council's previous submissions and therefore proposed to be agreed with. Council's submission also proposes variation to the wording proposed to define 'Environmental Land' to provide ease of application and remove ambiguity.

### RECOMMENDATION

Council adopt the Draft Submission into the Local Government Amendment (Rating) Bill 2020.

### REPORT AUTHORISATIONS

Report of: Brian Jenkins, Chief Financial Officer

Authorised by: Ingrid Mcalpin, Director Corporate Services - Connected + Engaged City (Acting)

### ATTACHMENTS

- 1 Draft Submission - Template Feedback Form
- 2 Summary Table of Issues/Submissions
- 3 Towards A Fairer Rating System - A Consultation Guide to Local Government Rating Reform
- 4 Draft Government Bill

### BACKGROUND

In December 2015, the Premier of NSW requested that IPART undertake a review of the Local Government Rating System. IPART released an issues paper in April 2016 and called for submissions. A briefing session was held with Councillors on 2 May 2016 on the proposed submission for Wollongong City Council. A draft report was released by IPART in August 2016 for further consultation with the Local Government Industry. A briefing session was conducted with Councillors on 12 September 2016 on the findings and proposed recommendations for that phase of the review.

IPART provided a confidential final report to the Premier of NSW in December 2016. On 21 June 2019, the OLG released the final report received from IPART and requested submissions on 29 of the 42 recommendations from the report.

The Minister for Local Government has released the Exposure Draft of the Local Government Amendment (Rating) Bill 2020 to implement the NSW Government's response to IPART's review and has commenced public consultation (due by 5 February 2021).

### PROPOSAL

The review into Local Government rating was assessed on the current rating system using the key taxation principles of efficiency, equity, simplicity, sustainability and competitive neutrality as well as comparing the NSW rating system to other states.

The key outcomes from the review resulted in recommendations on seven key areas, although the draft amendment is only proposing changes on two (listed in black), although importantly issue 2, 'Allow

councils' general income to grow as the communities they serve grow' has been referred back to IPART to determine methodology to allow this to occur.

- 1 Use the Capital Improved Value (CIV) valuation method to levy local council rates.
- 2 Allow councils' general income to grow as the communities they serve grow.
- 3 Give councils greater flexibility when setting rates in residential areas.
- 4 Modify rate exemptions so eligibility is based on land use rather than ownership. (Not open for consultation).
- 5 Improve assistance to pensioners. (Not open for consultation).
- 6 Give councils more options to set rates within rating categories.
- 7 Recovery of council rates. (Not open for consultation).

Attached to this report is the consultation guide, *Towards a Fairer Rating System* that includes draft responses that will be subject to variation determined by Councillors. There are issues and opportunities within the proposed amendments for Wollongong. Listed below are the major points that could impact Wollongong City Council:

- **Allowing councils to levy special rates for jointly funded infrastructure**
  - Provides options for projects jointly funded with other tiers of Government to be funded through a special rate. The Special Rate would need to be approved after consultation through the Annual Operational Plan process but would not be subject to rate peg calculations.
- **Giving councils greater flexibility when setting rates in residential areas**
  - Introduces the ability to set different sub-categories based on location as well as the existing centre of population.
  - Proposes a cap on the difference between rates within the residential category that is considered to be restrictive as councils should have the flexibility to consult with their community through the IPR process.
- **Providing more rating categories**
  - Council supported a recommendation in our October 2016 submission, where land that has low development potential due to environmental sensitivity, size and zoning resulting should be sub-categorised as 'Environmental' rather than 'Business'. The recommendation in the final report is that the Local Government Act be amended to include an 'Environmental Land' category. Council's submission includes proposed variation to the definitions proposed in the draft legislation to improve the ease of application of the categorisation.
  - The draft legislation also includes sub-categorisation of Business Land into Commercial and Industrial as well applying the current 'centres of activity'. This was supported by Council and is more consistent with the current difficulty of appropriately rating some industrial and commercial properties that are widespread across the Council area.
- **Changes to Postponed rates**
  - The original proposal to remove postponed rates provisions has been changed to require a hardship test to be applied for deferral. This proposal has not been supported, however, a further proposal to remove writing off of postponed rates is supported. Council had supported the removal of postponed rates on the basis that use of CIV would remove most of the cost imposts of zoning changes or if CIV was not applied that alternate discount factors could be applied from a valuation perspective. Neither of these are now proposed. It is considered that applying rates to the substantial unrealised gain caused by rezoning and subsequent revaluation (particularly to a residence) appears unreasonable. Payment of that gain on realisation (sale or development) appears reasonable. The burden of a ratepayer proving



financial hardship and the red tape in assessing such application is considered onerous and divisive if the proposed rate is merely a deferral arrangement until realisation. Postponement incurs an interest cost and is at the option of the ratepayer. It is considered this proposal does not meet the efficiency or simplicity principles of rating.

- **Allowing councils' general income to grow as the communities they serve grow**

The draft legislation does not include this change although The Minister for Local Government, with the Premier's approval, has asked IPART to deliver a report recommending a rate peg methodology that will allow variance to account for population growth. The original recommendation put forward by IPART relied on the use of Capital Improved Values (CIV) to be used to determine the extent of development growth and additional demand on Council's resources. In the absence of CIV, we will need to review the future proposals to determine Council's position on the mechanism proposed. The terms of reference were made public in December 2020 with an issues paper due to be released in March 2021. The final report to the NSW Government is expected by September 2021.

#### 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 Financial Services Plan 2020-2021.

#### CONCLUSION

Council should consider the proposed amendments to the Local Government Act by responding to the Minister for Local Government and the draft submission should be endorsed.

# Appendix A

## Template feedback form – *Towards a Fairer Rating System* consultation

### Privacy Notice

When you give us your feedback, the Office of Local Government (OLG) in the NSW Department of Planning, Industry and Environment (DPIE) will collect some personal information about you, including:

- your name
- your email address
- the name of your organisation (if provided), and
- any personal information you decide to put in additional 'general comments' fields.

All feedback received through this consultation process may be made **publicly available**. Please do not include any personal information in your feedback that you do not want published.

This information is being collected by OLG as part of the [Towards a Fairer Rating System consultation](#) to help the Government develop a final Bill to amend the *Local Government Act 1993* and supporting regulations, as necessary. As part of that process, we may need to share your information with people

outside OLG, including other public authorities and government agencies. We may also use your email address to notify you about further feedback opportunities or the outcome of consultation.

You should also be aware there may be circumstances when OLG is required by law to release information (for example, in accordance with the requirements of the *Government Information (Public Access) Act 2009*). There is also a Privacy Policy located on OLG's website that explains how some data is automatically collected (such as your internet protocol (IP) address) whenever you visit OLG's website. The link to that policy is <https://www.olg.nsw.gov.au/about-us/privacy-policy/>

### Submitting this completed feedback form

Please print your completed form and mail or email by **COB 5 February 2021** to:

Office of Local Government, NSW Department of Planning, Industry and the Environment  
*Towards a Fairer Rating System*  
Locked Bag 3015  
Nowra NSW 2541

[olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au)

### About you

TYPE	PLEASE SELECT ALL APPLICABLE
Council – Metropolitan	
Council – Metropolitan Fringe	
Council – Regional	
Council – Rural	
Council – Large Rural	
Private sector organisation	
Ratepayer	
NSW State agency	
Other	

### FEEDBACK FORM – Towards a Fairer Rating System

Section Two – Local Government Amendment (Rating) Bill 2020	
<b>1. Allowing gradual rates harmonisation</b>	
<b>Q.1.</b>	Are you from a local government area newly formed in 2016 that has not yet harmonised rates?
<b>A.1.</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Q.2.</b>	Do you agree with the proposal to enable new councils to gradually harmonise rates across former council areas over four years?
<b>A.2.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Neutral
Comment: not applicable to Wollongong City Council	

2. Allowing councils to levy special rates for jointly funded infrastructure	
Q.3.	Do you agree with the proposal in relation to levying special rates for jointly funded infrastructure?
A.3.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral  <p><b>Comment:</b> Agree with proposal that all tiers of government should work cooperatively.</p> <p>The consultation guide refers to infrastructure only, however, the draft exposure bill includes works, services, facilities and activities. The draft legislation refers to inter-governmental projects to be provided or undertaken, or proposed to be provided or undertaken, by the council together with one or more other government entities.</p> <p>Proposals for such levies are to be included in the Annual Operational Plan and reported in the Annual Report providing appropriate control to Council.</p>
3. Increasing flexibility through new rating categories and subcategories	
3.1 Allowing councils to set different residential rates in contiguous urban areas	
Q.4.	Do you agree with the proposal to allow for different residential rates in contiguous urban areas?
A.4.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral  <p><b>Comment:</b> Agree. The recommendation provides greater flexibility in setting differential rates and provides a more equitable option for merged councils to harmonise residential properties. The provisions will apply to all councils to provide options for sub-categories based on suburbs or communities but only where there is on average, different access to, demand for, or cost of, providing services and infrastructure.</p> <p>It should be noted that within the Draft Bill s530(5)(a &amp; b), if a council decides to make sub-categories for residential they will be required to publish the reasons both on the website and within their Revenue Policy. This is part of the normal IP&amp;R practice for council and is not necessary to be legislated.</p> <p><input type="checkbox"/> Under proposed Draft Bill s530(6)(a &amp; b), where the Minister can provide written direction to councils when determining factors for residential sub-categories, councils should be allowed to use the IP&amp;R consultation process with their communities in relation to setting subcategories for residential.</p>
Q.5.	Do you agree with the proposal to limit the highest rate structure across all residential subcategories to no more than 1.5 times the average rate structure?
A.5.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral  <p><b>Comment:</b> Disagree. Consider the 1.5 times to be an arbitrary amount, this would restrict and/or reduce a council's capacity to manage their own affairs within the community.</p> <p>Council should be given the discretion through the IP&amp;R process to manage pricing policy with appropriate consultation.</p>



3.2 Creating a new rating category for environmental land	
Q.6.	Do you agree with the proposal about how to create a new rating category for environmental land, including how environmental land is proposed to be defined?
A.6.	<p>Yes</p> <p>No</p> <p>Neutral</p> <p><b>Comment:</b> Agree in principle with reservations on proposed wording or limitations. The proposed new category is extremely subjective. Who determines 'limited value' (sec 515A(1)(a)(i))? Does 'development cannot be carried out' include all development? Development can consist of installing a handrail or a post. 'Low development potential' – what does that mean?</p> <p>Trying then to marry that level of subjectivity to land that arguably satisfies an environmental categorisation as well as (say) a residential category would be extremely hard. Given the ability of landowners to make application for a change of category (as well as an appeal against a category declaration), together with the size of many likely 'environmental land' holdings, there is likely to be many more arguments for ratepayers to present to councils if this category proceeds.</p> <p>The better approach is for it to be simply based on zoning. Given the fact that effectively all councils in NSW have the template LEP, it would be better to limit the proposed new category to land zoned E2. Where a parcel of land is zoned both E2 and (say) R2, the rating split can reflect the different zonings, at least as it pertains to the 'environmental land' category. In other words, that part of the parcel zoned E2 is environmental and the remainder of the parcel is categorised utilising the existing tests at Chapter 15 Part 3 of the Local Government Act.</p>

Q.7.	Do you agree that a portion of land that is subject to a conservation agreement or other similar instrument should be categorised by councils according to the proposed definition of <i>environmental land</i> ?
A.7.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree that conservation agreements should be included within the new environment land and should also apply to other lands where the owner receives a private benefit or public access is restricted or not permitted.</p> <p>Provisions should be explored with the Valuer General to provide the use of Mixed Use Apportionment Factors (MUAF) when the land is used for residential. mining or business.</p> <p>An example of this - council has a property that currently receives a 49% Voluntary Conservation Agreement (VCA). The property is currently rated as residential and receives the exemption based on the percentage. Moving to the new category, the property would be rated on dominant use and, therefore, would be 100% residential, where if we were able to apply for MUAF it could be split between the categories of residential and environmental</p>
<b>3.3 Enabling different business rates to be set for industrial land and commercial land</b>	
Q.8.	Do you agree with the proposal about how to enable different rates for industrial and commercial land?
A.8.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree. Currently business rates only being sub-categorised by Centre of Activity has caused issues for councils as many properties are wide spread through the council area and making it difficult for Centre of Activity to be justified and different rates applied. By using the Local Environment Plan (LEP) zonings or the Australian Valuation Property Classification Codes (AVPCC) to assist with identifying these properties, councils would be able to justify a sub-category easier making rating rationale easy to define.</p>
<b>3.4 Enabling different rates for residential, business or mining land that is vacant</b>	
Q.9.	Do you agree with the proposal to allow subcategories for vacant land to be created for residential, business and/or mining land, including the proposed factors set out above?
A.9.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree. This proposal has had differing importance at various stages of the rates review. It was firstly related to Fire and Emergency Services Levy (FESL) implications to allow differential charges. It then had greater importance with proposals to implement rating based on Capital Improved Values (CIV) as vacant land would have lower rates and could cause land banking. Now that FESL and CIV are on hold, the option is potentially less important. Support is based on the flexibility provided in setting rating structure that has been a premise applied to directions previously and allows for future legislative change.</p>

<b>3.5 Enabling different rates for residential, business or mining land that is vacant</b>	
<b>Q.10.</b>	Do you agree with the proposal to enable councils to also set farmland rates based on geographical location?
<b>A.10.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Neutral  <b>Comment:</b> NA. No view on the recommendation and would be guided by the regional councils that are predominately farmland.
<b>4 Changing specific exemptions from ordinary and special rates</b>	
<b>4.1</b>	<b>Removing mandatory rates exemptions for land with new conservation agreements</b>
<b>Q.11.</b>	Do you agree with the proposal to remove the requirement for councils to apply a rating exemption for land subject to new conservation agreements?
<b>A.11.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral  <b>Comment:</b> Agree. Linked with Q.7 to categorise land with Conservation agreements as Environmental Land.
<b>4.2 Removing certain mandatory exemptions from special rates for water and sewerage</b>	
<b>Q.12.</b>	Do you agree with the proposal to remove certain mandatory exemptions from special rates for water and sewerage?
<b>A.12.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Neutral  <b>Comment:</b> Not applicable to Wollongong City Council

5 Improving public confidence in the rating system	
5.1 Narrow scope to postpone rates and let councils choose whether to write them off	
Q.13.	Do you agree with the proposal to restrict who can seek postponement of rates?
A.13.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Disagree. Council had supported the removal of postponed rates on the basis that use of CIV would remove most of the cost imposts of zoning changes alone or that alternate discount factors could be applied from a valuation perspective. Neither of these are now proposed.</p> <p>It is considered that applying rates to the unrealised gain caused by rezoning and subsequent revaluation (particularly to a residence) appears unreasonable. Payment of that gain on realisation (sale or development) is reasonable. The burden of a ratepayer proving financial hardship and the red tape in assessing such application is considered onerous and divisive if the proposed rate is merely a deferral arrangement until realisation. This is against the simplicity rules of the original IPART report. Postponement incurs an interest cost and is at the option of the ratepayer.</p>
Q.14.	Do you agree with the proposal to remove the requirement to write off rates debts?
A.14.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree. Based on choice to apply for a postponed rate the payment of rates should be finalised on property sale or development of the land.</p> <p>Concerns surrounded holding the debt for greater than 20 years and the impact of section 712 of Local Government Act and any rates or interest greater than 20 years may be deemed unrecoverable.</p>
5.2 Allow councils to sell properties for unpaid rates after three years	
Q.15.	Do you agree with the proposal to enable councils to sell properties for unpaid rates after 3 years?
A.15.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> The option of sale of land is used as a last resort for council to recover unpaid rates.</p>



Section Three – Other rating reforms	
<b>2 Encouraging councils to levy rates on mining land to reflect additional costs</b>	
Q.16.	Do you agree with the proposal to implement this reform through guidance?
A.16.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree. Prior proposals to mandate a requirement to determine costs of providing services to mining have been changed to require substantiation only where the rates exceed the business rates. This will not be a legislative change and will be managed through guidance retaining flexibility and council control of its Revenue Policy.</p>
<b>3 Retaining the rating category for business as the 'residual' rating category</b>	
Q.17.	Do you agree with the proposal to retain the business land rating category as the residual category?
A.17.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree. To retain existing application</p>
<b>4 Requiring councils to report the value of exemptions they grant each year</b>	
Q.18.	Do you agree with the proposal that councils report on the value of exemptions they choose to grant through their annual reports?
A.18.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <p><b>Comment:</b> Agree in principle. Published data would show the impact on the community due to exemptions being granted. Although there would be some administrative work initially to register and value land currently not held (predominately state owned land) and to update information related to the exemption methodology for each parcel of land that council currently has exempted.</p>
<b>General Comments</b>	

The intention maybe that s506 - Variation to General Income - Specify different percentages for different areas of councils only relates to the merged councils, the draft bill does not isolate that intention and it could be deemed to be used across all NSW councils.

	Draft Exposure Bill	Comments / Issues	Date of effect	IPART Recommendation	WCC Response in Submission dated 11 October 2019	OLG interim response	WCC Response in Submission dated 13 September 2019
Q2	Allow gradual rates harmonisation - It is proposed that each council formed in 2016 have the option to harmonise residential and farmland rates over four years commencing from 2021-2022. • Gradual harmonisation option will need to apply no more than 50% of the total increase in rates at the category level. • Council will need to set out their intended approach over the full four years in their IPSR documents.	No impact to Wollongong as we are not a merged Council.  The consultation guide refers to infrastructure only, however, the draft exposure bill includes works, services, facilities and activities. The draft legislation refers to inter-governmental projects to be provided or undertaken, or proposed to be provided or undertaken, by the council together with one or more other government entities.  Proposals for such levies are to be included in the Annual Operational Plan and reported in the Annual Report providing appropriate control to Council.	Agree with proposal that all tiers of government should work cooperatively.  The consultation guide refers to infrastructure only, however, the draft exposure bill includes works, services, facilities and activities. The draft legislation refers to inter-governmental projects to be provided or undertaken, or proposed to be provided or undertaken, by the council together with one or more other government entities.  Proposals for such levies are to be included in the Annual Operational Plan and reported in the Annual Report providing appropriate control to Council.	At the end of the 4-year rate path freeze, new councils determine whether any pre-merger areas are separate towns or villages, or different residential areas. In the event that a new council determines they are separate towns or villages, or different residential areas, it should be able to continue the existing rates or set different rates for these pre-merger areas, subject to metropolitan councils seeking IPART approval if they exceed the 50% maximum differential. It could also choose to equalise rates across the pre-merger areas, using the gradual equalisation process outlined below. In the event that a new council determines they are not separate towns or villages, or different residential areas, or it chooses to equalise rates, it should undertake a gradual equalisation of residential rates. The amount of rates a resident is liable to pay to the council should increase by no more than 10 percentage points above the rate peg (as adjusted for Special Variations) each year as a result of this equalisation. The Local Government Act 1993 (NSW) should be amended to facilitate this gradual equalisation.	Council was of the view at the time, that there should have been transition provisions in place to allow the flexibility to transition into new models. Councils should have been given the flexibility to gradually equalise the rate path of the new council otherwise the alternative would be at least another four to five years afterwards for the rate structure to be fair and equitable across the new council area.	At the end of the 4-year rate path freeze, new councils determine whether any pre-merger areas are separate towns or villages, or different residential areas.  • In the event that a new council determines they are separate towns or villages, or different residential areas, it should be able to continue the existing rates or set different rates for these pre-merger areas, subject to metropolitan councils seeking IPART approval if they exceed the 50% maximum differential. It could also choose to equalise rates across the pre-merger areas, using the gradual equalisation process outlined in the report.  • In the event that a new council determines they are not separate towns or villages, or different residential areas, or it chooses to equalise rates, it should undertake a gradual equalisation of residential rates. The amount of rates a resident is liable to pay to the council should increase by no more than 10 percentage points above the rate peg (as adjusted for Special Variations) each year as a result of this equalisation. The Local Government Act 1993 should be amended to facilitate this gradual equalisation.	No impact to Wollongong
Q3	Allowing councils to levy special rates for jointly funded infrastructure.  Income from this type of special rate will not form part of general income under the rate peg and there is no requirement to seek approval.	Agree with proposal that all tiers of government should work cooperatively.  The consultation guide refers to infrastructure only, however, the draft exposure bill includes works, services, facilities and activities. The draft legislation refers to inter-governmental projects to be provided or undertaken, or proposed to be provided or undertaken, by the council together with one or more other government entities.  Proposals for such levies are to be included in the Annual Operational Plan and reported in the Annual Report providing appropriate control to Council.	By proclamation (after 1 July 2021)	The Local Government Act 1993 (NSW) should be amended to allow councils to levy a new type of special rate for new infrastructure jointly funded with other levels of Government. This special rate should be permitted for services or infrastructure that benefit the community and funds raised under this special rate should not: • form part of a council's general income permitted under the rate peg, nor • require councils to receive regulatory approval from IPART.	We had the understanding it was for non core Council activities and that it was a viable option for joint funding at all levels of government. It should be a council decision and not forced upon council from state/federal governments as additional source of funding. Agreed that it alleviate the need for GRV.	The Local Government Act 1993 should be amended to allow councils to levy a new type of special rate for new infrastructure jointly funded with other levels of Government. This special rate should be permitted for services or infrastructure that benefit the community and funds raised under this special rate should not: • form part of a council's general income permitted under the rate peg, nor • require councils to receive regulatory approval from IPART.	Support. Agree with recommendation for all tiers of government to work cooperatively, although this option should be at the discretion of councils and should only be used for services or infrastructure not core to council activities. Not be used as additional funding source by the State/Federal governments.
Q4	Allow for different residential rates in contiguous urban areas	Agree. The recommendation provides greater flexibility in setting differential rates and provides a more equitable option for merged councils to harmonise residential properties. The provisions will apply to all councils to provide options for sub-categories based on suburbs or communities but only where there is an average, different access to, demand for, or cost of, providing services and infrastructure.  It should be noted that within the Draft Bill s530(5)(a & b), if a council decides to make sub-categories for residential they will be required to publish the reasons both on the website and within their Revenue Policy. This is part of the normal IPART practice for council and is not necessary to be legislated.  Under proposed Draft Bill s530(6)(a & b), where the Minister can provide written direction to councils when determining factors for residential sub-categories, councils should be allowed to use the IPSR consultation process with their communities in relation to setting sub-categories for residential.	On assent (either prior or on 1 July 2021)	The Local Government Act 1993 (NSW) should outline that: • A 'residential area' is an area within a contiguous urban locality that has, on average, different access to, demand for, or costs of providing council services or infrastructure (relative to other areas in that locality). • Councils could use geographic markers to define the boundaries for a residential area, including postcodes, boundaries, suburb boundaries, geographic features (eg. waterways, bushland) and/or the location of major infrastructure (eg. arterial roads, railway lines).	Supported this recommendation as it allowed councils to identify within their revenue policy the rates based on those areas due to access to, demand for, or costs providing the service.	The Local Government Act 1993 should outline that: • A 'residential area' is an area within a contiguous urban locality that has, on average, different access to, demand for, or costs of providing council services or infrastructure (relative to other areas in that locality). • Councils could use geographic markers to define the boundaries for a residential area, including postcodes, boundaries, suburb boundaries, geographic features (eg. waterways, bushland) and/or the location of major infrastructure (eg. arterial roads, railway lines).	Support. Agree with the ability to sub-categorise residential properties within a residential area, as it allows councils to identify within their revenue policy the rates based on the area having different access, demand or costs to services within that area.
Q5	Limit the highest rate structure across all residential sub-categories to no more than 1.5 times the average rate structure	Disagree. Consider the 1.5 times to be an arbitrary amount, this would restrict and/or reduce a council's capacity to manage their own affairs within the community. Council should be given the discretion through the IPSR process to manage pricing policy with appropriate consultation.	On assent (either prior or on 1 July 2021)	The Local Government Act 1993 (NSW) should be amended so, where a council uses different residential rates within a contiguous urban locality, it should be required to: • ensure the highest rate structure is no more than 1.5 times the average rate structure across all residential sub-categories (ie, so the maximum difference between the highest and average ad valorem rates and base amounts is 50%), or obtain approval from IPART to exceed this maximum difference, and • publish the different rates (along with the reasons for the different rates) on its website and in the rates notice received by ratepayers.	Council considered this recommendation to be restrictive and reduced the capacity for the local council to manage the affairs of the area within its community. As the impacts of the recommendations are known, it was difficult to agree to the arbitrary limits being suggested. We considered that the council should have the discretion to determine the category and sub-category through the IPR process, especially if a particular area had requested additional services that impact the rate. We did agree that the council should be accountable and communicate the setting of the rating policy to justify the different rates being applied.	The Local Government Act 1993 should be amended so, where a council uses different residential rates within a contiguous urban locality, it should be required to: • the highest and average ad valorem rates and base amounts is 50%), or obtain approval from IPART to exceed this maximum difference, and • publish the different rates (along with the reasons for the different rates) on its website and in the rates notice received by ratepayers.	Not Supported. Consider the 1.5 times to be restrictive and reduced the capacity for council to manage its own affairs within its own community. Councils should be given the discretion to determine the rate structure and rate setting through consultation with its community in the IPR process. As it is this process that makes councils accountable for structure.
Q6	Create a new Environmental Land category, where the land: (1) • has limited economic value relative to its size and location, or • cannot be developed, or • has low development potential for a business, residential or farming, and (2) subject to geographic restrictions or regulatory restrictions	Agree in principle with reservations on proposed wording or limitations. The proposed new category is extremely subjective. Who determines limited value (see 615A(1)(a)(i)? Does development cannot be carried out include all development? Development can consist of installing a handrail or a post. Low development potential – what does that mean?  Trying then to marry that level of subjectivity to land that equally satisfies an environmental categorisation as well as (say) a residential category would be extremely hard. Given the ability of landowners to make application for a change of category (as well as an appeal against a category declaration), together with the size of many likely 'environmental land' holdings, there is likely to be many more arguments for ratepayers to present to councils if this category proceeds.  The better approach is for it to be simply based on zoning. Given the fact that effectively all councils in NSW have the template LEP, it would be better to limit the proposed new category to land zoned E2. Where a parcel of land is zoned both E2 and (say) R2, the rating split can reflect the different zonings, at least as it pertains to the 'environmental land' category. In other words, that part of the parcel zoned E2 is environmental and the remainder of the parcel is categorised utilising the existing tests at Chapter 10 Part 3 of the Local Government Act.	By proclamation (after 1 July 2021)	Section 493 of the Local Government Act 1993 (NSW) should be amended to add a new environmental land category and a definition of 'environmental land' should be included in the Local Government Act 1993 (NSW). • Land subject to a state conservation agreement is categorised as 'environmental land' for the purposes of setting rates.	Supported recommendation due to the properties on the escarpment that are zoned environmental or recreation and are unable to build. We considered this to be a better representation of rating principles.	Section 493 of the Local Government Act 1993 should be amended to add a new environmental land category and a definition of 'environmental land' should be included in the Local Government Act 1993.  Note: Land subject to a state conservation agreement is categorised as 'environmental land' for the purposes of setting rates.	Support - Support recommendation due to properties that are zoned environmental or recreation and are unable to be built upon. An environmental category would better represent the rating principles that the review was based on. There are some concerns that land reserved for 'Bio-banking' will fall under the category defined within the final report ie, 'Regulatory restrictions could include laws or agreements preventing development of property in order to conserve nature. For example, private land under conservation agreements with the NSW Office of Environment and Heritage would fall under this category.' 'Support to exclude bio-banking agreements as these agreements often represent a significant or substantial commercial gain for the land owner.'

Q.7	Land with conservation agreements, or similar instrument, be categorised under the new environmental land category.	Agree. That conservation agreements should be included within the new environmental land and should also apply to other lands where the owner receives a private benefit or public access is restricted or not permitted.  Provisions should be explored with the Valuer General to provide the use of Mixed Use Apportionment Factors (MUAF) when the land is used for residential, mining or business.  An example of this - council has a property that currently receives a 40% Voluntary Conservation Agreement (VCA). The property is currently rated as residential and receives the exemption based on the percentage. Moving to the new category, the property would be rated on dominant use and, therefore, would be 100% residential, where if we were able to apply for MUAF it could be split between the categories of residential and environmental.	By proclamation (after 1 July 2021)	Section 555(1)(b) of the Local Government Act 1993 (NSW) should be amended to remove the current rating exemption for land that is the subject of a conservation agreement and instead require it to be rated using the Environmental Land category.	Agreed that conservation agreements should be removed from the LGA and could be categorised under the environmental land category.	Section 555(1)(b) of the Local Government Act 1993 should be amended to remove the current rating exemption for land that is the subject of a conservation agreement and instead require it to be rated using the Environmental Land category.	Support. Agree that this be removed from the Local Government Act 1993 and be included as part of the new proposed 'Environmental Land' category.
Q.8	Enable Business Rates to be sub-categorised as Industrial and Commercial.	Agree. Currently business rates only being sub-categorised by Centre of Activity has caused issues for councils as many properties are wide spread through the council areas and making it difficult for Centre of Activity to be justified and different rates applied. By using the Local Environment Plan (LEP) zoning or the Australian Valuation Property Classification Codes (AVPCC) to assist with identifying these properties councils would be able to justify a sub-category easier making rating rationale easy to define.  Feel that industrial and non-industrial land is not required.	By proclamation (after 1 July 2021)	Section 529(2)(d) of the Local Government Act 1993 (NSW) should be amended to allow business land to be sub-categorised as 'industrial' and/or 'commercial' in addition to Centre of Activity.	Supported the recommendation of the sub-categories as it was consistent with FESL.	Section 529(2)(d) of the Local Government Act 1993 should be amended to allow business land to be sub-categorised as 'industrial' and/or 'commercial' in addition to Centre of Activity.	Support. Centre of Activity caused some issues for councils as properties are wide spread through the council area and making it quite difficult for Centre of Activity to be justified for different rates to be applied. By using the Local Environment Plan (LEP) zoning or the Australian Valuation Property Classification Codes (AVPCC) to assist with identifying these properties councils would be able to justify a sub-category easier making rating rationale easy to define.
Q.9	Allow councils to create rating sub-categories for vacant land for: - residential - business - mining	Agree. This proposal has had differing importance at various stages of the rates review. It was firstly related to Fire and Emergency Services Levy (FESL) implications to allow differential charges. It then had greater importance with proposals to implement rating based on Capital Improved Values (CIV) as vacant land would have lower rates and could cause land banking. Now that FESL and CIV are on hold, the option is potentially less important. Support is based on the flexibility provided in setting rating structure that has been a premise applied to directions previously and allows for future legislative change.	By proclamation (after 1 July 2021)	Sections 493, 519 and 529 of the Local Government Act 1993 (NSW) should be amended to add an optional vacant land sub-category for residential, business and mining land.	Agreed with this recommendation as it was consistent with FESL.	Sections 493, 519 and 529 of the Local Government Act 1993 should be amended to add an optional vacant land sub-category for residential, business and mining land.	Support. Taking into consideration CIV implications vacant lots would have a lower value for rating purposes. Council would like the flexibility of setting a higher differential rate to deter land banking of vacant lots within the city.
Q.10	Allow farmland rates to also be set based on geographic location.	NA. No view on the recommendation and would be guided by the regional councils that are predominantly farmland.	By proclamation (after 1 July 2021)	Section 529 (2)(a) of the Local Government Act 1993 (NSW) should be replaced to allow farmland sub-categories to be determined based on geographic location.	Did not have a view and would be guided by regional councils that are predominantly farmland.	Section 529 (2)(a) of the Local Government Act 1993 should be replaced to allow farmland sub-categories to be determined based on geographic location.	No view on the recommendation and would be guided by the regional councils that are predominantly farmland.
Q.11	Land with conservation agreements to no longer receive a rating exemption for private land.	Agree. Linked with Q.7 to categorise land with Conservation agreements as Environmental Land.					
Q.12	Removing certain mandatory exemptions from special rates for water and sewerage.	NA. Water and Sewer related.					
Q.13	Limit who can apply for postponed rates due to paying higher rates due to rezoning.	Disagree. Council had supported the removal of postponed rates on the basis that use of CIV would remove most of the cost impacts of zoning changes alone or that alternate discount factors could be applied from a valuation perspective. Neither of these are now proposed.  It is considered that applying rates to the unrealised gain caused by rezoning and subsequent revaluation (particularly to a residence) appears unreasonable. Payment of that gain on realisation (sale or development) is reasonable. The burden of a ratepayer proving financial hardship and the red tape in assessing such application is considered onerous and divisive if the proposed rate is merely a deferral arrangement until realisation. This is against the simplicity rules of the original IPART report. Postponement incurs an interest cost and is at the option of the ratepayer.	By proclamation (after 1 July 2021)	The Local Government Act 1993 (NSW) should be amended to remove section 585 and section 595, so that ratepayers are not permitted to postpone rates as a result of land rezoning and councils are not required to write-off postponed rates after five years.	Council agreed to removal of this section of the LGA although there would need to a proposal to be implemented in relation to the current debt. We proposed that the properties that are adversely affected by zoning changes should be offered a discount rate (ie developer allowances) to allow for transition from current use.	The Local Government Act 1993 should be amended to remove section 585 and section 595 so that ratepayers are not permitted to postpone rates as a result of land rezoning and councils are not required to write-off postponed rates after five years.	Partially Support. If this change is adopted, transition provisions would be required to unwind existing postponed debt held. Postponed Rates are a difficult and commonly misunderstood provision of rating. It is acknowledged that much of the rate impact of changed zoning would be removed with the application of CIV valuations, however, if a council does not apply CIV the existing situation with valuation would continue to apply. On this basis, Council would argue that any property values that are adversely affected by zoning changes that remain a residential use should continue to be provided concession. It is argued that rather than a postponed rate, that a concession or allowance system as used for developer allowances would be preferable.
Q.15	Allow councils to sell properties for unpaid rates after three years.	Agree. Although this is considered to be the last resort for non payment of rates.  Concerns surrounded holding the debt for greater than 20 years and the impact of section 712 of Local Government Act and any rates or interest greater than 20 years may be deemed unrecoverable.	On assent (either prior or on 1 July 2021)	The existing legal and administrative process to recover outstanding rates be streamlined by reducing the period of time before a property can be sold to recover rates from five years to three years.	Did not object to the recommendation. We did state it was a last resort and was an expensive and time consuming process.	The existing legal and administrative process to recover outstanding rates be streamlined by reducing the period of time before a property can be sold to recover rates from five years to three years.	Support. Although this is considered to be the last resort for non payment of rates.
Q.16	Councils to levy rates on mining land to reflect additional costs to be applied through guidance.  If a council sets a mining rate higher than business land it requires explanation within the Revenue Policy: - how the rate was set and why - additional costs in providing services to the mining properties	Agree. Prior proposals to mandate a requirement to determine costs of providing services to mining have been changed to require substantiation only where the rates exceed the business rates. This will not be a legislative change and will be managed through guidance relating flexibility and council control of its Revenue Policy.		Any difference in the rate charged by a council to a mining category compared to its average business rate should primarily reflect differences in the council's costs of providing services to the mining properties.	WCC has limited mining properties compared to the total business category of the area and considered that the Revenue Policy and PR process should provide the transparency required. The invested costs in implementing and evaluating the direct costs for a relatively small component of our rate base would not be warranted.	Any difference in the rate charged by a council to a mining category compared to its average business rate should primarily reflect differences in the council's costs of providing services to the mining properties.	Not Supported. Rates are a tax imposed at a local level and not purely a fee for service. As such, councils need the flexibility to set appropriately for their communities. There should be consideration of the impacts mining operations have on the local community and economy in both the short and long terms. Once mining is finished, local government areas are left with unproductive land and no minerals – that local wealth is gone.  If a Council was seen to be unreasonably targeting mines by implementing extremely high mine rates, the current provisions of the Local Government Act 1993 s529(2) allows the Minister to effectively implement this recommendation on an individual basis. This seems a far better mechanism to achieve targeted protection for mines against unreasonable rates.

Q.17	Retain the rating category for business as the 'residual' rating category.	Agree. To retain existing application.		Section 518 of the Local Government Act 1993 (NSW) should be amended to reflect that a council may determine by resolution which rating category will act as the residual category.  - The residual category that is determined should not be subject to change for a 4-year period.  - If a council does not determine a residual category, the business category should act as the default residual rating category.	Council had the view that the current system did not work for us as it caused anomalies where land is undevelopable due to size, zoning, etc. must be classified as Business which creates confusion with ratepayers and also further issues where a minimum rate applies that imposes an unfair burden on the property owners where the land may have little real or assess value. Agreed with the four year period as it was in line with Council elections.	Section 518 of the Local Government Act 1993 should be amended to reflect that a council may determine by resolution which rating category will act as the residual category.  - The residual category that is determined should not be subject to change for a 4-year period.  - If a council does not determine a residual category, the business category should act as the default residual rating category.	Partially Support - Agree with the residual category being subject to change on a 4-year period aligning with both council's delivery program and the term of the elected council.  However, section 8.8.1 page 144 of the final report states that 'councils should be allowed to determine one residual rating category after considering the nature of such property 222' foot note 222 states 'If a council chooses a different residual category to business, it would need to define what properties fall under the business category in its local area'. To maintain consistency across the industry the definition of Business should be determined and the Local Government Act 1993 amended.
Q.18	Councils report on the value of the exemptions they choose to grant through their annual reports.	Agree in principle. Published data would show the impact on the community due to exemptions being granted. Although there would be some administrative work initially to register and value land currently not held (predominately state owned land) and to update information related to the exemption methodology for each parcel of land that council currently has exempted.  This section of the Act is designed for merged councils where the Minister can set certain percentages for previous council areas. Although this is not restricted to those merged councils within the legislation, it could potentially be used across all NSW councils.	At the start of each rating period, councils calculate the estimated value of rating exemptions within the council area. This information should be published in the council's annual report or otherwise made available to the public.	Agreed with the recommendation of publishing data to show the community of the impact of exemptions being granted. However, we may need the VIO to value some properties to show the impact which could result in additional administrative costs.	At the start of each rating period, councils calculate the estimated value of rating exemptions within the council area. This information should be published in the council's annual report or otherwise made available to the public.	Support. Agree to publish data to show the impact on the community due to exemptions being granted. Although with some exemptions the valuer general would need to supply valuations for those properties not currently valued to calculate proposed impact. This would incur additional costs to Council within the annual VIO fees being charged.	
NA	s450 - Variation to General Income Specify different percentages for different areas of councils.	This section of the Act is designed for merged councils where the Minister can set certain percentages for previous council areas. Although this is not restricted to those merged councils within the legislation, it could potentially be used across all NSW councils.					
NA	s450 (5) Special Provisions for residential sub-categories If a council decides to make different ordinary rates for residential, the council must: (a) publish the reasons for doing so on its website after making the rates, and (b) set out the reasons within the Revenue Policy.	Consider that this is an expected practice and there is no requirement for it to be listed in the Act.  See Q4					
NA	s450 (6) Special Provisions for residential sub-categories The Minister may, from time to time, issue written directions to council concerning: (a) the factors or circumstances that may, or may not be, used by councils to determine a residential sub-category, and (b) matters to be included in reasons published for subsection (5)(a).	See Q4					
Future	Allowing council's general income to rise in line with population growth	No comment required - however, we are aware the Premier has asked IPART to deliver a report recommending a methodology.	TBC	The Local Government Act 1993 (NSW) should be amended so that the growth in rates revenue outside the rate peg is calculated using the formula based on changes in CIV, defined in Box 4.1.  For non-metropolitan councils, this formula would be independent of the valuation method chosen as the basis for setting ad valorem rates.	Support the methodology as it better reflected the growth in properties, population and services linked to the properties. It allowed for average rates per property to be maintained as the property and services grow. We did identify that for those councils that chose to be with UV would need to be maintained to two sets of valuation records.	If Recommendation 1 and/or 2 are supported by the NSW Government, should the Local Government Act 1993 be amended so that the growth in rates revenue outside the rate peg is calculated using the formula based on changes in CIV, as defined by IPART?  OLG Comment: For non-metropolitan councils, this formula would be independent of the valuation method chosen as the basis for setting ad valorem rates.	Support. This recommendation methodology on page 50 of the report better reflects the growth in properties, population and services to those new properties. It will allow for the average rates per property to be maintained as both the properties and services grow. However, it is noted that based on a choice of valuation methodology (recommendation no.2) councils would need to maintain two valuation data sets into the future. This may require enhanced software systems capability.



# Towards a fairer rating system

December  
2020

A consultation guide  
to local government  
rating reform



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## MESSAGE FROM THE MINISTER FOR LOCAL GOVERNMENT

As foreshadowed at the Local Government NSW Annual Conference, I am delighted to release an Exposure Draft of the *Local Government Amendment (Rating) Bill 2020* to implement the NSW Government's response to IPART's review of the local government rating system.

The release of this Bill for consultation represents a milestone in the Government's reform agenda to ensure a fairer and more flexible rating system for councils and ratepayers across NSW.

This consultation guide, *Towards a Fairer Rating System*, has been released to explain the proposed changes and assist councils and others to provide feedback by the February 5 deadline.

The Government is committed to providing greater flexibility in the current rating system to improve distribution of the rating burden in local communities. This will to make rates fairer and help councils cater for population growth and infrastructure costs.

Whilst some will want us to go further, these sensible adjustments to the rating system are the first step to help ensure councils have a stable and reliable revenue base to deliver services for their communities and that ratepayers pay a fairer contribution.

I am now seeking feedback on this Bill from councils, communities and other interested individuals and organisations to help us understand whether we have struck the right balance. Your responses will be carefully reviewed as the final Bill is prepared for introduction to Parliament early next year.

I encourage you to have your say by reading this Consultation Guide, together with the Exposure Draft Bill, and answering the targeted questions, as well as providing any further, general feedback.

Your responses will be carefully reviewed as a final Bill is prepared for introduction. It is important that we hear from councils, communities and as many other interested individuals and organisations as possible.

I look forward to hearing your views.

The Hon. Shelley Hancock MP  
**Minister for Local Government**

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## Introduction

At the request of the former NSW Premier, the Independent Pricing and Regulatory Tribunal (IPART) undertook a significant review of the local government rating system in NSW. The purpose of this review was to identify how to improve the equity and efficiency of the rating system, in order to enhance councils' ability to implement sustainable fiscal policies over the long term.

On 18 June 2020, the Government released its [Final Response](#) to IPART's [Final Report](#). This response acknowledged that local government and the communities they serve need to have a more flexible rating system, whilst ensuring rates are applied fairly and more equitably to local communities. It also committed to reforming the rating system to address issues identified during the review.

To deliver on the Government's commitments, a Bill has been prepared to seek to amend the *Local Government Act 1993* (the Act). Through this Bill, the Government proposes to implement the key reforms from its response in a way that is fair and reasonable for both councils and ratepayers.

To make sure we get the details right, an Exposure Draft of the Bill, together with this consultation guide, *Towards a Fairer Rating System*, have been released for public consultation. This provides a further opportunity to obtain essential feedback from councils, communities and other interested individuals and organisations until **COB 5 February 2021**.

The Government will introduce the Bill into Parliament in early 2021. In part, this will enable councils formed in 2016 to take up options provided by greater rating flexibility as they prepare for 1 July 2021.

## How to read this paper

The consultation guide has been divided into three sections, beginning with a short section explaining the local government rating system. The following two sections provide an explanation of how the Government is implementing its response to the IPART report through the Exposure Draft Bill and other key rating reforms. The three sections are:

- **Section One** – Understanding local government rating
- **Section Two** – the Exposure Draft Bill, and
- **Section Three** – other key rating reforms.

Sections two and three set out each of the Government's commitments, including background information, and a summary of how it is proposed to implement that commitment.

## How to have your say

First, read the [Privacy Notice](#) online or at [Appendix A](#), which explains the personal information being collected through this consultation. To provide feedback, you will need to provide some information about yourself and whether you are responding as an individual or on behalf of an organisation.

Importantly, specific consultation questions are also posed to obtain your feedback on key issues, and you are able to provide general comments if you have other feedback to provide. Feedback can be provided via an online submission form, located on Office of Local Government (OLG) website, [www.olg.nsw.gov.au](http://www.olg.nsw.gov.au). You do not need to answer every question and can skip to sections of interest.

Alternatively, an identical feedback form is provided at **Appendix A** to this Consultation Guide. This form allows you to respond to the targeted consultation questions and make any further general comments. You are able to post or email the completed form **by COB 5 February 2021** to:

Office of Local Government, NSW Department  
of Planning, Industry and the Environment  
*Towards a Fairer Rating System*  
Locked Bag 3015  
Nowra NSW 2541

[olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au)

## Executive Summary

The NSW Government is committed to implementing a package of reforms to ensure the rating system is equitable and responsive to changing community needs. This package comprises those recommendations made by IPART in the [Final Report](#) on its local government rating system review of that were accepted by the Government in its [Final Response](#).

Most of these reforms require amendments to the *Local Government Act 1993*, which sets out how councils may levy rates from property owners. Other reforms will be implemented by change to regulations and by issuing new guidance.

### Local Government Amendment (Rating) Bill 2020

A Bill to make these amendments has been prepared – the *Local Government Amendment (Rating) Bill 2020* (the Bill). If passed by the NSW Parliament, this Bill would:

- allow seventeen councils created in 2016 to gradually harmonise rates over four years, to protect ratepayers from excessive and sudden rate rises
- allow councils to levy special rates above the rate peg for infrastructure jointly funded with other levels of government without IPART approval
- create a new rating category for environmental land for properties that cannot be developed

- allow councils to create more flexible residential, business and farmland rating subcategories to enable them to set fairer rates
- allow councils to create separate rating subcategories for vacant residential, business and mining land to provide additional flexibility for councils to tailor rates for local communities
- remove the rating exemption for land subject to new conservation agreements and allow it to be rated under the new environmental land category
- allow councils to choose whether to exempt certain land from special rates for water and sewerage
- require councils to publicly report the value of any rating exemptions they choose to grant
- limit postponement of rates on rezoned land and let councils decide whether to write off any debts, and
- allow councils to sell properties for unpaid rates after three years rather than five years.

Through the Bill, the Government proposes to implement the key reforms in a way that is fair and reasonable for both councils and ratepayers. An Exposure Draft of this Bill has been released, together with this consultation guide to explain the proposed changes and to seek public feedback.

## Other key rating reforms

The rates reform package also includes measures that do not rely on legislative amendments. As part of the Final Response to the IPART rating review, the Government committed to aligning rating income growth with population growth within the rate pegging system. This will help councils provide for growing communities while still protecting residents from sudden, excessive rate rises.

To kick-start this reform, the Minister for Local Government, with the approval of the Premier, has asked IPART to recommend a new rate peg methodology that allows the general income of councils to be varied annually in a way that accounts for population growth. This is consistent with the Productivity Commission's recommendations on its review of the infrastructure contributions system. The Government will not consider any further changes to the rate peg or allowable income at this time.

In addition, the Government supported IPART's recommendation that any difference between mining and business rates should primarily reflect differences in the councils' costs of providing services. This will be implemented through future guidance to the local government sector rather than legislation.

Finally, it is proposed to not progress any change to the residual rating category arrangements, and to limit the requirement for councils to report the value of exemptions to only those they choose to grant each year.

## Next steps

The Office of Local Government will receive feedback from councils, local communities and other interested individuals and organisations until **COB 5 February 2021**.

After making any changes in response to this feedback, the Government will introduce the Bill into the Parliament in early 2021. In part, this will enable councils formed in 2016 to take up opportunities provided by greater rating flexibility as they prepare to harmonise rating structures from 1 July 2021.



# Proposed Rating Reforms

## Section One – Understanding local government rating

### Ordinary and special rates help to fund council services

Local councils provide important services and facilities to communities across NSW. These are as varied as community services, local road construction and maintenance, sporting and recreational facilities, planning, environmental protection and waste recovery and disposal.

The *Local Government Act 1993* (the Act) and Local Government (General) Regulation 2005 set out how councils levy rates from property owners (ratepayers).

To pay for services, councils must levy property owners in their area for ordinary rates and may also apply additional special rates in certain circumstances. Some types of properties are wholly or partly exempt from paying rates under the Act. Councils also raise revenue by charging user fees, receiving grants, borrowing or other revenue e.g. from fines, developer contributions and interest.

### The rate pegging system restricts councils from increasing their income from rates

Under the Act, the total income that a council can raise from rates each year cannot increase by more than a specific percentage – this is called the ‘rate peg’. The rate peg does not apply to charges for services like waste management, water, sewerage and stormwater.

The Independent Pricing and Regulatory Tribunal (IPART) determines the rate peg that applies to councils’ general income each year. For the 2020/21 financial year IPART set the rate peg at 2.0%.

Councils can apply to IPART for a ‘special variation’ to increase their general income above the rate peg, e.g. to provide further services, replace ageing assets or improve financial sustainability.

### Councils can determine which rates apply to different property types in consultation with local communities

The Act enables councils to determine different ordinary rates for residential, business, mining and farmland properties (the four rating categories). Councils can choose how they calculate and distribute rates among the properties in these categories.

Council decides which category each property should be in based on its characteristics and dominant use. Councils can also choose to create certain subcategories within each of these four categories, and to apply different rates to properties in each subcategory.

### Councils must undertake rate setting as part of their Integrated Planning and Reporting (IP&R)

Councils must set a Revenue Policy each year as part of their Operational Plan. This sets out the combination of rates, charges, fees and pricing policies that will be applied to fund the services it provides to the community. It also contains a rating structure that determines rates and charges each type of ratepayer will pay, and how they will be calculated. Councils must consult on this structure as part of setting their annual Operational Plan and budget before it is finalised.

### Councils can choose to apply rates to unimproved land values in different ways

Rates are calculated on the value of the land only, and do not factor in any improvements, such as buildings. For each rating category or sub-category, rates can be calculated based on:

- the (unimproved) land value of the property times the ***ad valorem*** (a rate in the dollar)
- a combination of the land value and a fixed rate per property (**base amounts**), or
- on the land value, but with each property paying at least a set amount (**minimum rates**).

The Act applies some restrictions however, for example – councils must calculate residential rates for all properties with a single ‘centre of population’ in the same way.

Land values are determined by the Land and Property Information Division of the Department of Finance and Services on behalf of the NSW Valuer General.

## Section Two – the Local Government Amendment (Rating) Bill 2020

### 1 ALLOWING GRADUAL RATES HARMONISATION

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 13	s.506, s.508	On assent

#### The Government's commitment

In 2017, the *Local Government Act 1993* (the Act) was amended to 'freeze' the rates path of new councils created in 2016 for a period of four years. This was to ensure that their ratepayers would pay the same rates as they would have if the council had not merged for this initial period only.

In 2019, the Act was amended so that the Minister could allow councils formed in 2016 a further year to harmonise their rates, until 1 July 2021, to allow an additional year for this process. Ultimately, seventeen of the twenty relevant councils took up this option, so that the rates path freeze will now end for their communities on 30 June 2021.

At the end of the rates path 'freeze', each council will need to harmonise to a single rating structure – in practice, this means that all residential ratepayers will pay the same rate in the dollar on their properties unless councils choose to charge different rates for different 'centres of population'. At present, the Act only permits councils to harmonise rates across their area in a single financial year, being 2021/22

As part of its response to IPART's review, the Government agreed to IPART's recommendation to allow new councils to gradually harmonise rates across their former council areas over time. IPART suggested that rates increases be limited to 10% a year.

#### The proposal in the Bill

It is proposed that each council formed in 2016 have the option to gradually harmonise new rates for residential and farmland rates from 2021-2022 over four years. Those councils and communities that do not wish to gradually harmonise over the four-year period would still be able to harmonise their rates all at once in 2021-22.

Councils that take up the gradual harmonisation option will need to apply no more than 50% of the total increase in rates at the rating category level over the period, in any one of the four financial years. Importantly, councils that choose to harmonise gradually will be required to set out their intended approach over the full four years in their IP&R documents.

The proposed four-year period is designed to allow for gradual change, while setting a reasonable period to limit how long some ratepayers are subsidising others. It also takes into account both an unusual three-year council term, with elections in 2021 and 2024, as well as the fact that all land is to be revalued before rates are levied for 2023-24.

Rather than setting a maximum percentage increase each year, it is proposed to allow affected councils to set rates each year according to community needs and prevailing economic conditions. This allows councils with different legacy rating structures to harmonise in consultation with their communities according to local circumstances and conditions, under the IP&R framework.

The proposed '50% in any one year' cap will ensure that councils that choose this option take a gradual approach that protects ratepayers against sudden and excessive rate rises in any specific year. This will not,

however, preclude rates from increasing due to changes in land valuation, special rates or any special variation.

#### Consultation question/s

**1. Are you from a local government area newly formed in 2016 that has not yet harmonised rates?**

☐ Yes

☐ No

**2. Do you agree with the proposal to enable relevant councils to gradually harmonise rates across their former council areas over four years?**

☐ Yes

☐ No

☐ Neutral

**Comment:**

## 2 ALLOWING COUNCILS TO LEVY SPECIAL RATES FOR JOINTLY FUNDED INFRASTRUCTURE

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 8	s.495	By proclamation

### The Government's commitment

Under the Act, councils can levy special rates, in addition to ordinary rates, on any subset of rateable land in its area to meet the costs of delivering additional works, services, facilities or activities to ratepayers. This is limited, however, to funding local government functions.

Councils are increasingly entering into arrangements to jointly fund infrastructure projects with the NSW Government and the Australian Government. To generate additional revenue to contribute to these projects, which may be a condition of the project going ahead, councils are applying to IPART for a special variation. This imposes a high regulatory burden that extends timeframes and can deter councils from helping to deliver projects that benefit their local communities.

The Government is committed to establishing an equitable and effective funding framework for infrastructure associated with development, and, ensuring that growing communities have adequate and effective infrastructure needed to support that growth.

The Government therefore supported IPART's recommendation that councils be able to levy a new type of special rate for new infrastructure, where it is of clear benefit to the community, jointly funded with other levels of government.

### The proposal in the Bill

It is proposed to clarify that special rates may be levied to pay for goods, services and infrastructure that are not covered by chapters 5-6 of the Act if the specific purpose of the special rate is to co-fund or contribute to infrastructure or services being jointly provided with another level of government.

Income from this special rate will not form part of a council's general income under the rate peg and councils will not need to seek IPART's approval before levying the special rate.

Importantly, councils will be prevented from levying a special rate for costs that are being met by a developer under the infrastructure contributions framework or by another funding arrangement. Special rates must only be used for the purpose for which they are levied.

Before applying this special rate, a council will need to consult its community through IP&R about anticipated benefits of the project and special rate, anticipated total project costs, council's contribution to those costs, the contributions to be made by others, the total special rate that would be levied, and how, and for what time period, the rates are to be levied.

Councils will also need to provide information in their annual reports on project outcomes, actual costs to council of this project, costs reported by other parties (where available) and the total revenue generated by the special rate. Where this differs from a council's initial estimates, an explanation is to be provided. The intention is to create a monitoring and reporting framework that maximises transparency, public accountability and community benefit from these special rates.



**Consultation question/s**

**3. Do you agree with the proposal to allow councils to levy special rates for jointly funded infrastructure?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

### 3 INCREASING FLEXIBILITY THROUGH NEW RATING CATEGORIES AND SUBCATEGORIES

#### 3.1 Allowing councils to set different residential rates in contiguous urban areas

IPART recommendation	Key sections of the Act	To come into effect
Recommendations 10-12	ss.529-530	On assent

##### The Government's commitment

Currently, the Act prevents councils from applying different residential rates on properties within a single 'centre of population.' This is difficult to apply in practice and has effectively prevented councils in urban areas, like Greater Sydney, from setting different rates in different locations across their local government area, as occurs in regional and rural NSW.

Given this, IPART recommended councils be able to set different residential rates in contiguous urban areas, but only where there is on average, different access to, demand for, or cost of, providing services and infrastructure. It proposed that councils use geographic markers to define these areas, including postcodes, suburbs, geographic features (e.g. waterways, bushland) and/or major infrastructure (e.g. arterial roads, railway lines).

Importantly, IPART also recommended that a limit apply so the highest rate structure is no more than 1.5 times the average rate structure across all residential subcategories (i.e. so the maximum difference between the highest and average rates, including *ad valorem* rates and base amounts, is 50%) except any new vacant land subcategory (see 3.4 below). To exceed this limit, councils would need to seek IPART approval.

The Government believes that councils should be able to explore different options to distribute the rating burden more equitably, in consultation with their communities, and supports enabling greater use of differential rating in urban areas. It supported these recommendations 'in principle'.

## The proposal in the Bill

It is proposed to allow councils to create different rating subcategories for residential land in contiguous urban areas, while also continuing existing provisions that allow different residential rates to be set by 'centre of population', as used by regional and rural councils.

Under the proposal, a council may only set different residential rates in a contiguous urban area if there is on average, different access to, demand for, or cost of, providing services and infrastructure.

For this purpose, 'contiguous urban area' will capture a portion of an area that is urban in nature and comprises residential land where the properties within that area, taken together, are not entirely separated by land that falls within other rating categories.

Further, in these cases, councils will be required to use geographic names published by the Geographical Names Board to objectively define different residential areas to which to apply different residential rates, rather than being enabled to simply draw 'lines on a map'.

A limit will also apply so the highest rate structure is no more than 1.5 times the average rate structure across all residential subcategories, with the capacity to change this ratio in future by regulation. "Average rate structure" includes *ad valorem* amounts, minimum rates and/or base amounts, as relevant. To exceed this limit, councils would need to seek the Minister's approval.

Councils will be required to undertake community consultation under IP&R, in determining residential rating subcategories, setting rates for each subcategory and making any future amendments to these arrangements. Councils will also be required to publish the different rates and their rationale for charging different rates in their Revenue Policy.

The Minister will be able to issue guidelines that must be followed by councils in setting these rates, including how the provisions may be used appropriately by councils.

### Consultation question/s

**4. Do you agree with the proposal to allow for different residential rates in contiguous urban areas?**

- ☐ Yes  
☐ No  
☐ Neutral

**Comment:**

**5. Do you agree with the proposal to limit the highest rate structure across all residential subcategories to no more than 1.5 times the average rate structure?**

- ☐ Yes  
☐ No  
☐ Neutral

**Comment:**

### 3.2 Creating a new rating category for environmental land

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 29	s.493, s.514, s.518, s.529	By proclamation

#### The Government's commitment

Under the Act, before making an ordinary rate, a council must have declared each parcel of rateable land in its area to be within one of four rating categories – farmland, residential, mining or business. If a parcel of land does not fall within the residential, farmland or mining rating categories, it is treated as business land (the residual category).

There are concerns that these four rating categories are not sufficient to ensure that specific types of land are being rated at an appropriate level. In particular, IPART heard that this has resulted in land that cannot be developed, and therefore not falling with the residential, farmland or mining land categories, being rated as business land. As a result, a higher rate is often levied.

IPART recommended that a new, fifth rating category be created for environmental land to provide for appropriate rating of land that cannot be developed due to geographic or regulatory restrictions. The Government accepted this recommendation 'in principle', noting that it closely relates to IPART's further recommendation (No. 18) in relation to conservation agreements (see further below at 4.1).

#### The proposal in the Bill

It is proposed to create a new rating category for environmental land, and to define *environmental land* as that:

- for which current and future use of the land is constrained as it:
  - has limited economic value relative to its size and location, or
  - cannot be developed, or
  - has low development potential for a business, residential or farming activity, and
- is subject to *geographic restrictions* or *regulatory restrictions*.

It is proposed that, in determining whether land cannot be developed or has low development potential, councils must have regard to factors including the zoning of the land under the EP&A Act and regulations and relevant instruments, and any other matter prescribed by regulation.

It is also proposed that *geographic restrictions* include, but not be limited to, the presence of significant water areas, mud flats, swamps, marshlands, steep slopes and other terrain on which residential or commercial development is virtually impossible due to physical limitations.

Further, it is proposed that *regulatory restrictions* be defined as laws or other permanent constraints imposed or agreed to in relation to the land that prevent development. This would include, but not be limited to, restrictions due to the land being subject to an *environmental agreement or instrument* prescribed by regulation, and being not otherwise exempt from rates.

Where a parcel of land is determined to be mixed use land, like rating of business land, councils will be able to apportion rates based on the portion of the land that falls within each rating category, as currently set out under the *Valuation of Land Act 1916*. This is currently not provided for under that law. Comment is sought on the manner of determining the apportionment of rates where a parcel of land could properly be categorised as environmental and the remainder could be categorised under one or more other rating category.

It is also proposed that, as for land in other rating categories, councils may create subcategories for environmental land to allow different environmental land rates to be set.

For this purpose, it is proposed that councils be enabled to create different rating subcategories based on whether or not there is a conservation agreement or similar instrument in place, and/or, based on geographic location.

Where a council chooses to rely on geographic location to create subcategories, it will need to define the different residential areas by reference to geographic names published by the Geographical Names Board, rather than by drawing 'lines on a map'.

#### Consultation question/s

**6. Do you agree with the proposal about how to create a new rating category for environmental land, including how environmental land is proposed to be defined?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

**7. Do you agree that a portion of land that is subject to a conservation agreement or other similar instrument should be categorised by councils according to the proposed definition of environmental land?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**



### 3.3 Enabling different business rates to be set for industrial land and commercial land

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 30	s.529	By proclamation

#### The Government's commitment

Currently, the Act only allows councils to create different categories of business rates according to whether business land falls within a 'centre of activity'. This is essentially, therefore, limited to location, rather than the activities taking place on each property. It also means that, where businesses are not clustered together, they are most often only charged a general business rate.

IPART recommended, and the Government supported, changing this so that different rating subcategories can also be created for land where industrial and commercial activities are occurring.

This recognises that land where these activities take place typically have different access to, demand for or cost associated with providing council services and infrastructure. It also recognises that these parcels of land may, or may not, be clustered together within a local government area.

#### The proposal in the Bill

It is proposed that councils be given the option of setting different rates for business land based on whether it is industrial or commercial land. This would apply in addition to maintaining the current option of setting different rates based on whether there is a 'centre of activity'.

It is proposed that councils that choose to take up this option determine whether business land is industrial or commercial, as necessary, based on whether industrial activities are predominantly taking place. This approach means that property zoning is relevant but not determinative for rating purposes, as intended by IPART, and creates a clear approach for councils and ratepayers that can be updated as necessary over time.

It is further proposed that, if the 'dominant' activity conducted on a parcel of land does not fall within a list of *industrial activities* prescribed in regulations, they may be categorised as commercial. Activities which may be prescribed as industrial include, for example, manufacturing, warehousing, abattoirs and works depots.

#### Consultation question/s

##### 8. Do you agree with the proposal about how to enable different business rates for industrial and commercial land?

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

### 3.4 Enabling different rates for residential, business or mining land that is vacant

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 31	s.519, s.529	By proclamation

#### The Government's commitment

Under the Act, before making an ordinary rate, a council must have declared each parcel of rateable land in its area to be within one of four rating categories – farmland, residential, mining or business. As above, it is now proposed to create a fifth rating category for environmental land (see 3.2).

At present, councils must rate a parcel of land as residential, farming or mining land if it determines the land falls within one of those categories whether or not it is vacant. If the land does not clearly fall into one of these categories, council must rate it according to its designated use under an environmental planning instrument or, in the absence of such an instrument, based on the predominant surrounding land.

In either case, councils are not permitted to rate land differently because it is vacant. For example, an empty block of land in a residential estate is charged the same rate as the houses in the estate.

IPART recommended that, after completing the current rating categorisation process for vacant land, councils be able to set a different rate for vacant land to that set for other land in the same rating category for residential, business and mining land.

The Government has accepted this recommendation, which would provide additional flexibility for councils to tailor their rates to the needs of local communities.

#### The proposal in the Bill

It is proposed to give effect to this reform by allowing councils to create rating subcategories for vacant land within the residential, business or mining land categories. This type of rating subcategory will not be able to be created for environmental or farming land.

In determining whether a parcel of land is vacant, a council will need to have regard to factors including whether the land has a *substantial and permanent* structure. For this purpose, a building or other structure may be considered substantial and permanent if it is:

- significant in size or value
- not incidental to the purpose of another structure or proposed structure
- not related to, reliant on, or existing to support use or function of a structure, and
- fixed and enduring, rather than built for a temporary purpose.

These proposed factors build on relevant aspects of the approach taken by the Australian Tax Office definition of vacant land for income tax purposes.

It is also proposed to provide guidance to councils about:

- how councils may determine whether a specific parcel of land is to be treated as vacant land and, where relevant, to which rating category it belongs
- factors councils should take into account in setting the rate to be paid for vacant land, and
- how high or low the rate for vacant land should be relative to the principal rating category.

**Consultation question/s**

**9. Do you agree with the proposal to allow subcategories for vacant land to be created for residential, business and/or mining land, including the proposed factors set out above?**

☐ Yes

☐ No

☐ Neutral

**Comment:**

### 3.5 Allowing different farmland rates to also be set based on geographic location

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 32	s.529	By proclamation

#### The Government's commitment

Currently, councils can only sub-categorise farmland according to intensity of land use, 'irrigability' of the land or economic factors affecting the land.

Concern has been raised that, while some regional and rural councils are able to rely on these factors, it is inflexible, subjective and difficult to apply in many local government areas in an equitable way. IPART found that the majority of councils with farmland properties do not create subcategories and are applying a single rate even if there are substantial differences in the intensity of farming.

IPART therefore recommended that councils should be able to set different farmland rates based on geographic location. This reflects the view that location-based rating for farmland, like residential and business land, can better reflect access to council infrastructure and services as well as the productivity of land. It suggested that areas may be defined by locality or geographical markers (such as a riverbank or escarpment) or major infrastructure (such as a highway).

The Government supported this recommendation. This will allow councils flexibility to more fairly distribute the rating burden by creating rating subcategories that better reflect productivity, are easier to assess and may be more likely to reflect access to council services by landholders.

#### The proposal in the Bill

It is proposed that councils be given the option of setting different rates for farmland based on geographic location. If this option is chosen, councils will need to:

- create subcategories by reference to the geographic names published by the Geographical Names Board rather than drawing 'lines on a map', and
- have regard to certain matters prescribed by regulation in creating subcategories for farmland and determining rates to be levied for each geographic location.

This new option would apply in addition to maintaining the current option of setting different rates based on intensity of land use, 'irrigability' or economic factors affecting the land. This approach is intended to minimise disruption for councils in regional and rural NSW with rating structures that rely on the current provisions.

Relevantly, the new approach to creating rating subcategories for farmland may also be utilised by relevant councils to assist with harmonisation, or, to maintain current farmland rating structures across their former council areas, should they choose to do so, in consultation with their communities.

#### Consultation question/s

**10. Do you agree with the proposal to enable councils to also set farmland rates based on geographic location?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**



## 4 CHANGING SPECIFIC EXEMPTIONS FROM ORDINARY AND SPECIAL RATES

### 4.1 Removing mandatory rates exemptions for land with new conservation agreements

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 18	s.529, s.555, s.558	By proclamation

#### The Government's commitment

Under the Act, land subject to certain conservation agreements is exempt from all rates. This exemption was introduced to provide a financial incentive for land holders to enter into agreements for future conservation which impose costs and reduce the development potential of their land.

Over a period of time, different types of conservation agreements and similar instruments have been created and used to manage potential impacts of proposed developments on native species, cultural heritage or to address other environmental, community or development-based concerns. Some of these arrangements are exempt from rates while others are not.

IPART recommended removing rating exemptions for private land with conservation agreements and that councils rate the land under the new environmental land rating category (see above at 3.2). This reflected the finding that these parcels of land should not always be exempt from rates as owners have exclusive possession, derive private benefits, use services and impose other costs on the council and broader community.

The Government accepted IPART's recommendation in part, subject to further consultation on issues with respect to the range of agreements in force and the preservation of environmental, historical and Aboriginal cultural heritage outcomes.

#### The proposal in the Bill

It is proposed that there no longer be a mandatory rating exemption for private land for which a new conservation agreement is entered into after this reform comes into effect.

Instead, these properties will be categorised for rating purposes by the relevant council and may be rated under the new environmental land rating category. Further, as set out above at 3.2, councils will be permitted to create rating subcategories, and therefore to set different rates for environmental land based on whether or not there is conservation agreement or other instrument prescribed by regulation.

Importantly, to ensure fairness for parties to existing conservation agreements, it is proposed that those lands that currently benefit from this exemption continue to do so. This maintains a significant financial incentive that was taken into account by land holders when deciding whether to enter into an agreement which, in the vast majority of cases, is now binding on themselves and future owners.

**Consultation question/s**

**11. Do you agree with the proposal to remove the requirement for councils to apply a rating exemption for land subject to new conservation agreements?**

☐ Yes

☐ No

☐ Neutral

**Comment:**

## 4.2 Removing certain mandatory exemptions from special rates for water and sewerage

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 24	ss.555-558	By proclamation

### The Government's commitment

Some councils are responsible for providing water and sewerage services, particularly in regional and rural NSW. To fund these services, in addition to regular service charges, councils may levy special rates as a fee for service, in addition to ordinary rates. These special rates appear on rates notices.

Under the Act, councils are prevented from levying special rates for water and sewerage on the whole, or part, of a range of specific types of property, including:

- Crown land not leased for a private purpose
- land within a National Park, historic site, nature reserve, state game reserve or karst conservation reserve, whether or not the land is affected by a lease, licence, occupancy or use,
- land that is subject to a conservation agreement
- land that is vested in, owned by, held on trust by or leased by the (now) Biodiversity Conservation Trust
- land that is within a special area or controlled area for Sydney Water that is either Crown land or land vested in Sydney Water
- land that is within a special area for Hunter Water that is Crown land or vested in Hunter Water
- land that is vested in or owned by Water NSW that is in, on or over which water supply works are installed
- land that is within a special area for a water supply authority that is Crown land or vested in that authority

- land that belongs to a religious body and is occupied and used in connection with:
  - a church or other building used or occupied for public worship, or
  - a building used or occupied solely as the residence of a minister of religion in connection with any such church or building, or
  - a building used or occupied for the purpose of religious teaching or training, or
  - a building used or occupied solely as the residence of the official head and/or the assistant official head of any religious body in NSW or any diocese in NSW,
- land that belongs to and is occupied and used in connection with a government school, non-government school or certain schools with exemptions under s.78 of the *Education Act 1990*
- a playground that belongs to and is used in connection with the school, and
- a building occupied as a residence by a teacher, employee or caretaker of the school that belongs to and is used in connection with the school,
- land that is vested in the NSW Aboriginal Land Council (ALC) or a local ALC if it is declared under the *Aboriginal Land Rights Act 1983* to be exempt from rates,
- land vested in or owned by Residual Transport Corporation NSW or a public transport agency and in, on or over which rail infrastructure facilities are installed,

- land vested in or owned by Transport Asset Holding Entity of New South Wales and in, on or over which rail infrastructure facilities are installed,
- land that is vested in or owned by Sydney Metro and in, on or over which rail infrastructure facilities are installed, and
- land below the high-water mark used for aquaculture relating to the cultivation of oysters.

Under the Act, councils are also able, but not required, to choose to exempt other types of land from these types of special rates – this includes, for example, public reserves, hospitals and charities.

IPART found that it may not be appropriate for some parcels of land that fall within the above list to be exempt from paying special rates for water and sewerage as they would receive these services for free with significant private benefit. Instead, IPART recommended that the Government allow councils discretion to choose whether to exempt these properties from special rates. The Government accepted this recommendation.

It is understood, however, that in practice very few councils in regional and rural NSW levy special rates for water and sewerage, as compared to annual or service charges.

### The proposal in the Bill

It is proposed that councils be able to choose whether to exempt those properties listed above from special rates, noting that these special rates are unlikely to be applied.

Importantly, it is intended that the Government provide guidance to any councils levying special rates about how best to exercise their discretion in relation to whether to continue to exempt specific types of land that were previously required to be exempt from these special rates. This guidance may specify relevant factors to consider, for example, the type of land, the land's permitted use, the land's actual use/s and access to relevant council infrastructure and services.

### Consultation question/s

**12. Do you agree with the proposal to remove certain mandatory exemptions from special rates for water and sewerage?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

## 5 IMPROVING PUBLIC CONFIDENCE IN THE RATING SYSTEM

### 5.1 Narrow scope to postpone rates and let councils choose whether to write them off

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 40	s.585, s.595	By proclamation

#### The Government's commitment

Under the Act, a ratepayer is able to postpone paying higher rates if their land is rezoned, the rates payable increase after rezoning and the ratepayer does not intend to redevelop the land according to the new land uses that are permitted under the new zoning. Further, councils are required to write-off any rates and accrued interest postponed under this process after five years.

This postponement option allows people to retain properties with higher permitted uses without paying higher council rates. It is available to land consisting of a single dwelling house or rural land zoned to allow subdivision and applies to both ordinary and special rates.

IPART found that the cost to councils of administering postponement arrangements is high and is inconsistent with the taxation principles of simplicity, efficiency and equity. In particular, the postponement option:

- does not acknowledge the wealth gained in land value from rezoning
- does not recognise that the increased rates are a small proportion of the increased value of the land asset, and
- acts as a disincentive to develop land and does not promote growth and urban renewal.

IPART therefore recommended that the option to postpone rates in these circumstances should be removed, and that councils no longer be required to write-off postponed rates after five years. This would not affect the continuing ability for ratepayers to apply for rates relief on hardship grounds. The Government accepted this recommendation.

#### The proposal in the Bill

It is proposed to provide appropriate limits on the postponement of rates. These include:

- limiting who can postpone rates to those ratepayers that would face substantial hardship as a result of paying the higher rates attributable to rezoning
- restricting the amount of rates that can be postponed under the postponement of rates provisions to the difference between the rate applied under the former zoning, and the amount that will apply under the new zoning, and
- removing the requirement for councils to write off postponed rates after five years, while still giving them flexibility to do so in appropriate circumstances.

The Government understands that, if the provisions in relation to the postponement of rates were simply removed, ratepayers may face significant rate increases and, if unable to pay, may need to sell their properties.

These proposals are designed to limit the potential significant financial impact for some owners of properties when they face a zoning change in relation to their land. The proposals also acknowledge potential hardship for some of these ratepayers, particularly owner occupiers of residential or rural residential land already facing financial stress.

Importantly, to ensure fairness, it is proposed that those ratepayers that currently benefit from such an arrangement, or have applied to do so, continue to do so under the current provision after the reform comes into effect.



The Government believes that these proposals will create a fairer rates postponement framework that enables ratepayers needing to postpone rates for legitimate reasons to do so,

while enabling councils to collect much needed rates to meet the cost of services provided to that land, and to lessen the burden on other ratepayers.

**Consultation question/s**

**13. Do you agree with the proposal to restrict who can seek postponement of rates?**

- ☐ Yes  
☐ No  
☐ Neutral

**Comment:**

**14. Do you agree with the proposal to remove the requirement to write off rates debts?**

- ☐ Yes  
☐ No  
☐ Neutral

**Comment:**

## 5.2 Allow councils to sell properties for unpaid rates after three years

IPART recommendation	Key sections of the Act	To come into effect
Recommendation 36	s.713	On assent

### The Government's commitment

Under the Act, a council may seek to sell a property that is not vacant to recover the cost of rates and charges, including interest, that remain unpaid after five years in certain circumstances. Specific provisions set out when properties may be sold and the process that must be followed by councils.

IPART recommended that the period of time after which these properties may be sold should be reduced from five years to three years. The Government accepted this recommendation, which is designed to improve the simplicity of the rating system, bring NSW in line with other States, and is likely to reduce costs and delays currently experienced by councils in recovering outstanding rates.

### The proposal in the Bill

It is proposed that councils be permitted to seek to sell properties that are not vacant for unpaid rates and charges after 3 years rather than 5 years.

This would apply from the date of commencement of the provision and would not apply in respect of properties for which a ratepayer already owes unpaid rates and/or charges to council at that time.

Importantly, the *COVID-19 Legislative Amendment (Emergency Measures-Miscellaneous) Act No.2 2020* currently operates to prevent councils from commencing legal action to recover rates and charges for six months unless certain specific matters have been considered.

This temporary measure was put in place to help households that are under significant pressure to remain sustainable during the COVID19 pandemic and as steps towards economic recovery begin. It is therefore not intended to commence these new provisions while this temporary measure remains in place.

### Consultation question/s

**15. Do you agree with the proposal to enable councils to sell properties for unpaid rates after 3 years?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

## Section Three – Other rating reforms

### 1 ALLOWING COUNCILS' GENERAL INCOME TO RISE IN LINE WITH POPULATION GROWTH

#### The Government's commitment

The Minister, under the Act, may specify the percentage by which councils' general income may be varied for a specific year – the 'rate peg'. IPART performs this function under delegation.

IPART has traditionally calculated the Rate Peg by reference to the Local Government Cost Index (LGCI) and improvements in productivity (a productivity factor). The LGCI measures price changes for operational inputs—including labour—used by an average council over the previous year. This overall approach to calculating the rate peg has been in place since 2010.

IPART does not take into account, directly or indirectly, the differing impacts of population growth between councils in setting the rate peg. Instead, the current methodology implicitly assumes that the cost of serving each ratepayer will be, on average, the same, or that a special rate may be levied in areas where serving groups of ratepayers involve higher and special costs. Alternatively, councils may apply to IPART for a Special Rate Variation to levy rates above the rate peg.

While this rate peg model means that council areas with higher populations can levy a greater number of ratepayers and, therefore, will have higher revenue, it is not able to take into account that certain types of residents associated with population growth (such as young families) increase demand for services more than the same number of residents in an established area, and that councils often face these costs before the future ratepayers can begin to pay for them.

The Government has committed to allowing councils to align their income with population growth. This will be achieved by adjusting how the rate peg is calculated. This will help to

ensure that adequate local infrastructure and services are provided in local government areas with growing populations.

#### How this reform will be delivered

The Minister for Local Government, with the approval of the Premier, has asked IPART to deliver a report recommending a rate peg methodology that allows the general income of councils to be varied annually in a way that accounts for population growth. Terms of Reference have already been provided to IPART for this review, which is expected to be completed within nine months.

The Terms of Reference for IPART's review clarify that the methodology proposed by IPART should not negatively impact the income growth that councils with stable or declining populations would have achieved under a rate peg calculated using the LGCI and productivity factor. They also state that the Government will not consider further change to the rate peg or maximum allowable income at this time.

In undertaking the review, IPART has been asked to have regard to matters including:

- the Government's commitment to protecting ratepayers from sudden or excessive rate rises, while improving the financial sustainability of local government
- ensuring the rate peg model can be understood by councils and the communities they serve
- the differing needs and circumstances of councils and communities in metropolitan, regional, and rural areas of the State, and
- any other matter it considers relevant.

To ensure that this reform may be given effect as simply and clearly as possible, the Bill puts beyond doubt that more than one rate peg can be applied to the local government sector, if required.

## 2 ENCOURAGING COUNCILS TO LEVY RATES ON MINING LAND TO REFLECT ADDITIONAL COSTS

### The Government's commitment

Under the Act, before levying an ordinary rate, a council must have declared each parcel of rateable land in its area to be within one of four rating categories – farmland, residential, mining or business. The council then determines what rate to levy for land that falls in each of these categories.

IPART analysed the rates applied by councils to mining land and found that they varied widely. Further, IPART found that the different rates that applied to land within this category was unlikely to reflect differences in costs of providing council services to these types of properties. Rather, it appeared that some councils may be setting rates based primarily on 'capacity to pay' principles.

In principle, IPART recommended that mining rates should be set, relative to rates for business land, primarily to reflect differences in the cost of providing council infrastructure and services to these properties. The Government accepted this recommendation.

### How this reform will be delivered

This reform will be implemented through guidance rather than seeking to amend the Act through the Bill. This will provide maximum flexibility to make adjustments in future and to cater to the different circumstances of local councils and communities across NSW.

Guidance will be issued to specify that councils should set mining rates, relative to rates for business land, primarily to reflect differences in the cost of providing council infrastructure and services. Further, if a council does apply a higher rate to mining land than business land in a specific financial year, that council should explain, as part of its Revenue Policy:

- how the rate has been set and why, and
- any additional costs in providing services to mining properties.

### Consultation question/s

#### 16. Do you agree with the proposal to implement this reform through guidance?

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

### 3 RETAINING THE RATING CATEGORY FOR BUSINESS AS THE 'RESIDUAL' RATING CATEGORY

#### The Government's commitment

Under the Act, before making an ordinary rate, a council must have declared each parcel of rateable land in its area to be within one of four rating categories – farmland, residential, mining or business. If a parcel of land does not fall within the residential, farmland or mining rating categories, it is treated as business land (the residual category).

IPART noted that using the rating category for business as the residual category may, in some areas, lead to certain properties being more highly rated than is equitable. It therefore recommended that councils should have flexibility to choose a different 'residual' category based on the profile of local properties. The Government supported this recommendation.

#### How this reform will be delivered

Following further consultation and consideration of how each reform of rating categories and subcategories may be implemented by councils, this reform will not be progressed at this time. There is a real risk that allowing alternative residual categories could result in perverse outcomes, inconsistency and uncertainty for councils and ratepayers, particularly given the complexities of categorising and subcategorising land for rating purposes.

#### Consultation question/s

**17. Do you agree with the proposal to retain the business land rating category as the residual category?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**



## 4 REQUIRING COUNCILS TO REPORT THE VALUE OF EXEMPTIONS THEY GRANT EACH YEAR

### The Government's commitment

IPART has identified that councils, generally, do not have a strong indication of the 'cost' of exemptions because they do not affect council's total general income, which is limited by the rate peg. As such, the cost of the exemption is effectively made up for by other ratepayers.

As rates are a tax, this should be as transparent a process as possible so that all parties involved can understand the costs and benefits of providing for exemptions.

With that in mind, IPART recommended that councils publish the estimated value of rating exemptions within their local government area in their annual reports or other information made available to the public. The Government accepted this recommendation, which is designed to improve consistency between councils as well as improving transparency of the rating system for ratepayers.

### How this reform will be delivered

It is understood that most councils do not have ready access to information on the value of all exemptions and that obtaining this information would impose a significant additional burden, particularly where that would require additional land valuations at council expense.

Given this, it is proposed that councils include in their annual report an estimate of the value of those exemptions granted as a result of a decision of that council. This estimate need only be made by applying a simple, prescribed methodology based on information on each parcel of land that is available to council at the time of its decision to grant the rating exemption.

As those matters that must be included in a council's annual report may be prescribed by regulation, this reform does not feature in a provision of the Bill.

### Consultation question/s

**Do you agree with the proposal that councils report on the value of exemptions they choose to grant through their annual reports?**

- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

### Glossary & Abbreviations

<b>The Act</b>	<i>Local Government Act 1993</i>
<b>OLG</b>	Office of Local Government
<b>Regulation</b>	Local Government (General) Regulation 2005
<b>DPIE</b>	NSW Department of Planning, Industry and Environment
<b>IPART</b>	Independent Pricing and Regulatory Tribunal

# Appendix A

## Template feedback form – *Towards a Fairer Rating System* consultation

### Privacy Notice

When you give us your feedback, the Office of Local Government (OLG) in the NSW Department of Planning, Industry and Environment (DPIE) will collect some personal information about you, including:

- your name
- your email address
- the name of your organisation (if provided), and
- any personal information you decide to put in additional 'general comments' fields.

All feedback received through this consultation process may be made **publicly available**. Please do not include any personal information in your feedback that you do not want published.

This information is being collected by OLG as part of the [Towards a Fairer Rating System consultation](#) to help the Government develop a final Bill to amend the *Local Government Act 1993* and supporting regulations, as necessary. As part of that process, we may need to share your information with people

outside OLG, including other public authorities and government agencies. We may also use your email address to notify you about further feedback opportunities or the outcome of consultation.

You should also be aware there may be circumstances when OLG is required by law to release information (for example, in accordance with the requirements of the *Government Information (Public Access) Act 2009*). There is also a Privacy Policy located on OLG's website that explains how some data is automatically collected (such as your internet protocol (IP) address) whenever you visit OLG's website. The link to that policy is <https://www.olg.nsw.gov.au/about-us/privacy-policy/>

### Submitting this completed feedback form

Please print your completed form and mail or email by **COB 5 February 2021** to:

Office of Local Government, NSW Department of Planning, Industry and the Environment  
*Towards a Fairer Rating System*  
 Locked Bag 3015  
 Nowra NSW 2541

[olg@olg.nsw.gov.au](mailto:olg@olg.nsw.gov.au)

### About you

TYPE	PLEASE SELECT ALL APPLICABLE
Council – Metropolitan	
Council – Metropolitan Fringe	
Council – Regional	
Council – Rural	
Council – Large Rural	
Private sector organisation	
Ratepayer	
NSW State agency	
Other	

### FEEDBACK FORM – Towards a Fairer Rating System

Section Two – Local Government Amendment (Rating) Bill 2020	
<b>1. Allowing gradual rates harmonisation</b>	
<b>Q.1.</b>	Are you from a local government area newly formed in 2016 that has not yet harmonised rates?
<b>A.1.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Q.2.</b>	Do you agree with the proposal to enable new councils to gradually harmonise rates across former council areas over four years?
<b>A.2.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>

## 2. Allowing councils to levy special rates for jointly funded infrastructure

**Q.3.** Do you agree with the proposal in relation to levying special rates for jointly funded infrastructure?

- A.3.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

## 3. Increasing flexibility through new rating categories and subcategories

### 3.1 Allowing councils to set different residential rates in contiguous urban areas

**Q.4.** Do you agree with the proposal to allow for different residential rates in contiguous urban areas?

- A.4.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

**Q.5.** Do you agree with the proposal to limit the highest rate structure across all residential subcategories to no more than 1.5 times the average rate structure?

- A.5.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

### 3.2 Creating a new rating category for environmental land

**Q.6.** Do you agree with the proposal about how to create a new rating category for environmental land, including how environmental land is proposed to be defined?

- A.6.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**



<b>Q.7.</b>	Do you agree that a portion of land that is subject to a conservation agreement or other similar instrument should be categorised by councils according to the proposed definition of <i>environmental land</i> ?
<b>A.7.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>
<b>3.3 Enabling different business rates to be set for industrial land and commercial land</b>	
<b>Q.8.</b>	Do you agree with the proposal about how to enable different rates for industrial and commercial land?
<b>A.8.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>
<b>3.4 Enabling different rates for residential, business or mining land that is vacant</b>	
<b>Q.9.</b>	Do you agree with the proposal to allow subcategories for vacant land to be created for residential, business and/or mining land, including the proposed factors set out above?
<b>A.9.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>

### 3.5 Enabling different rates for residential, business or mining land that is vacant

**Q.10.** Do you agree with the proposal to enable councils to also set farmland rates based on geographical location?

**A.10.** ☐ Yes  
☐ No  
☐ Neutral  
**Comment:**

## 4 Changing specific exemptions from ordinary and special rates

### 4.1 Removing mandatory rates exemptions for land with new conservation agreements

**Q.11.** Do you agree with the proposal to remove the requirement for councils to apply a rating exemption for land subject to new conservation agreements?

**A.11.** ☐ Yes  
☐ No  
☐ Neutral  
**Comment:**

### 4.2 Removing certain mandatory exemptions from special rates for water and sewerage

**Q.12.** Do you agree with the proposal to remove certain mandatory exemptions from special rates for water and sewerage?

**A.12.** ☐ Yes  
☐ No  
☐ Neutral  
**Comment:**

## 5 Improving public confidence in the rating system

### 5.1 Narrow scope to postpone rates and let councils choose whether to write them off

**Q.13.** Do you agree with the proposal to restrict who can seek postponement of rates?

- A.13.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

**Q.14.** Do you agree with the proposal to remove the requirement to write off rates debts?

- A.14.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

### 5.2 Allow councils to sell properties for unpaid rates after three years

**Q.15.** Do you agree with the proposal to enable councils to sell properties for unpaid rates after 3 years?

- A.15.**
- ☐ Yes
- ☐ No
- ☐ Neutral

**Comment:**

Section Three – Other rating reforms	
2 Encouraging councils to levy rates on mining land to reflect additional costs	
<b>Q.16.</b>	Do you agree with the proposal to implement this reform through guidance?
<b>A.16.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>
3 Retaining the rating category for business as the 'residual' rating category	
<b>Q.17.</b>	Do you agree with the proposal to retain the business land rating category as the residual category?
<b>A.17.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>
4 Requiring councils to report the value of exemptions they grant each year	
<b>Q.18.</b>	Do you agree with the proposal that councils report on the value of exemptions they choose to grant through their annual reports?
<b>A.18.</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Neutral <b>Comment:</b>
General Comments	





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**NEW SOUTH WALES**  
**DRAFT GOVERNMENT BILL**  
**CABINET-IN-CONFIDENCE**

**Local Government Amendment (Rates) Bill  
2021**

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**NEW SOUTH WALES**  
**DRAFT GOVERNMENT BILL**  
**CABINET-IN-CONFIDENCE**

**Local Government Amendment (Rates) Bill  
2021**

No , 2021

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**A Bill for**

An Act to amend the *Local Government Act 1993* to give effect to certain recommendations made by the Independent Pricing and Regulatory Tribunal concerning the local government rating system; and for other purposes.

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Local Government Amendment (Rates) Bill 2021 [NSW]

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**The Legislature of New South Wales enacts—**

**1 Name of Act**

This Act is the *Local Government Amendment (Rates) Act 2021*.

**2 Commencement**

- (1) This Act commences on a day or days to be appointed by proclamation, except as provided by this section.
- (2) The following provisions of this Act commence on the date of assent to this Act—
  - (a) Schedule 1[5],
  - (b) Schedule 1[12]–[14],
  - (c) Schedule 1[30],
  - (d) Schedule 1[31].

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Local Government Amendment (Rates) Bill 2021 [NSW]  
Schedule 1 Amendment of Local Government Act 1993 No 30

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### Schedule 1 Amendment of Local Government Act 1993 No 30

**[1] Section 493 Categories of ordinary rates and categories of land**

Omit “4 categories” wherever occurring in section 493(1). Insert instead “5 categories”.

**[2] Section 493(1)**

Insert after the first dot point—

- environmental

**[3] Section 495 Making and levying of special rates**

Insert at the end of section 495—

- (3) Without limiting subsection (1) or (2), a special rate may be levied for or towards meeting the costs of works, services, facilities or activities (the *intergovernmental project*) provided or undertaken, or proposed to be provided or undertaken, by the council together with one or more other government entities (a *project partner*).
- (4) The following provisions apply for a special rate levied for an intergovernmental project—
  - (a) before the rate is levied, the council must include the following information in the draft operational plan for the year in which it is proposed to be levied—
    - (i) the anticipated benefits to the council’s area or local community of the intergovernmental project,
    - (ii) the basis of the council’s opinion, under subsection (2), for the different application of the rate, if any, in relation to different land,
    - (iii) the estimated cost of the intergovernmental project (both for the year and in total),
    - (iv) the estimated contributions to the intergovernmental project, including financial and in-kind contributions, to be made by the council and each project partner (both for the year and in total),
    - (v) the amount of money estimated to be levied by the rate (both for the year and in total),
  - (b) the intergovernmental project does not need to be works, services, facilities or activities within the functions of the council,
  - (c) if the cost of the intergovernmental project is partly funded by another person or under another arrangement, charge or contribution—the rate levied may be limited to what is needed to fund the proportion of the cost for which the council is responsible,
  - (d) money raised from the rate may be used only for the purpose of funding the intergovernmental project,
  - (e) money raised from the rate is not to be treated as part of the general income of the council,
  - (f) the annual report of the council is to include the following information—
    - (i) the actual cost of the intergovernmental project, and the actual contributions to the intergovernmental project made by the council and each project partner, during the year of the report,

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Local Government Amendment (Rates) Bill 2021 [NSW]  
Schedule 1 Amendment of Local Government Act 1993 No 30

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- (ii) a statement explaining the difference, if any, between the actual cost and contributions and the estimated cost and contributions in the council's draft operational plan,
    - (iii) the total revenue generated by the rate during the year of the report,
    - (iv) the outcomes of the project, and the benefits to the council's area and the local community of the project, during the year of the report,
  - (i) despite sections 498(3)(b) and 499(4)(b), the Minister does not need to approve the different application of the rate, if any, in relation to different land.
  - (5) Subsection (4) applies despite any other provision of this Act to the contrary.
  - (6) In this section—
    - another Australian jurisdiction** means the Commonwealth or another State or a Territory.
    - government entity** means each of the following—
      - (a) the State or another Australian jurisdiction (including the Crown in right of the State or another Australian jurisdiction),
      - (b) a Minister of the government of the State or another Australian jurisdiction,
      - (c) a government sector agency (within the meaning of the *Government Sector Employment Act 2013*) or a Department or other agency of another Australian jurisdiction,
      - (d) a public authority of the State or another Australian jurisdiction,
      - (e) a person acting on behalf of the State or another Australian jurisdiction (or the Crown in right of the State or another Australian jurisdiction),
      - (f) a person or body (whether of this State or another Australian jurisdiction) declared by the regulations to be a government agency for this section,
- but does not include a council or county council or a local authority of another Australian jurisdiction.

**[4] Section 503 What is the relationship between rates and charges?**

Insert after section 503(2)—

- (3) This section does not prevent a charge being made for a water supply service or sewerage service on land that is the subject of a conservation agreement within the meaning of the *National Parks and Wildlife Act 1974*.
- Note.** Section 557 limits the levying of water supply special rates and sewerage special rates being levied on land that is the subject of a conservation agreement.

**[5] Section 506 Variation of general income**

Insert at the end of the section—

- (2) Without limiting subsection (1), the order may—
  - (a) specify different percentages for different areas of councils, and
  - (b) specify a methodology for calculating a percentage rather than specifying a particular percentage, including by specifying a base percentage to which an additional figure may be added in specified circumstances.



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Local Government Amendment (Rates) Bill 2021 [NSW]  
Schedule 1 Amendment of Local Government Act 1993 No 30

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**[6] Section 514 Categorisation of land for purposes of ordinary rates**

Insert after the first dot point in section 514—

- environmental

**[7] Section 514, note**

Insert “environmental,” after “farmland,”.

**[8] Section 515A**

Insert after section 515—

**515A Categorisation as environmental**

- (1) Land is to be categorised as *environmental* if it is a parcel of rateable land valued as 1 assessment and—
  - (a) its use is constrained because of one or more of the following—
    - (i) the land has limited value relative to its size and location,
    - (ii) development cannot be carried out on the land,
    - (iii) the land has low development potential for business, residential or farming activity, and
  - (b) it is subject to geographical restrictions or regulatory restrictions.
- (2) In determining whether the matters mentioned in subsection (1)(a)(ii) or (iii) apply, the council must consider—
  - (a) the zoning, if any, of the land under an environmental planning instrument,
  - (b) matters that may be prescribed by the regulations.
- (3) In this section—  
*geographical restrictions*, in relation to land, include the water areas, mud flats, swamps, marshlands, steep slopes or other terrain resulting in physical limitations preventing the carrying out of all, or almost all, residential or commercial development on the land.

**Consultation note.** Comments are sought on the way for determining the apportionment of rates if part of a parcel could properly be categorised as environmental, and the remainder could be categorised under one or more of the other categories.

**[9] Section 518 Categorisation as business**

Insert “environmental,” after “farmland,”.

**[10] Section 519 How is vacant land to be categorised?**

Omit “section 515, 516 or 517”. Insert instead “sections 515–517”.

**[11] Section 519(2)**

Insert at the end of the section—

- (2) Despite subsection (1), land that is vacant land may also be categorised according to a sub-category of vacant land determined under section 529.

**[12] Section 529 Rate may be the same or different within a category**

Omit section 529(2). Insert instead—

- (2) A sub-category may be determined as follows—
  - (a) for the category “farmland”—according to—

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- (i) the location of the land, or
  - (ii) the intensity of land use, or
  - (iii) the irrigability of the land, or
  - (iv) economic factors affecting the land,
- (b) for the category “environmental”—according to one or both of the following—
  - (i) the location of the land,
  - (ii) whether the land is subject to a conservation agreement,
- (c) for the category “residential”—according to—
  - (i) the location of the land, or
  - (ii) whether the land is rural residential land, or
  - (iii) whether the land is in a centre of population, or
  - (iv) whether the land is in a residential area or in part of a residential area,
- (d) for the category “mining”—according to the kind of mining involved, or
- (e) for the category “business”—according to 1 or more of the following—
  - (i) the location of the land,
  - (ii) whether the land is in a centre of commercial or industrial activity,
  - (iii) whether the land is industrial land,
  - (iv) whether the land is non-industrial land.
- (2A) A sub-category may be determined for subsection (2)(c)(iv) only if the council is satisfied that it is necessary to identify residential areas because of significant differences between the areas in relation to access to or demand for, or the cost of providing, services or infrastructure.
- (2B) For subsection (2)(e)(iii) and (iv)—
  - (a) land is industrial land if the activities carried out on the land are predominately industrial activities,
  - (a) land is non-industrial land if the activities carried out on the land are predominately not industrial activities.
- (2C) A sub-category of vacant land may be determined for each of the categories mentioned in subsection (2)(c)–(e).
- (2D) Without limiting the factors that are relevant, regard must be had to whether there is a substantial and permanent structure located on land in determining whether the land is to be sub-categorised as vacant land.
- (2E) A sub-category must be identified by reference to geographical names if—
  - (a) the sub-category is identified by reference to the location of the land, or
  - (b) the sub-category is identified by reference to the factor mentioned in subsection (2)(c)(iv).

**[13] Section 529(5) and (6)**

Insert after section 529(4)—

- (5) The regulations may make provision for or with respect to the following—

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- (a) the factors that may or may not be taken into account in determining a sub-category for a category of land for which a sub-category may be determined,
  - (b) the kinds of activities that are, or are not, industrial activities or non-industrial activities for the purposes of this section,
  - (c) the factors that may or may not be taken into account in determining a sub-category of vacant land for a category of land for which a sub-category of vacant land may be determined,
  - (d) public consultation requirements to be followed by councils in determining a sub-category, including by applying, with or without modification, provisions of the Act, the regulations or guidelines concerning the preparation, exhibition and publication of strategic council planning documents.
- (6) In this section—  
**conservation agreement** means—
- (a) a conservation agreement within the meaning of the *National Parks and Wildlife Act 1974*, or
  - (b) another agreement relating to the conservation of the land of a kind prescribed by the regulations.
- geographical name** has the same meaning as in the *Geographical Names Act 1966*.
- strategic council planning document** means a community strategic plan, resourcing strategy, delivery program or operational plan mentioned in Chapter 13, Part 2.

**[14] Section 530**

Insert after section 529—

**530 Special provisions for residential sub-categories**

- (1) This section applies in relation to determining a sub-category (a **residential sub-category**) under section 529 for the category “residential” (the **residential category**) for rateable land in a council’s area.
- (2) The highest ordinary rate for rateable land in a contiguous urban locality must not be more than a factor of 1.5 times, or any other factor prescribed by the regulations, the average ordinary rate payable for other rateable land in the contiguous urban locality.
- (3) Despite subsection (2), the Minister may by written instrument given to a council on its application—
  - (a) determine a factor for the council that is greater than the factor mentioned in subsection (2), and
  - (b) impose conditions in relation to the use of the determined factor.
- (4) The Minister may, by a further written instrument given to a council on its application, vary or revoke a determination, or a condition of a determination, made or imposed for the council under subsection (3).
- (5) If a council decides to make different ordinary rates for residential sub-categories, the council must—
  - (a) publish the reasons for doing so on its website as soon as practicable after making the rates, and

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- (b) set out the reasons in the council's statement of revenue policy in its operational plan for year concerned.
- (6) The Minister may, from time to time, issue written directions to councils concerning—
  - (a) the factors or circumstances that may, or may not, be used by councils in determining a residential sub-category or the ordinary rate for a residential sub-category, and
  - (b) matters to be included in reasons published for subsection (5)(a).
- (7) A council must comply with directions given by the Minister under subsection (6).
- (8) The regulations may make provision for or with respect to—
  - (a) the methodology for calculating the average ordinary rate payable for other rateable land for subsection (2), and
  - (b) the circumstances in urban land is, or is not, to be treated as being completed separated from land that is not in the residential category for paragraph (b) of the definition of *contiguous urban locality* in subsection (9).
- (9) In this section—
 

*contiguous urban locality* means urban land—

  - (a) that is in the residential category, and
  - (b) no part of which is completely separated from the rest of the land by land that is not in the residential category.

**[15] Section 555, heading**

Insert “, other than water supply special rates and sewerage special rates” after “rates”.

**[16] Section 555(1)**

Insert “, other than water supply special rates and sewerage special rates” after “all rates”.

**[17] Section 555(1)(b)**

Omit section 555(1)(b) and (b1). Insert instead—

- (b) land reserved or acquired under the *National Parks and Wildlife Act 1974*,

**[18] Section 555(1A)**

Insert after section 555(1)—

- (1A) Without limiting subsection (1), the following land is also exempt from all rates, other than water supply special rates and sewerage special rates—
  - (a) land that is a public place,
  - (b) land used for a public reserve and vested in the Crown, a public body or trustees,
  - (c) land used for a common and vested in the Crown, a public body or trustees,
  - (d) land used for a public cemetery and vested in the Crown, a public body or trustees,
  - (e) land used solely for a free public library and vested in the Crown, a public body or trustees,

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- (f) land acquired under an environmental planning instrument for the public purpose specified in the instrument and not leased for private purposes,
- (g) land that is held under a lease from the Crown for private purposes and is the subject of a mineral claim granted under Division 4 of Part 9 of the *Mining Act 1992* and that the council has declared is not rateable,
- (h) land that belongs to a public benevolent institution or public charity and is used or occupied by the institution or charity for the purposes of the institution or charity,
- (i) land that belongs to a public hospital,
- (j) land that is vested in the Minister for Health, the Health Administration Corporation or the New South Wales Health Foundation,
- (k) land that is vested in a local health district constituted under the *Health Services Act 1997*,
- (l) land that is vested in a university, or a university college, and is used or occupied by the university or college solely for its purposes,
- (m) land that is vested in the Crown or Venues NSW and is described in Schedule 4A, Parts 1, 2 or 3 of the *Sporting Venues Authorities Act 2008* and is used or occupied for the purposes of or in accordance with that Act,
- (n) land that is vested in the Crown or the Zoological Parks Board and is used or occupied by the Board for its purposes,
- (o) land that—
  - (i) is vested in the mines rescue company, within the meaning of the *Coal Industry Act 2001*, and
  - (ii) is used for the purposes of a mine rescue station controlled by that company,
- (p) land that is managed by the Teacher Housing Authority and on which a house is erected,
- (q) land that is leased to the Crown for the purpose of cattle dipping,
- (r) land that is specified or described in the regulations as being exempt from all rates, other than water supply special rates and sewerage special rates,
- (s) land that is vested in an Aboriginal Land Council and that is reserved under Part 4A of the *National Parks and Wildlife Act 1974*.

**[19] Section 555(3)**

Omit the subsection.

**[20] Section 555(4)**

Insert “or (1A)(h)–(o)” after “subsection (1)(e), (f), (g) and (g1)”.

**[21] Section 555(5)**

Omit the subsection. Insert instead—

- (5) A parcel of rateable land is to be valued in accordance with section 28A of the *Valuation of Land Act 1916* to enable rates to be levied on a part of the parcel that is not exempt from rates under this section if it is—



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- (a) a parcel belonging to a religious body partly occupied and used in a way described in subsection (1)(e) and partly in a way that would result in part of the parcel not being exempt from rates under this section, or
- (b) a parcel belonging to a public benevolent institution or public charity partly used or occupied by the institution or charity for its own purposes and partly for a purpose that would result in part of the parcel not being exempt from rates under this section.

**[22] Section 556**

Omit sections 556 and 557. Insert instead—

**556 What land is exempt from water supply special rates and sewerage special rates?**

- (1) Water supply special rates may not be levied on land to which the council has resolved not to supply water.
- (2) Sewerage special rates may not be levied on land which the council has resolved not to connect to the council's sewers.
- (3) Subject to subsection (4), water supply special rates and sewerage special rates may not be levied on land that is the subject of a conservation agreement within the meaning of the *National Parks and Wildlife Act 1974*.
- (4) If part of a single parcel of land is the subject of a conservation agreement, any rate levied on that whole parcel is to be reduced by the following percentage—

$$P = \frac{CA}{WA}$$

*P* is the percentage.

*CA* is the area of that part of the parcel that is the subject of the conservation agreement, and

*WA* is the area of the whole parcel.

**Note.** For example, if a parcel of land would normally be subject to a rate of \$1,000, but 40% of the area of the land is subject to a conservation agreement, that rate is to be reduced by 40% to \$600.

**[23] Section 558, heading**

Omit “water supply special rates and sewerage special”.

**[24] Section 558(1)**

Omit “water supply special rates and sewerage special”.

**[25] Section 558(6)**

Insert after section 558(5)—

- (6) The regulations may make provision for or with respect to—
  - (a) the considerations councils may, or may not, take into account in granting an exemption, or a kind of exemption, under this section, and
  - (b) the publication of reasons by councils for exemptions they grant.

**[26] Section 558A**

Insert after section 558—

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**558A Information about estimated cost of rate exemptions**

- (1) A council must, at the start of each rating year, ensure that the estimated costs of rate exemptions in its area are calculated to the extent it is reasonably practicable to do so, based on information available to the council.
- (2) The council must ensure that the estimated costs are published—
  - (a) in the draft operational plan for the year in which the costs are proposed to be incurred, or
  - (b) on the website of the council.
- (3) The regulations may make provision for or with respect to—
  - (a) exempting councils from some or all of the requirements of this section, and
  - (b) the methodologies to be used in calculating estimated costs of rate exemptions, and
  - (c) the kinds of rate exemptions for which estimated costs must be calculated, and
  - (d) when and how the estimated costs of rate exemptions are to be published in draft operational plans or on websites of councils.
- (4) In this section—
 

**rate exemption** means a kind of exemption from a requirement to pay an ordinary rate or special rate—

  - (a) given by a provision of this Act or the regulations, or
  - (b) granted by the council under a provision of this Act or the regulations.

**[27] Chapter 15, Part 8, Division 2**

Omit the note at the beginning of the Division. Insert instead—

**Note—**

This Division enables a ratepayer to apply for a postponement in certain cases of hardship.

This Division also entitles particular public bodies to a 25% rebate for ordinary rates payable for certain land.

Other rating concessions may be provided under other Acts. For example, section 127 of the *Heritage Act 1977* provides for rates to be levied on heritage valuations determined in accordance with that Act instead of on other valuations.

**[28] Section 591**

Omit the section. Insert instead—

**591 Postponement of rates**

- (1) A council must, in accordance with this section, postpone the payment of rates for land in any rating year for which a determination or redetermination of the attributable part of the land value is in force if satisfied that the rateable person for the land would suffer substantial hardship if required to pay the rates.
- (2) For land for which no base amount of a rate is specified, the amount of the rate postponed is to be the same proportion of the rate as the attributable part of the land value bears to the land value.
- (3) For land for which a base amount of a rate is specified, the amount of the rate postponed is to be the same proportion of the ad valorem amount of the rate as the attributable part of the land value bears to the land value.

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**[29] Section 595**

Omit the section. Insert instead—

**595 Postponed rates may be written off after 5 years**

- (1) This section applies if 5 years have elapsed since the commencement of a rating year for which part of the rates levied on land have been postponed under this Division.
- (2) The council may write off the part postponed and any interest accrued on that part.
- (3) This section does not affect the right of the council to recover rates and interest, even though they have been written off under this section, if it subsequently appears to the council that they should not have been written off.

**[30] Section 713 Sale of land for unpaid rates and charges**

Omit “5 years” wherever occurring in section 713(1) and (2). Insert instead “3 years”.

**[31] Schedule 8 Savings, transitional and other provisions consequent on the enactment of other Acts**

Insert at the end of the Schedule, with appropriate Part and clause numbering—

### **Part Provisions consequent on enactment of Local Government Amendment (Rates) Act 2021**

#### **Definitions**

In this Part—

*amending Act* means the *Local Government Amendment (Rates) Act 2021*.

**Consultation note.** Finalised savings and transitional provisions will be included following consultation.

In particular, for Councils affected by amalgamation and having a preserved rate structure that is due to expire in 2021, a transitional provision will be included to provide for the harmonisation of rates to ensure a uniform rating structure for each category of land (such as residential).

Harmonisation within each category of land can be achieved in one of 3 ways—

- (a) by the levying of a new rate for the category of land, with effect from 1 July 2021,
- (b) by the use of sub-categorisation of the category of land (as provided for elsewhere in this draft Bill),
- (c) by gradual harmonisation of rates for the category over no more than 4 years.

If rates for a category are harmonised over 4 years, in each year the increase in rates for the category must not exceed 50% of the difference between—

- (a) the preserved rate structure for the category, and
- (b) the rate structure that is to be achieved at the end of harmonisation for the category.

It is noted that harmonisation is not expected to affect the requirements of the Act that limit variation in a Council's income from rates.

ITEM 4

QUARTERLY VARIATIONS FOR DEVELOPMENT APPLICATIONS - JULY TO SEPTEMBER AND OCTOBER TO DECEMBER 2020

This report provides two combined quarterly reports to Council on Development Applications where variations to development standards were granted for the periods of 1 July to 30 September 2020 and 1 October to 31 December 2020. The quarterly period of 1 July to 30 September 2020 had five (5) Development Applications which were determined with variations to development standards. The quarterly period of 1 October to 31 December 2020 had three (3) Development Applications which were determined with variations to development standards. The NSW Department of Planning, Industry and Environment has also been notified of the variations as part of Council's ongoing reporting requirements.

## RECOMMENDATION

Council note the Development Standards Variation Report for the periods of 1 July to 30 September 2020 and 1 October to 31 December 2020.

## REPORT AUTHORISATIONS

Report of: Mark Riordan, Manager Development Assessment and Certification  
Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

## ATTACHMENTS

- 1 Development Applications Approved with Variations to Development Standards for the Quarterly Period July to September 2020
- 2 Development Applications Approved with Variations to Development Standards for the Quarterly Period October to December 2020

## BACKGROUND

Development Applications involving variations to development standards may be made under clause 4.6 of Wollongong Local Environmental Plan 2009 (WLEP 2009). Requirements are provided within clause 4.6 of WLEP 2009 for the assessment of variations to development standards.

Any variations approved are reported on a quarterly basis to the NSW Department of Planning, Industry and Environment (DPIE), in accordance with procedural guidelines. Additionally, since the introduction of the NSW Planning Portal to Wollongong City Council Local Government Area (LGA) on 1 July 2020, any Development Application involving a variation to a development standard is automatically recorded in the NSW Planning Portal system as being determined with a variation to a development standard. DPIE may in turn consider the extent and nature of variations granted when reviewing planning controls or instruments.

Wollongong City Council provides further transparency and oversight of applications seeking departures to a development standard via -

- Wollongong Local Planning Panel (WLPP) review
- Declaration of any variation during public exhibition
- Maintaining an ongoing public record of all variations approved

Following amendments to Planning Panel operations by NSW DPIE, minor variations to development standards (below 10%) receiving less than two objections may be determined by staff under delegated authority. This delegation is restricted to Manager level.

## Quarterly Result

During the 1 July to 30 September 2020 quarter, five (5) Development Applications were approved which included a variation to a development standard. Attachment 1 provides a summary of each application and the circumstances relating to the variations for the 1 July to 30 September quarter. During the 1 October to 31 December 2020 quarter, three (3) Development Applications were approved which included a variation to a development standard. Attachment 2 provides a summary of each application and the circumstances relating to the variations for the 1 October to 31 December 2020 quarter.

## PLANNING AND POLICY IMPACT

The report contributes to the delivery of Wollongong 2028 goal “we value and protect our environment”. It specifically delivers of core business activities as detailed in the Development Assessment Service Plan 2020-2021.



**Development Applications approved with variations to development standards for the quarterly period between 1 July 2020 and 30 September 2020** (Reporting applications with a decision of 'Approved'/'Deferred Commencement')

Application	DA-2019/698			
Lot	69 DP 877854	Zone	R2 Low Density Residential	
Address	Dapto Public School, 66 Sierra Drive, HORSLEY, NSW, 2530			
Description	Alterations and additions to existing Educational Establishment to be undertaken in two stages including demolition works, tree removals, a new carpark, associated site works and landscaping			
Decision	Approved		Decision Date	31 July 2020
Variations	Planning Instrument	WLEP 2009	Clause	c4.3(2) Height of buildings
	Justification of variation	Strict compliance with the height of buildings development standard would limit the ability to provide high quality cohesive learning spaces and would result in inefficient use of the site and reduce the quantity of open play space. In order, to keep Block I beneath the building height limit, there would need to be significantly increased excavation of the site or decreased floor to ceiling heights within classrooms.		
	Extent of variation	The proposal exceeds the 9m height of buildings development standard under clause 4.3 of the WLEP 2009 with Block I having a maximum height of 10.4m measured to the southern eave of Block I, representing a variation of 1.4m and 16% exceedance.		
	Concurring Authority	Southern Regional Planning Panel		

Application	DA-2019/1231			
Lot	10 DP 657049, Lot 1 DP 71418, Lot 101 DP 611878	Zone	B3 Commercial Core	
Address	111-113 Crown Street, 115-119 Crown Street, Lot 101 Crown Street, WOLLONGONG, NSW, 2500			
Description	Demolition of existing structures and construction of A-Grade office building above retail and basement parking			
Decision	Approved		Decision Date	26 August 2020
Variations	Planning Instrument	WLEP 2009	Clauses	c4.4A Floor space ratio Wollongong City Centre c8.6 (2,3) Zone B3 Commercial Core/Zone B4 Mixed
	Justification of variation	The variation to FSR was justified on the basis that the cumulative floorspace of the adjoining and related development on the east in Crown Street (DA-2017/493) was compliant with the FSR of the combined area of both sites. The two buildings form a joint development with vehicle/basement access and pedestrian access between the ground floor.		
	Extent of variation	9.66%		
	Concurring Authority	Southern Regional Planning Panel		

Application	DA-2019/1375			
Lot	Lot 2 DP 1105419	Zone	R1 General Residential	
Address	2 Market Place, WOLLONGONG, NSW, 2500			
Description	Residential - demolition of existing structures and construction of residential flat building			

<b>Decision</b>	Approved		<b>Decision Date</b>	25 August 2020
<b>Variations</b>	<b>Planning Instrument</b>	WLEP 2009	<b>Clause</b>	c7.14 (1, 2) Minimum site width
	<b>Justification of variation</b>	The building typology is more aligned with existing apartment buildings located in the vicinity. The proposed development has demonstrated that a functional building can be provided on the site, including appropriate carparking and access, landscaping and private open space areas, without detrimentally impacting the surrounding properties.		
	<b>Extent of variation</b>	Clause 7.14 requires a site width of 24m for a residential flat building. The subject site was 17.6m. 27% variation to the development standard.		
	<b>Concurring Authority</b>	Wollongong Local Planning Panel		

<b>Application</b>	DA-2020/213			
<b>Lot</b>	7 Sec 58 DP 3436		<b>Zone</b>	B4 Mixed Use
<b>Address</b>	11 Princes Highway, DAPTO, NSW, 2530			
<b>Description</b>	Respite care facility			
<b>Decision</b>	Approved		<b>Decision Date</b>	1 September 2020
<b>Variations</b>	<b>Planning Instruments</b>	WLEP 2009	<b>Clause</b>	c7.13 Ground Floor dev on Business Zoned Land
		SEPP Housing for Seniors/ People with a Disability		cl 40(2) Site size
	<b>Justification of variation</b>	While some of the ground floor does incorporate residential accommodation, some more 'active uses' (ie ancillary health services etc) are also provided at the ground floor that are considered to meet the underlying objective of the standard.  In relation to the minimum site area standard it is considered the facility is suitably designed and located to provide a much needed service facility in the community and the reduced lot area does not prejudice this capability.		
	<b>Extent of variation</b>	clause 7.13 of WLEP 2009 - Certain land within business zones. The ground floor of the eastern building contains residential development. The development also contravenes cl 40 (2) of SEPP Housing for Seniors and People with a Disability 2004 as relates to minimum site area providing for 907.4 m2 in lieu of the required 1000 m2. 9% variation to this development standard.		
	<b>Concurring Authority</b>	Wollongong Local Planning Panel		

<b>Application</b>	DA-2020/433			
<b>Lot</b>	22 DP 535482		<b>Zone</b>	R2 Low Density Residential
<b>Address</b>	22 Foley Street, GWYNNEVILLE, NSW, 2500			
<b>Description</b>	Residential - demolition of existing buildings and construction of multi dwelling housing development comprising six (6) dwellings			
<b>Decision</b>	Approved		<b>Decision Date</b>	21 August 2020
<b>Variations</b>	<b>Planning Instrument</b>	WLEP 2009	<b>Clause</b>	c7.14 (1, 2) Minimum site width
	<b>Justification of variation</b>	Minor variation to minimum lot width requirements of Clause 7.14 of WLEP 2009 for a portion of the L-shaped lot. Development is		

		fully compliant with all other standards and the variation results in no adverse impacts on adjoining properties.
	<b>Extent of variation</b>	4.18%
	<b>Concurring Authority</b>	Council under assumed concurrence

<b>Application</b>	DA-2020/605			
<b>Lot</b>	45 DP 1080717	<b>Zone</b>	R1 General Residential	
<b>Address</b>	17 Kembla Street, WOLLONGONG, NSW, 2500			
<b>Description</b>	Residential - new rooftop pergola to existing roof terrace			
<b>Decision</b>	Approved		<b>Decision Date</b>	13 August 2020
<b>Variations</b>	<b>Planning Instrument</b>	WLEP 2009	<b>Clause</b>	c4.3(2) Height of buildings
	<b>Justification of variation</b>	Proposed height matches existing building height and does not exceed it. Proposed structure is minor and unlikely to impact amenity of surrounding area.		
	<b>Extent of variation</b>	Proposed height of 29.32m, where 24m is permitted in accordance with CI 4.3 of WLEP 2009. 22% variation to the development standard.		
	<b>Concurring Authority</b>	Wollongong Local Planning Panel		

**Development Applications approved with variations to development standards for the quarterly period between 1 October and 31 December 2020** (Reporting applications with a decision of 'Approved'/'Deferred Commencement')

<b>Application</b>	DA-2020/80		
<b>Lot</b>	1 DP 799059	<b>Zone</b>	B3 Commercial Core
<b>Address</b>	290-294 Keira Street, WOLLONGONG NSW 2500		
<b>Description</b>	Demolition of existing structures and construction of a seven (7) storey mixed use development comprising 34 residential units and two (2) commercial tenancies with 50 parking spaces		
<b>Decision</b>	Approved	<b>Decision Date</b>	18 November 2020
<b>Variations</b>	<b>Planning Instrument</b>	WLEP 2009	<b>Clause</b> c8.6 (2,3) Zone B3 Commercial Core/Zone B4 Mixed
	<b>Justification of variation</b>	<ul style="list-style-type: none"> <li>Objectives Clause 8.6 are satisfied.</li> <li>The objectives of the B3 Commercial Core zone are satisfied.</li> <li>There are sufficient planning grounds to vary the building separation in this instance given the ability to comply with visual appearance, privacy and solar access objectives required in this Clause.</li> <li>The site is located within a commercial zone and the design is a direct repose to allow for housing within this zone.</li> </ul>	
	<b>Extent of variation</b>	This site is located 15m from the adjoining building. As a result, building separation will not be achieved from this site due to this building containing habitable components. A 16m separation is required. 6.25% variation to development standard.	
	<b>Concurring Authority</b>	Wollongong Local Planning Panel	

<b>Application</b>	DA-2020/290		
<b>Lot</b>	B DP 378330	<b>Zone</b>	R3 Medium Density Residential
<b>Address</b>	342-344 Lawrence Hargrave Drive, THIRROUL NSW 2515		
<b>Description</b>	Residential - multi dwelling housing - demolition of existing dwelling, tree removals and construction of three (3) attached 3 storey dwellings over basement parking area		
<b>Decision</b>	Approved	<b>Decision Date</b>	3 November 2020
<b>Variations</b>	<b>Planning Instrument</b>	WLEP 2009	<b>Clause</b> c4.4(2) Floor space ratio
	<b>Justification of variation</b>	<p>The maximum floor space ratio for the zone is 0.75:1. The proposal exceeds the maximum permitted having an FSR of 0.82:1.</p> <p>The proposed development results in 9.5 % variation to the development standard.</p> <p>The variation is considered acceptable considering location of the site adjacent Thirroul commercial area and improved functionality of the 3 bedroom units providing better amenities to the residents. The additional floor space is not considered of significant bulk and scale to impact adversely on the neighbourhood in terms of traffic, parking, streetscape or amenity of the neighbouring developments.</p>	
	<b>Extent of variation</b>	9.5%	
	<b>Concurring Authority</b>	Council under assumed concurrence	

<b>Application</b>	DA-2020/842		
<b>Lot</b>	3 DP 1156730	<b>Zone</b>	E4 Environmental Living
<b>Address</b>	50 Amagh Parade, THIRROUL NSW 2515		
<b>Description</b>	Residential - alterations and additions		
<b>Decision</b>	Approved	<b>Decision Date</b>	22 October 2020
<b>Variations</b>	<b>Planning Instrument</b>	WLEP 2009	<b>Clause</b> c4.4(2) Floor space ratio
	<b>Justification of variation</b>	<p>The maximum floor space ratio for the zone is 0.3:1. The proposal exceeds the maximum permitted having an FSR of 0.32:1. The proposed development results in an 8.17 % variation to the development standard .</p> <p>There are sufficient planning grounds to vary the floor space ratio in this circumstance as the increase in floor space ratio relates to an increase in storage areas, as opposed to habitable living areas or bedrooms, there will be no increase in bulk or scale from the proposed works and the potential environmental and amenity impacts of the proposed development are no greater than those currently existing.</p>	
	<b>Extent of variation</b>	8.17%	
	<b>Concurring Authority</b>	Council under assumed concurrence	



ITEM 5

TENDER T20/41 - REPLACEMENT OF THE RUSSELL VALE GOLF CLUB PRO SHOP AND AMENITIES

This report recommends acceptance of a tender for the replacement of the Russell Vale Golf Pro Shop and Amenities in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

The Golf Pro Shop at Russell Vale is the reception point, player management and payment collection facility for the golf course. The current facility is in poor condition and this project will replace both the Golf Pro Shop and the adjacent amenities with contemporary facilities including accessible amenities.

## RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Davone Constructions Pty Ltd for replacement of the Russell Vale Golf Pro Shop and Amenities, in the sum of \$612,889.50, 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.

## REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Joanne Page, Director Infrastructure + Works - Connectivity Assets + Liveable City (Acting)

## ATTACHMENTS

- 1 Location Plan

## BACKGROUND

The existing Russell Vale Golf Pro Shop and Amenities are centrally located to allow the facility to function as a reception point, player management and payment collection facility for the golf course.

The existing Russell Vale Golf Pro Shop and Amenities are assets that originally were old repurposed demountable buildings that are fast approaching their end of service life. Their current condition is poor and the most recent building condition report has identified termite damage to walls with pending failure of many of the building components.

Generally, the scope of work of this project will consist of demolition and removal of the existing infrastructure and replacement with new contemporary structures with the amenities including an accessible facility. Temporary facilities will be installed to ensure the continued operation of the golf course during the replacement project. An upgraded power supply cable will also be installed as part of this project.

Tenders were invited for this project by the open tender method with a close of tenders of 10.00 am on Tuesday, 10 November 2020.

Seven (7) tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, Infrastructure, Strategy and Planning and Governance and Customer Service Divisions.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

### **Mandatory Criteria**

- 1 Satisfactory references from referees for previous projects of similar size and scope.
- 2 Financial assessment acceptable to Council which demonstrates the tenderer's financial capacity to undertake the works.
- 3 Work Health and Safety Management system.

### **Assessable Criteria**

- 1 Cost to Council – 40%
- 2 Appreciation of scope of works and construction methodology – 10%
- 3 Demonstrated prior experience and satisfactory performance in undertaking projects of similar size, scope and risk profile including staff qualifications and experience – 20%
- 4 Proposed Sub-Contractors – 5%
- 5 Project Schedule – 5%
- 6 Workplace Health and Safety and Environmental Management systems – 10%
- 7 Demonstrated strengthening of local economic capacity – 10%

The mandatory assessment criteria have been met by the recommended tenderer.

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment and the ranking of tenders.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Davone Constructions Pty Ltd	1
Batmac Constructions Pty Ltd	2
Peloton Constructions	3
Project Coordination (Australia) Pty Ltd	4
Innocon Residential Pty Ltd	5
Joss Facility Management	6
Kellyville Building Pty Ltd	7

### **PROPOSAL**

Council should authorise the engagement of Davone Constructions Pty Ltd to carry out the replacement of the Russell Vale Golf Pro Shop and Amenities in accordance with the scope of works and technical specifications developed for the project.

The recommended tenderer has satisfied the Tender Assessment Panel that it is capable of undertaking the works to Council's standards and in accordance with the technical specification.

An acceptable financial capability assessment has been received in relation to the recommended tenderer.

Referees nominated by the recommended tenderer have been contacted by the Tender Assessment Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

## CONSULTATION AND COMMUNICATION

- 1 Members of the Tender Assessment Panel
- 2 Nominated Referees

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 “We have a healthy community in a liveable city”.

It specifically delivers on core business activities as detailed in the Infrastructure Planning and Support Service Plan 2020-21.

## RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council’s Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the project works or services is considered medium based upon Council’s risk assessment matrix and appropriate risk management strategies will be implemented.

There are safety, financial and reputational risks that should be considered if Council does not replace the existing Golf Pro Shop and Amenities.

## SUSTAINABILITY IMPLICATIONS

The following sustainability implications have been considered:

- Energy efficient fixtures and fittings are considered in the design
- Sustainable procurement by providing open tender to give local companies the opportunity to tender for the work
- Weighting in tender assessment provided for using local services, labour and materials.
- The design for the repair works incorporates adjustable support members for the new structure. These will provide a long-term and low maintenance finished product.

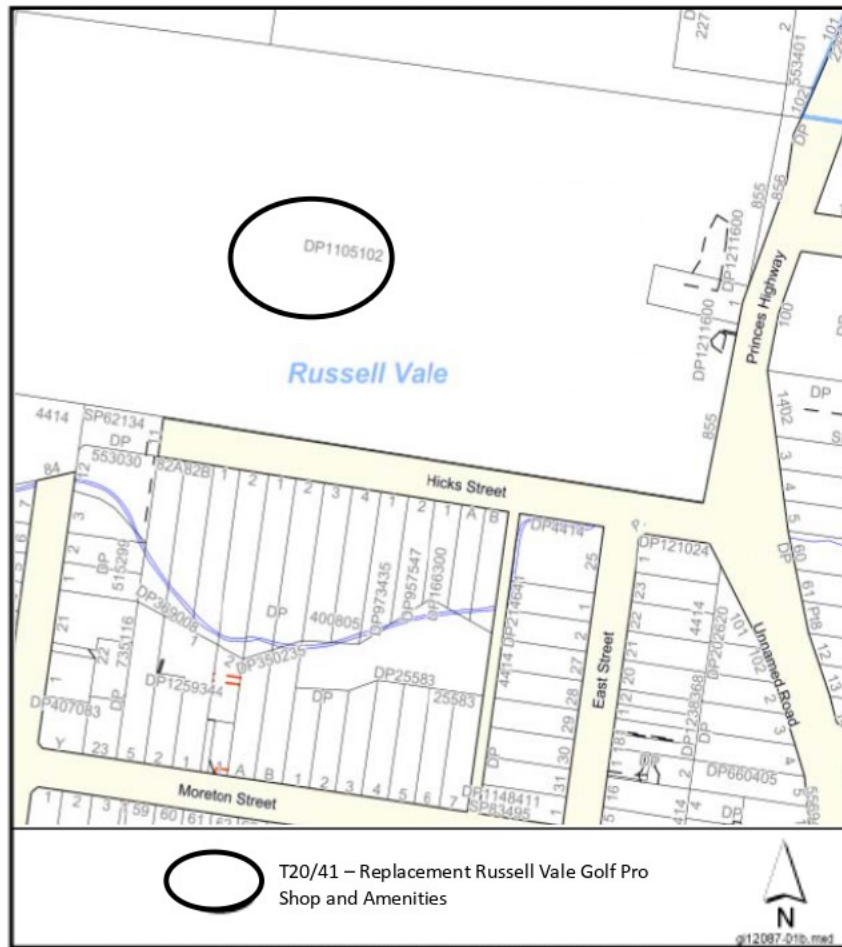
## FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

2020/21 Capital Budget

## CONCLUSION

Davone Constructions Pty Ltd has submitted an acceptable tender for these works and Council should endorse the recommendations of this report.







ITEM 6

TENDER T20/42 - ILLAWARRA PERFORMING ARTS CENTRE - HVAC REPLACEMENT WORKS

This report recommends acceptance of a tender for the Illawarra Performing Arts Centre (IPAC) Heating, Ventilation and Air Conditioning (HVAC) Replacement works in accordance with the requirements of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

IPAC is a regional performing arts facility located in central Wollongong which is owned by Council. IPAC is managed by the Merrigong Theatre Company who deliver a program of events under a service agreement with Council.

The purpose of these works is to replace existing HVAC plant and associated equipment that is at, or near end of life with modern equipment with improved energy efficiency, operational reliability and comfort for IPAC facility patrons. This will enable the ongoing operational use of the IPAC.

### RECOMMENDATION

- 1 In accordance with clause 178(1)(a) of the Local Government (General) Regulation 2005, Council accept the tender of Climax Air Conditioning Pty Ltd for Illawarra Performing Arts Centre HVAC Replacement, in the sum of \$3,953,852, 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.

### REPORT AUTHORISATIONS

Report of: Glenn Whittaker, Manager Project Delivery

Authorised by: Joanne Page, Director Infrastructure + Works - Connectivity Assets + Liveable City (Acting)

### ATTACHMENTS

- 1 Location Plan

### BACKGROUND

IPAC is a regional performing arts facility owned by Council and located in Burelli Street, Wollongong. The facility is operated and managed under a service agreement with Merrigong Theatre Company who are responsible for the delivery of the events program.

Council's IPAC facility first opened in 1988 and consists of two (2) main theatres, a rehearsal studio, several dressing rooms, amenities/utility rooms, offices, workshop and storage areas, bar facilities, café with kitchen area and two (2) mechanical HVAC plant rooms. Most of the HVAC equipment is original except for the Cooling Tower and Chiller, which were replaced in 2005 and 2011 respectively, and the building management control system (BMCS) which was upgraded in 2005.

An assessment of the mechanical plant in the IPAC has determined that most equipment has reached end of life, is performing poorly and becoming increasingly unreliable. While the original equipment was appropriate for the era of construction, it is now outdated and highly inefficient when compared with modern systems. The poor performance of the plant will increasingly impact on the comfort of patrons attending the IPAC facility.

The scope of works under this proposed design and construct contract will include:

- Preliminary design to determine a National Construction Code (NCC) compliant layout, configuration and operating system. This will allow Council to determine the correct approval pathway either via complying development or development approval and finalise any necessary supporting building works that may be required.

Following determination of the approval pathway, Council will direct the contractor to proceed to:

- Detailed design development;
- Supply of HVAC equipment;
- Provision of temporary construction access into the roof space above the main HVAC plant room, scaffolding in theatre spaces and foyer areas to access ceiling voids;
- Removal of redundant HVAC mechanical, electrical, fire, hydraulic services, ducting and ancillary equipment and control systems;
- Installation and commissioning of new HVAC mechanical, electrical, fire, hydraulic services, ducting and ancillary equipment and control systems;
- Plant commissioning;
- Removal of temporary construction access into the plant room roof spaces, theatre scaffolding and access flooring and reinstatement of the existing ceilings on completion of the works.

The final construction program will be determined once the approval pathway has been determined. Initial consultation with Merrigong Theatre Company has indicated works should preferably occur in the first months of the calendar year when bookings are low.

Tenders were invited for this project by the open tender method with a close of tenders of 10.00 am on Tuesday, 17 November 2020.

Three (3) tenders were received by the close of tenders and all tenders have been scrutinised and assessed by a Tender Assessment Panel constituted in accordance with Council's Procurement Policies and Procedures and comprising representatives of the Project Delivery, Infrastructure Strategy and Planning and Governance and Customer Service Divisions.

The Tender Assessment Panel assessed all tenders in accordance with the following assessment criteria and weightings as set out in the formal tender documents:

#### **Mandatory Criteria**

- 1 Satisfactory references from referees for previous projects of similar size and scope including detailed design development and construction.
- 2 Financial assessment acceptable to Council which demonstrates the tenderer's financial capacity to undertake the works.
- 3 As a minimum, WHS Management Systems that comply with AS-NZS 4801:2001 or ISO 45001:2018 and is certified to either of these standards by a JAZ-ANZ accredited company OR WHS Management System accredited by an NSW Government Agency OR WHS Management System accredited by the Federal Safety Commission.
- 4 Site Inspection – All tenderers to attend a site inspection.

#### **Assessable Criteria**

- 1 Cost to Council – 35%
- 2 Appreciation of scope of works and design and construction methodology – 15%

- 3 Experience and satisfactory performance in undertaking projects of similar size, scope and risk profile including staff qualifications and experience – 20%
- 4 Proposed Sub-Contractors – 5%
- 5 Project Schedule, including shutdown – 10%
- 6 Demonstrated strengthening of local economic capacity – 10%
- 7 Workplace Health and Safety and Environmental Management systems – 5%

The mandatory assessment criteria have been met by the recommended tenderer.

The Tender Assessment Panel utilised a weighted scoring method for the assessment of tenders which allocates a numerical score out of 5 in relation to the level of compliance offered by the tenders to each of the assessment criteria as specified in the tender documentation. The method then takes into account pre-determined weightings for each of the assessment criteria which provides for a total score out of 5 to be calculated for each tender. The tender with the highest total score is considered to be the tender that best meets the requirements of the tender documentation in providing best value to Council. Table 1 below summarises the results of the tender assessment and the ranking of tenders.

TABLE 1 – SUMMARY OF TENDER ASSESSMENT

Name of Tenderer	Ranking
Climax Air Conditioning Pty Ltd	1
Ryan Wilks Pty Ltd	2
Crest Air Conditioning Pty Ltd	NON-CONFORMING

## PROPOSAL

Council should authorise the engagement of Climax Air Conditioning Pty Ltd trading as Climax Air Conditioning to carry out the HVAC Replacement Works in accordance with the scope of works and technical specifications developed for the project.

The recommended tenderer has satisfied the Tender Assessment Panel that it is capable of undertaking the works to Council's standards and in accordance with the technical specification.

An acceptable financial capability assessment has been received in relation to the recommended tenderer.

Referees nominated by the recommended tenderer have been contacted by the Tender Assessment Panel and expressed satisfaction with the standard of work and methods of operation undertaken on their behalf.

## CONSULTATION AND COMMUNICATION

- 1 Merrigong Theatre Company
- 2 Members of the Tender Assessment Panel
- 3 Nominated Referees

Merrigong Theatre Company has been briefed on the extent of the scope as well as difficulties, complexities and risks associated with some aspects of the work. The input provided has allowed Council to determine, on balance, the most appropriate approach to performing the works via a shutdown of the IPAC facility at a time when historically its show program is less active. Merrigong Theatre Company has been periodically updated on progress and when further information or input has been required.

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal 5 “We have a healthy community in a liveable city”.

It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2020-21
Strategy	4 Year Action	Operational Plan Actions
5.5.1 Public facilities in key locations and transport routes are maintained and clean, accessible and inviting to our community and visitors	5.5.1.2 Manage and maintain community infrastructure portfolio with a focus on asset renewal	1 Achieve our expenditure targets for capital renewal by programming these works with sufficient flexibility to allow re-phasing, deferral and/or the introduction of other deferred renewal works as required

## RISK ASSESSMENT

The risk in accepting the recommendation of this report is considered low on the basis that the tender process has fully complied with Council’s Procurement Policies and Procedures and the Local Government Act 1993.

The risk of the project works or services is currently considered high based upon Council’s risk assessment matrix and appropriate risk management strategies will be implemented throughout the design and project planning phases to mitigate and manage these risks.

## SUSTAINABILITY IMPLICATIONS

The following sustainability implications have been considered:

- Improved equipment, operational reliability and energy efficiency options are considered in the design
- Sustainable procurement by providing open tender to give local companies the opportunity to tender for the work
- Weighting in tender assessment provided for using local services, labour and materials.

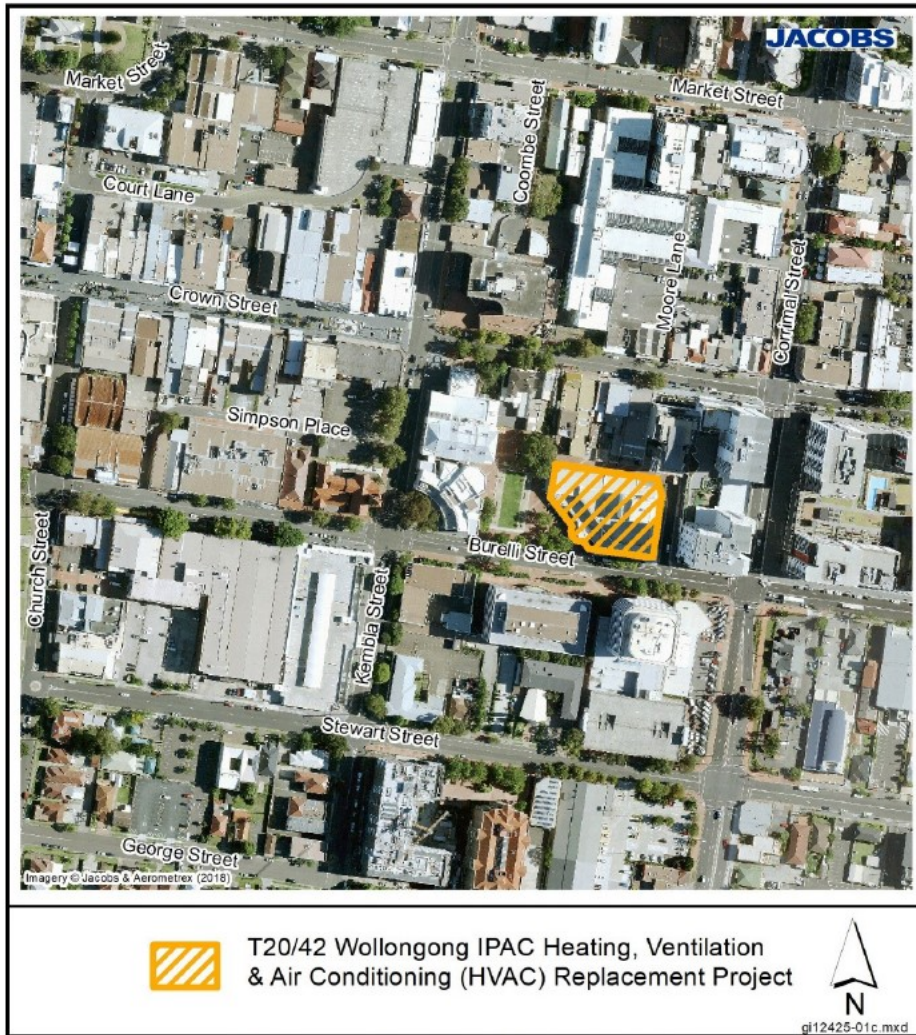
## FINANCIAL IMPLICATIONS

It is proposed that the total project be funded from the following source/s as identified in the Operational Plan –

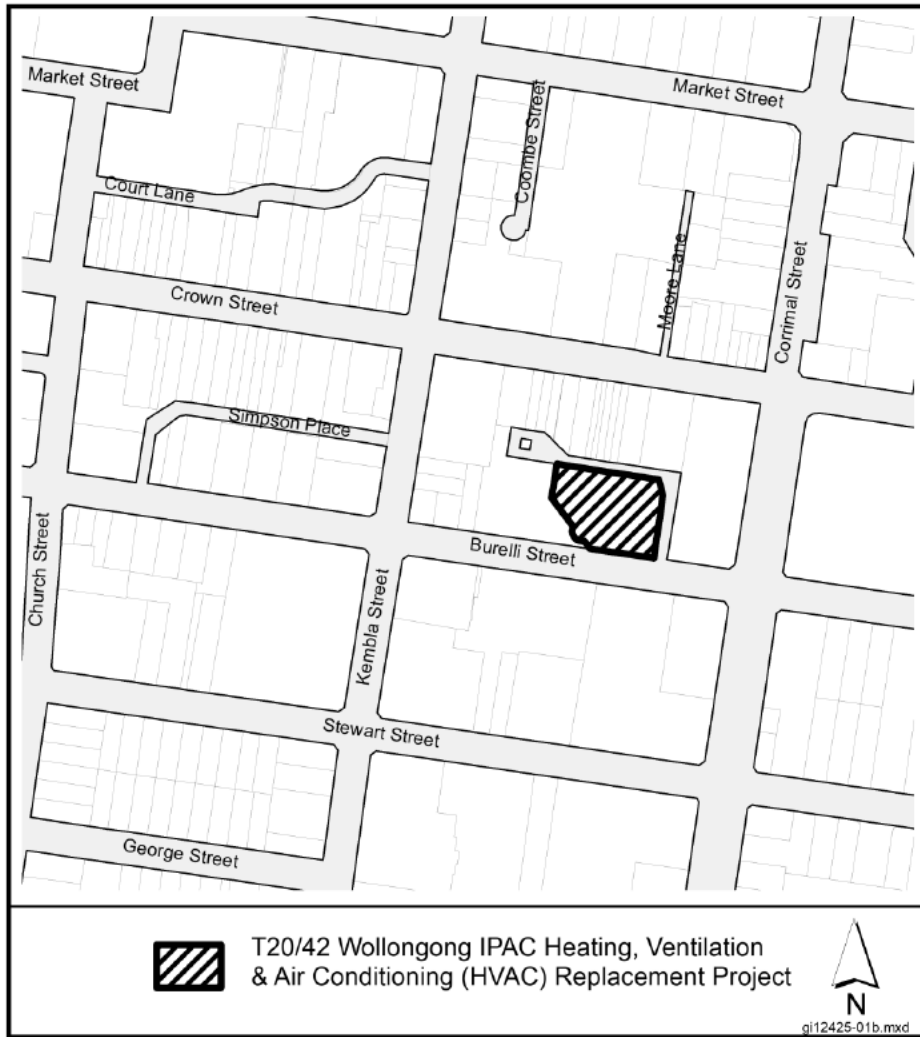
2020/21 and 2021/22 – Capital Budgets

## CONCLUSION

Climax Air Conditioning Pty Ltd has submitted an acceptable tender for these works and Council should endorse the recommendations of this report.







ITEM 7

BI-MONTHLY RETURNS OF DISCLOSURES OF PECUNIARY INTERESTS AND OTHER MATTERS - FEBRUARY 2021

The Model Code of Conduct 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 Part 4 of the Model Code of Conduct.

#### REPORT AUTHORISATIONS

Report of: Todd Hopwood, Manager Governance and Customer Service

Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

#### ATTACHMENTS

- 1 Returns of Disclosures of Interests (to be tabled)

#### PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal “We are a connected and engaged community”. It specifically delivers on core business activities as detailed in the Governance and Customer Service, Service Plan 2020-21.

## ITEM 8 STATEMENT OF INVESTMENT - NOVEMBER AND DECEMBER 2020

This report provides an overview of Council's investment portfolio performance for the months of November and December 2020.

Council's average weighted return for November 2020 was 0.17% which was above the benchmark return of 0.01%. The average weighted return for December 2020 was 0.05% which was above the benchmark return of 0.00%. This result was primarily due to positive marked to market valuation of the NSW TCorp Hourglass facilities. The remainder of Council's portfolio continues to provide a high level of consistency in income and a high degree of credit quality and liquidity.

### RECOMMENDATION

Council receive the Statement of Investment for November and December 2020.

### REPORT AUTHORISATIONS

Report of: Brian Jenkins, Chief Financial Officer

Authorised by: Ingrid Mcalpin, Director Corporate Services - Connected + Engaged City (Acting)

### ATTACHMENTS

- 1 Statement of Investment - November and December 2020
- 2 Investment Income Compared to Budget 2020-2021

### BACKGROUND

Council is required to invest its surplus funds in accordance with the Ministerial Investment Order and Division of Local Government guidelines. The Order reflects a conservative approach and restricts the investment types available to Council. In compliance with the Order and Division of Local Government guidelines, Council adopted an Investment Policy on 10 December 2018. The Investment Policy provides a framework for the credit quality, institutional diversification and maturity constraints that Council's portfolio can be exposed to. Council's investment portfolio was controlled by Council's Finance Division during the period to ensure compliance with the Investment Policy. Council's Audit, Risk and Improvement Committee's (ARIC) role of overseer provides for the review of Council's Investment Policy and the Management Investment Strategy.

Council's Responsible Accounting Officer is required to sign the complying Statement of Investment contained within the report, certifying that all investments were made in accordance with the Local Government Act 1993 and the Local Government Regulation 2005.

Council's investment holdings as at 27 November 2020 were \$169,346,954 (Statement of Investment attached) [29 November 2019 \$163,268,151] and as at 25 December 2020 were \$171,868,994 (Statement of Investment attached) [27 December 2019 \$156,763,145]

Council's average weighted return for November 2020 was 0.17% which was above the benchmark return of 0.01%. The average weighted return for December 2020 was 0.05% which was above the benchmark return of 0.00%. This result was primarily due to positive marked to market valuation of the NSW TCorp Hourglass facilities. The remainder of Council's portfolio continues to provide a high level of consistency in income and a high degree of credit quality and liquidity. The global markets are still experiencing unprecedented turmoil and volatility in the wake of COVID-19 and may still provide uncertainty for the foreseeable future.

At 25 December 2020, year to date interest and investment revenue of \$1,208,202 was recognised compared to the year to date budget of \$996,966. This significant variation is the result of a conservative COVID-19 cash flow scenario. The inflow of funds from rates was higher than initially anticipated resulting in additional interest income above the budget.

Council's 21 floating rate notes had a net increase in value of \$33,867 for November 2020 and a net decrease in value of \$51,788 for December 2020. During December, an additional two FRNs were purchased: a five year \$1.7M FRN with Bendigo Bank and a five year \$5M FRN with Macquarie Bank.

Council holds two Mortgaged Backed Securities (MBS) that recorded a net decrease in value of \$3,617 for November 2020 and a net increase in value of \$1,321 for December 2020. The coupon margins on these investments reflect pre-Global Financial Crisis (GFC) pricing. For example, the Emerald A is paying 45 basis points over the BBSW where a comparative investment is now paying 100 basis points over the BBSW. This is reflected in the coupon rates on both these investments. While the maturity dates are outside Council's control, the investment advisors had previously indicated that capital is not at risk at that stage and recommended a hold strategy due to the illiquid nature of the investment.

Council has two investment holdings under the NSW TCorp Hour Glass Facility: the Long-Term Growth Facility and the NSW TCorpIM Cash Fund. The Long-Term Growth recorded a net increase in value of \$121,944 in November and an increase in value of \$12,788 in December. The Cash Fund recorded a net increase in value of \$13,996 in November 2020 and a further increase of \$4,589 in December. The fluctuation in the Long-Term Growth Facility is a reflection of the current share market volatility both domestically and internationally and is diversified across a number of different asset classes that have differing risk and return characteristics. The TCorp Cash Fund generally provides relatively stable returns with low potential for capital loss while maintaining high levels of liquidity, similar to an at call account, and only invests in Australian cash and fixed interests.

At their December 2020 meeting, the Reserve Bank of Australia (RBA) maintained the official cash rate at the record low of 0.10%. The RBA will continue to assess the outlook and adjust policy as needed to foster sustainable growth in demand and inflation outcomes consistent with the inflation target over time.

The current investment portfolio complies with Council's Investment Policy which was endorsed by Council on 10 December 2018. Council's Responsible Accounting Officer has signed the Statement of Investment contained within the report, certifying that all investments were made in accordance with the Local Government Act 1993 and the Local Government Regulation 2005.

## 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 the following:

Community Strategic Plan Strategy	Delivery Program 2018-2022 4 Year Action	Operational Plan 2020-2021 Operational Plan Actions
4.3.2 Resources (finance, technology, assets and people) are effectively managed to ensure long term financial sustainability	4.3.2.1 Effective and transparent financial management systems are in place	Monitor and review achievement of Financial Strategy
		Continuous budget management is in place, controlled and reported
		Provide accurate and timely financial reports monthly, quarterly and via the annual statement
		Manage and further develop a compliance program to promote awareness and compliance with Council's procurement policies and procedures and other related policies

## CONCLUSION

The investments for November and December 2020 recorded an average weighted return above the annualised Bloomberg Bank Bill Index Benchmark and performed favourably when compared to the year to date budget.

WOLLONGONG CITY COUNCIL STATEMENT OF INVESTMENT 27 November 2020							
DIRECT INVESTMENTS							
Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase Date	Maturity Date	Interest / Coupon Rate
NAB General Fund	A1+	-	4,256,738	General A/c	27/11/2020	27/11/2020	
NAB Professional Maximiser	A1+	-	35,035,686	Prof Fund A/c	27/11/2020	27/11/2020	0.50%
Bank of Queensland Ltd	Moodys A3	3,000,000	3,000,000	T/De pos it	14/03/2019	14/12/2020	2.73%
IMB Ltd	S&P ST A2	3,000,000	3,000,000	T/De pos it	20/12/2019	18/12/2020	1.50%
Westpac Banking Corporation Ltd	S&P AA-	5,000,000	5,000,000	T/De pos it	23/12/2019	23/12/2020	1.48%
Members Equity Bank Ltd	S&P ST A2	3,000,000	3,000,000	T/De pos it	6/03/2020	31/12/2020	1.25%
Members Equity Bank Ltd	S&P ST A2	2,000,000	2,000,000	T/De pos it	25/09/2020	25/01/2021	0.65%
Members Equity Bank Ltd	S&P ST A2	2,000,000	2,000,000	T/De pos it	26/11/2020	25/01/2021	0.45%
Bank of Queensland Ltd	Moodys A3	3,000,000	3,000,000	T/De pos it	21/02/2019	19/02/2021	2.80%
Bendigo & Adelaide Bank Ltd	Moodys A3	2,000,000	2,000,000	T/De pos it	28/11/2019	24/02/2021	1.55%
Bank of Queensland Ltd	Moodys ST P-2	2,000,000	2,000,000	T/De pos it	6/03/2020	1/03/2021	1.40%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/De pos it	6/03/2020	8/03/2021	0.99%
IMB Ltd	Moodys ST P-2	2,000,000	2,000,000	T/De pos it	26/11/2020	28/04/2021	0.45%
IMB Ltd	Moodys ST P-2	4,000,000	4,000,000	T/De pos it	26/11/2020	25/05/2021	0.45%
Bendigo & Adelaide Bank Ltd	Moodys A3	2,000,000	2,000,000	T/De pos it	28/11/2019	25/06/2021	1.55%
Commonwealth Bank of Australia Ltd	S&P STA1+	4,000,000	4,000,000	T/De pos it	25/09/2020	22/07/2021	0.66%
Bank of Queensland Ltd	Moodys ST P-2	2,000,000	2,000,000	T/De pos it	26/11/2020	30/07/2021	0.55%
Bank of Queensland Ltd	Moodys A3	2,000,000	2,000,000	T/De pos it	25/09/2020	25/11/2021	0.80%
Commonwealth Bank of Australia Ltd	S&P STA1+	4,000,000	4,000,000	T/De pos it	26/11/2020	26/11/2021	0.54%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/De pos it	2/12/2019	2/12/2021	0.97%
Bank of Queensland Ltd	Moodys A3	2,000,000	2,000,000	T/De pos it	25/09/2020	25/01/2022	0.80%
Commonwealth Bank of Australia Ltd	S&P AA-	4,000,000	4,000,000	T/De pos it	26/11/2020	25/01/2022	0.55%
Westpac Banking Corporation Ltd	S&P AA-	3,000,000	3,000,000	T/De pos it	26/11/2020	25/11/2022	0.56%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/De pos it	6/03/2019	6/03/2024	2.83%
Total			99,292,425				
WOLLONGONG CITY COUNCIL STATEMENT OF INVESTMENT 27 November 2020 continued							
Bond and Floating Rate Note Securities							
DIRECT INVESTMENTS							
Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase	Maturity Date	Interest / Coupon
Newcastle Permanent Building Society Ltd	S&P BBB	500,000	501,100	FRN	26/02/2019	26/02/2021	1.12%
Suncorp Bank	S&P A+	2,000,000	2,013,540	FRN	12/04/2016	12/04/2021	1.46%
AMP Bank Ltd	S&P BBB	2,000,000	2,005,940	FRN	24/05/2016	24/05/2021	1.37%
Westpac Banking Corporation Ltd	S&P AA-	3,000,000	3,026,010	FRN	3/06/2016	3/06/2021	1.26%
ANZ Banking Group Ltd	S&P AA-	2,000,000	2,016,000	FRN	16/08/2016	16/08/2021	1.15%
Credit Union Australia Ltd	S&P BBB	1,200,000	1,212,996	FRN	6/09/2018	6/09/2021	1.34%
AMP Bank Ltd	S&P BBB	1,500,000	1,506,360	FRN	10/09/2018	10/09/2021	1.17%
Westpac Banking Corporation Ltd	S&P AA-	1,500,000	1,510,170	FRN	16/11/2018	25/10/2021	0.79%
Credit Union Australia Ltd	Moodys Baa 1	1,000,000	1,014,950	FRN	4/03/2019	4/03/2022	1.32%
AMP Bank Ltd	S&P BBB	3,000,000	3,004,830	FRN	30/03/2017	30/03/2022	1.14%
Suncorp Bank	S&P A+	1,500,000	1,520,295	FRN	30/08/2017	16/08/2022	0.99%
Bendigo & Adelaide Bank Ltd	Fitch A-	3,000,000	3,038,040	FRN	12/12/2019	12/09/2022	0.94%
Bank Australia Limited	S&P BBB	4,000,000	4,009,360	FRN	2/12/2019	2/12/2022	0.99%
ANZ Banking Group Ltd	S&P AA-	1,000,000	1,019,300	FRN	9/05/2018	9/05/2023	0.92%
National Australia Bank Ltd	S&P AA-	3,000,000	3,071,280	FRN	26/09/2018	26/09/2023	1.01%
Westpac Banking Corporation Ltd	S&P AA-	1,500,000	1,535,955	FRN	16/11/2018	16/11/2023	0.97%
ANZ Banking Group Ltd	S&P AA-	2,000,000	2,058,040	FRN	6/12/2018	6/12/2023	1.12%
National Australia Bank Ltd	S&P AA-	2,000,000	2,054,060	FRN	19/06/2019	19/06/2024	1.01%
Macquarie Bank	Moodys A2	2,000,000	2,037,260	FRN	12/02/2020	12/02/2025	0.86%
Emerald Reverse Mortgage Trust	S&P A	516,521	413,243	MBS	17/07/2006	21/08/2051	0.47%
Emerald Reverse Mortgage Trust	S&P A	2,000,000	1,300,160	MBS	17/07/2006	21/08/2056	0.77%
Total			39,868,889				
Managed Funds							
MANAGED FUNDS							
Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Purchase Date	Monthly	FYTD (Actual)	
TcorpIM Cash Fund Facility	N/A	27,697,188	27,697,188	28/06/2019	0.05%	0.28%	
Tcorp Long Term Growth Facility Trust	N/A	1,773,197	2,488,453	13/06/2007	5.15%	7.86%	
Total			30,185,640				
TOTAL INVESTMENTS			\$ 169,346,954				
* The maturity date provided is the weighted-average life of the security. This is the average amount of time that will elapse from the date of security's issuance until each dollar is repaid based on an actuarial assessment. Assessments are carried out on a regular basis which can potentially extend the life of the investment. Current assessments anticipate an extension of life of the investment.							
This is to certify that all of the above investments have been placed in accordance with the Act, the regulations and Council's Investment Policies.							
Brian Jenkins RESPONSIBLE ACCOUNTING OFFICER							



WOLLONGONG CITY COUNCIL  
STATEMENT OF INVESTMENT  
25 December 2020

DIRECT INVESTMENTS

Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase Date	Maturity Date	Interest / Coupon Rate
NAB General Fund	A1+	-	2,536,681	General A/c	25/12/2020	25/12/2020	
NAB Professional Maximiser	A1+	-	28,610,874	Prof Fund A/c	25/12/2020	25/12/2020	0.50%
Members Equity Bank Ltd	S&P ST A2	3,000,000	3,000,000	T/Deposit	6/03/2020	31/12/2020	1.25%
Members Equity Bank Ltd	S&P ST A2	2,000,000	2,000,000	T/Deposit	25/09/2020	25/01/2021	0.65%
Members Equity Bank Ltd	S&P ST A2	2,000,000	2,000,000	T/Deposit	26/11/2020	25/01/2021	0.45%
Bank of Queensland Ltd	Moody's A3	3,000,000	3,000,000	T/Deposit	21/02/2019	19/02/2021	2.80%
Bendigo & Adelaide Bank Ltd	Moody's A3	2,000,000	2,000,000	T/Deposit	28/11/2019	24/02/2021	1.55%
Bank of Queensland Ltd	Moody's ST P-2	2,000,000	2,000,000	T/Deposit	6/03/2020	1/03/2021	1.40%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	6/03/2020	8/03/2021	0.92%
IMB Ltd	Moody's ST P-2	2,000,000	2,000,000	T/Deposit	26/11/2020	28/04/2021	0.45%
IMB Ltd	Moody's ST P-2	4,000,000	4,000,000	T/Deposit	26/11/2020	25/05/2021	0.45%
Bendigo & Adelaide Bank Ltd	Moody's A3	2,000,000	2,000,000	T/Deposit	28/11/2019	25/06/2021	1.55%
Commonwealth Bank of Australia Ltd	S&P ST A1+	4,000,000	4,000,000	T/Deposit	25/09/2020	22/07/2021	0.66%
Bank of Queensland Ltd	Moody's ST P-2	2,000,000	2,000,000	T/Deposit	26/11/2020	30/07/2021	0.55%
Bank of Queensland Ltd	Moody's ST P-2	3,000,000	3,000,000	T/Deposit	14/12/2020	16/08/2021	0.55%
Members Equity Bank Ltd	S&P ST A2	3,000,000	3,000,000	T/Deposit	23/12/2020	19/10/2021	0.50%
Bank of Queensland Ltd	Moody's A3	2,000,000	2,000,000	T/Deposit	25/09/2020	25/11/2021	0.80%
Commonwealth Bank of Australia Ltd	S&P ST A1+	4,000,000	4,000,000	T/Deposit	26/11/2020	26/11/2021	0.54%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	2/12/2019	2/12/2021	0.90%
Bank of Queensland Ltd	Moody's A3	2,000,000	2,000,000	T/Deposit	25/09/2020	25/01/2022	0.80%
Commonwealth Bank of Australia Ltd	S&P AA-	4,000,000	4,000,000	T/Deposit	26/11/2020	25/01/2022	0.55%
Commonwealth Bank of Australia Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	23/12/2020	22/04/2022	0.50%
Westpac Banking Corporation Ltd	S&P AA-	3,000,000	3,000,000	T/Deposit	26/11/2020	25/11/2022	0.56%
Commonwealth Bank of Australia Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	23/12/2020	23/12/2022	0.52%
Westpac Banking Corporation Ltd	S&P AA-	5,000,000	5,000,000	T/Deposit	23/12/2020	23/12/2023	0.60%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	6/03/2019	6/03/2024	2.83%
Total			95,147,555				

WOLLONGONG CITY COUNCIL  
STATEMENT OF INVESTMENT  
25 December 2020 continued

Bond and Floating Rate Note Securities

DIRECT INVESTMENTS

Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase	Maturity Date	Interest /
Newcastle Permanent Building Society Ltd	S&P BBB	500,000	501,200	FRN	26/02/2019	26/02/2021	1.12%
Suncorp Bank	S&P A+	2,000,000	2,013,580	FRN	12/04/2016	12/04/2021	1.46%
AMP Bank Ltd	S&P BBB	2,000,000	2,007,300	FRN	24/05/2016	24/05/2021	1.37%
Westpac Banking Corporation Ltd	S&P AA-	3,000,000	3,016,590	FRN	3/06/2016	3/06/2021	1.19%
ANZ Banking Group Ltd	S&P AA-	2,000,000	2,016,020	FRN	16/08/2016	16/08/2021	1.15%
Credit Union Australia Ltd	S&P BBB	1,200,000	1,209,156	FRN	6/09/2018	6/09/2021	1.27%
AMP Bank Ltd	S&P BBB	1,500,000	1,503,420	FRN	10/09/2018	10/09/2021	1.10%
Westpac Banking Corporation Ltd	S&P AA-	1,500,000	1,510,140	FRN	16/11/2018	25/10/2021	0.79%
Credit Union Australia Ltd	Moody's Baa1	1,000,000	1,011,870	FRN	4/03/2019	4/03/2022	1.25%
AMP Bank Ltd	S&P BBB	3,000,000	3,007,620	FRN	30/03/2017	30/03/2022	1.14%
Suncorp Bank	S&P A+	1,500,000	1,520,055	FRN	30/08/2017	16/08/2022	0.99%
Bendigo & Adelaide Bank Ltd	Fitch A-	3,000,000	3,031,020	FRN	12/12/2019	12/09/2022	0.87%
Bank Australia Limited	S&P BBB	4,000,000	4,002,280	FRN	2/12/2019	2/12/2022	0.92%
ANZ Banking Group Ltd	S&P AA-	1,000,000	1,018,450	FRN	9/05/2018	9/05/2023	0.92%
National Australia Bank Ltd	S&P AA-	3,000,000	3,069,120	FRN	26/09/2018	26/09/2023	1.01%
Westpac Banking Corporation Ltd	S&P AA-	1,500,000	1,534,410	FRN	16/11/2018	16/11/2023	0.97%
ANZ Banking Group Ltd	S&P AA-	2,000,000	2,050,360	FRN	6/12/2018	6/12/2023	1.05%
National Australia Bank Ltd	S&P AA-	2,000,000	2,047,160	FRN	19/06/2019	19/06/2024	0.93%
Macquarie Bank	Moody's A2	2,000,000	2,035,420	FRN	12/02/2020	12/02/2025	0.86%
Bendigo & Adelaide Bank Ltd	S&P BBB+	1,700,000	1,702,227	FRN	2/12/2020	2/12/2025	0.54%
Macquarie Bank	S&P A	5,000,000	4,996,300	FRN	9/12/2020	9/12/2025	0.50%
Emerald Reverse Mortgage Trust	S&P A	516,521	413,423	MBS	17/07/2006	21/08/2051	0.47%
Emerald Reverse Mortgage Trust	S&P A	2,000,000	1,301,300	MBS	17/07/2006	21/08/2056	0.77%
Total			46,518,421				

Managed Funds

MANAGED FUNDS

Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Purchase Date	Monthly	FYTD (Actual)
TcorpIMCash Fund Facility	N/A	27,701,777	27,701,777	28/06/2019	0.02%	0.29%
Tcorp Long Term Growth Facility Trust	N/A	1,773,197	2,501,241	13/06/2007	0.51%	8.41%
Total			30,203,017			

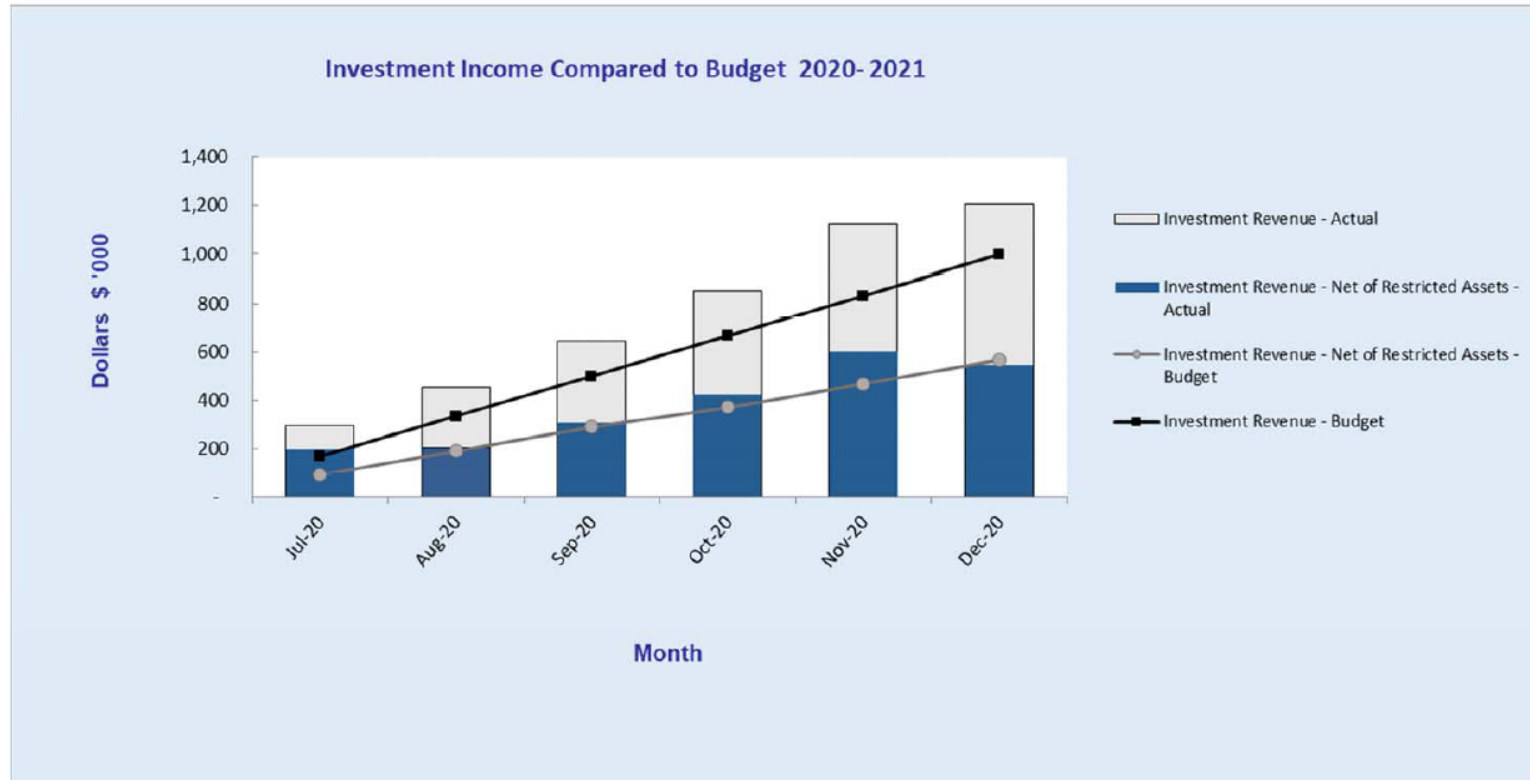
TOTAL INVESTMENTS

\$171,868,994

\* The maturity date provided is the weighted-average life of the security. This is the average amount of time that will elapse from the date of security's issuance until each dollar is repaid based on an actuarial assessment. Assessments are carried out on a regular basis which can potentially extend the life of the investment. Current assessments anticipate an extension of life of the investment.

This is to certify that all of the above investments have been placed in accordance with the Act, the regulations and Council's Investment Policies.

Brian Jenkins  
RESPONSIBLE ACCOUNTING OFFICER



## ITEM 9 DECEMBER 2020 FINANCIALS

Actual results for December compared to phased budget are favourable over the key performance indicators. The Operating Result [pre-capital] and the Funds Available from Operations show favourable variances of \$6.3M and \$1.4M respectively while the Funds Result shows a favourable variance of \$5.0M.

The balance sheet at the end of the period indicates that there is enough cash to support external restrictions.

Following September Quarterly Review discussions, the annual and phased budget have been adjusted to better reflect the current trends of COVID-19 impacts and provide more transparency on budget performance. While the overall annual quantum of the provision of \$9.1M for COVID-19 impacts have not been revised, the budget provision has been rephased and distributed to reflect updated timing and resourcing impacts.

The original phasing of COVID-19 impacts was based on the assumptions in the Adopted Operational Plan 2020-2021, where it was anticipated that the impacts would be heaviest in the first quarter and then would tail off during the second quarter with no ongoing impacts. The revision of the budget phasing recognises that impacts will likely be felt over the whole year with lower than anticipated impacts in the first half. This significantly affects the results against budget for December compared to what has been reported in previous months. For example, at the end of November, Operating Result [pre capital] showed a favourable variation to phased budget of \$12.9M that, with the revised phasing, this would have reduced to around \$7.2M which is more in line with the results at December.

Council has expended \$32.0M on its capital works program representing 34% of the annual budget. The year to date budget for the same period was \$38.8M.

### RECOMMENDATION

- 1 The financials be received and noted.
- 2 Council approves the proposed changes to the Capital Budget.

### REPORT AUTHORISATIONS

Report of: Brian Jenkins, Chief Financial Officer

Authorised by: Ingrid Mcalpin, Director Corporate Services - Connected + Engaged City (Acting)

### ATTACHMENTS

- 1 Income and Funding Statement – December 2020
- 2 Capital Project Report – December 2020
- 3 Balance Sheet - December 2020
- 4 Cash Flow Statement - December 2020

### BACKGROUND

This report presents the Income and Expense Statement, Balance Sheet and Cash Flow Statement for December 2020. Council's current budget has a Net Funding (cash) deficit of \$11.9M, an Operating Deficit [pre capital] of \$22.3M and a Capital Expenditure of \$94.6M.

The following table provides a summary view of the organisation's overall financial results for the year to date.

FORECAST POSITION	Original Budget	Revised Budget	YTD Forecast	YTD Actual	Variation
	\$M	\$M	\$M	\$M	\$M
KEY MOVEMENTS	1-Jul	27-Nov	25-Dec	25-Dec	
Operating Revenue	269.0	270.6	134.8	135.0	0.2
Operating Costs	(291.0)	(292.9)	(144.4)	(138.3)	6.1
<b>Operating Result [Pre Capital]</b>	<b>(22.0)</b>	<b>(22.3)</b>	<b>(9.6)</b>	<b>(3.3)</b>	<b>6.3</b>
Capital Grants & Contributions	35.5	35.7	11.3	10.2	(1.1)
<b>Operating Result</b>	<b>13.4</b>	<b>13.3</b>	<b>1.7</b>	<b>6.9</b>	<b>5.2</b>
<b>Funds Available from Operations</b>	<b>56.9</b>	<b>56.6</b>	<b>28.6</b>	<b>30.0</b>	<b>1.4</b>
<b>Capital Works</b>	<b>93.4</b>	<b>94.6</b>	<b>38.8</b>	<b>32.0</b>	<b>6.8</b>
<b>Contributed Assets</b>	<b>11.6</b>	<b>11.6</b>	<b>0.0</b>	<b>0.0</b>	-
Transfer to Restricted Cash	1.4	3.9	3.2	3.2	-
Borrowings Repaid	5.2	5.2	2.4	2.4	-
Funded from:					
- Operational Funds	56.9	56.6	28.6	30.0	1.4
- Other Funding	45.6	46.8	15.0	11.8	(3.2)
<b>Total Funds Surplus/(Deficit)</b>	<b>(9.1)</b>	<b>(11.9)</b>	<b>(0.9)</b>	<b>4.1</b>	<b>5.0</b>

## Financial Performance

The December 2020 Operating Result [pre-capital] shows a favourable variance of \$6.3M compared to the revised phased budget that is due to greater operating income (\$0.2M) and lower expenditure trends across a range of areas (\$6.1M).

The Operating Result shows a positive variance of \$5.2M compared to budget. This includes the net variation above, decreased by a lower level of capital income of \$1.1M. This is due to timing of developer contributions and the impact of new accounting standards on capital grant income received in advance.

The Funds Available from Operations indicate a favourable variation of \$1.4M. This result excludes variations in non-cash transactions and transfers to and from Restricted Assets but includes the cash payments for Employee Entitlements to represent the operational budget variations that may impact our funding.

## Funds Result

The Total Funds result as at 25 December 2020 shows a favourable variance of \$5.0M compared to phased budget.

## Capital Budget

At the end of December, the capital program shows an expenditure of \$32.0M compared to a phased budget of \$38.8M.

Through the adoption of the Operational Plan 2020-2021, Council approved a capital budget of \$93.4M. At the beginning of November, the capital budget had been increased by \$1.2M, fully offset by funding, to a total budget of \$94.6M. A review of the capital program during November and December proposes a further overall increase of \$0.6M that is also largely offset by corresponding funding. Details of this change are provided in the Capital Project Report and commentary (attachment 2).

## Available Cash

CASH, INVESTMENTS & AVAILABLE FUNDS				
	Actual 2019/20	Original Budget 2020/21	September QR 2020/21	Actual Ytd December 2020
	\$M	\$M	\$M	\$M
Total Cash and Investments	157.5	114.2	122.9	171.9
Attributed to:				
External Restrictions				
Developer Contributions	35.1	34.7	40.7	40.0
Specific Purpose Unexpended Grants	3.2	6.2	3.3	6.0
Special Rates Levy City Centre	0.3	0.1	0.2	0.1
Unexpended Loans	3.0	2.7	0.9	1.4
Domestic Waste Management	14.2	11.3	11.9	14.0
Private Subsidies	6.2	6.2	5.9	5.9
Housing Affordability	11.0	11.2	11.1	11.1
Stormwater Management Charge	1.9	1.2	1.4	2.0
Total External Restrictions	74.7	73.7	75.4	80.5
Internal Restrictions				
Property Investment Fund	7.9	4.2	4.2	6.2
Strategic Projects	42.9	22.0	28.0	39.4
Sports Priority program	0.9	0.5	0.7	1.1
City Parking strategy	2.2	0.5	0.5	1.5
MacCabe Park Development	1.4	1.6	1.6	1.5
Darcy Wentworth Park	0.2	0.2	0.2	0.2
Waste Disposal Facility	0.6	2.2	2.0	1.7
West Dapto additional rates	6.1	6.5	6.8	6.5
Natural Areas	0.2	1.1	0.2	0.2
Lake Illawarra Management Fund	0.3	0.3	0.3	0.5
Total Internal Restrictions	62.7	39.0	44.5	58.9
Available Cash	20.1	1.6	3.0	32.6
Net Payable & Receivables	5.3	10.1	8.4	(3.1)
Payables	(30.6)	(26.2)	(26.4)	(36.1)
Receivables	21.7	23.7	23.9	21.7
Other	14.2	12.5	10.9	11.3
Available Funds	25.4	11.6	11.4	29.4

Council's cash and investments increased during December 2020 to holdings of \$171.9M compared to \$167.5M at the end of November 2020.

The Available Funds position excludes restricted cash. External restrictions are funds that must be spent for a specific purpose and cannot be used by Council for general operations. Internal restrictions are funds that Council has determined will be used for a specific future purpose.

### Receivables

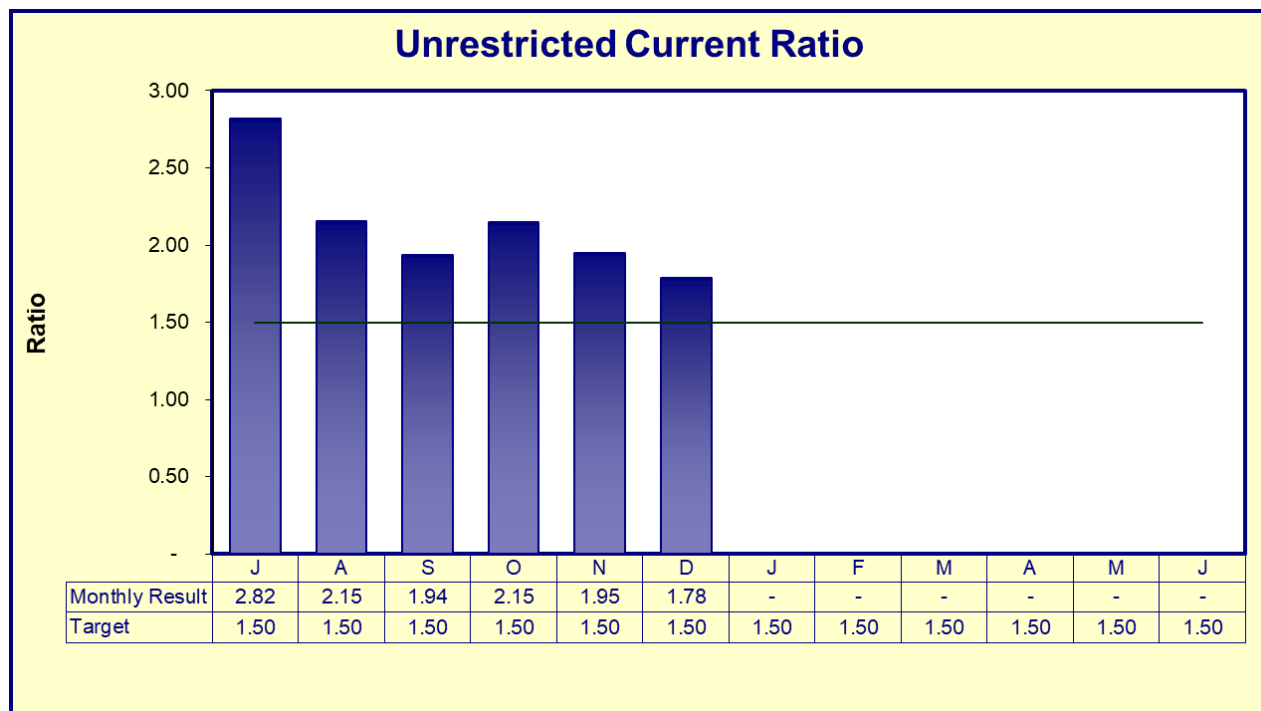
Receivables are the amount of money owed to Council or funds that Council has paid in advance. At December 2020, receivables totalled \$21.7M compared to receivables of \$24.9M at November 2020.

### Payables

Payables (the amount of money owed to suppliers) of \$36.1M were owed at December 2020 compared to payables of \$35.0M at November 2020.

The Unrestricted Current Ratio is intended to disclose the ability of an organisation to satisfy payment obligations in the short term from the unrestricted activities of Council. Council's current ratio exceeds the Local Government Benchmark of >1.5:1.





Council continues to have financial strength in its low level of borrowing. The industry measure of debt commitment is the Debt Service Ratio that measures the proportion of revenues that are required to meet annual loan repayments.

Council's Financial Strategy includes provision for additional borrowing in the future and Council will consider borrowing opportunities from time to time to bring forward the completion of capital projects where immediate funding is not available.

Council's Debt Service Ratio forecast for 2020-2021 is a target of <4% and remains low in comparison to the Local Government's benchmark ratio of <20%.

## Assets

The Balance Sheet shows that \$2.9B of assets (written down value) are controlled and managed by Council for the community as at 25 December 2020. The 2020-2021 capital works program includes projects such as the West Dapto Infrastructure Expansion, civil asset renewals including roads, car parks and buildings and purchase of library books. Council has expended \$32.0M on its capital works program representing 34% of the annual budget. The year to date budget for the same period was \$38.8M.

## 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 the following:

Community Strategic Plan Strategy	Delivery Program 2018-2022 4 Year Action	Operational Plan 2020-2021 Operational Plan Actions
4.3.2 Resources (finance, technology, assets and people) are effectively managed to ensure long term financial sustainability	4.3.2.1 Effective and transparent financial management systems are in place	Monitor and review achievement of Financial Strategy
		Continuous budget management is in place, controlled and reported
		Provide accurate and timely financial reports monthly, quarterly and via the annual statement
		Manage and further develop a compliance program to promote awareness and compliance with Council's procurement policies and procedures and other related policies

## CONCLUSION

The financial result at the end of December is positive across the leading indicators. Included in this is recognition of revised timing impacts of the COVID-19 pandemic.

WOLLONGONG CITY COUNCIL					
1 July 2020 to 25 December 2020					
	21GLBUD Original Budget \$'000	21GLBUD Current Budget \$'000	21GLPHAS YTD Budget \$'000	21GLACT Actual YTD \$'000	Actual v Phase Variance \$'000
Income Statement					
<b>Income From Continuing Operations</b>					
<b>Revenue:</b>					
Rates and Annual Charges	208,445	208,512	101,685	101,849	164
User Charges and Fees	27,034	30,135	14,558	14,067	(491)
Interest and Investment Revenues	2,343	2,343	1,163	1,208	45
Other Revenues	9,498	2,208	2,887	3,397	510
Rental Income	0	6,256	3,037	3,101	63
Grants & Contributions provided for Operating Purposes	21,679	22,100	11,403	11,365	(38)
Grants & Contributions provided for Capital Purposes	35,480	35,679	11,334	10,247	(1,087)
<b>Other Income:</b>					
	0	0	0	0	0
Profit/Loss on Disposal of Assets	0	0	0	67	67
<b>Total Income from Continuing Operations</b>	<b>304,459</b>	<b>307,232</b>	<b>146,068</b>	<b>145,302</b>	<b>(766)</b>
<b>Expenses From Continuing Operations</b>					
Employee Costs	140,635	143,050	69,981	70,233	(252)
Borrowing Costs	2,374	2,374	1,158	1,082	76
Materials, Contracts & Other Expenses	104,493	104,439	50,946	45,937	5,009
Depreciation, Amortisation + Impairment	63,702	63,702	32,113	29,490	2,623
Internal Charges (labour)	(18,432)	(18,432)	(8,989)	(7,523)	(1,466)
Internal Charges (not labour)	(1,733)	(1,733)	(845)	(830)	(16)
<b>Total Expenses From Continuing Operations</b>	<b>291,038</b>	<b>293,399</b>	<b>144,363</b>	<b>138,390</b>	<b>5,973</b>
<b>Operating Result</b>	<b>13,421</b>	<b>13,832</b>	<b>1,704</b>	<b>6,912</b>	<b>5,208</b>
<b>Operating Result [pre capital]</b>	<b>(22,039)</b>	<b>(21,847)</b>	<b>(9,630)</b>	<b>(3,336)</b>	<b>6,294</b>
<b>NET SURPLUS (DEFICIT) [Pre capital] %</b>	<b>4.4%</b>	<b>4.5%</b>	<b>1.2%</b>	<b>4.8%</b>	<b>(680.2%)</b>
Funding Statement					
<b>Net Operating Result for the Year</b>	<b>13,421</b>	<b>13,832</b>	<b>1,704</b>	<b>6,912</b>	<b>5,208</b>
<b>Add back:</b>					
- Non-cash Operating Transactions	82,363	82,474	40,474	38,572	(1,903)
- Restricted cash used for operations	29,815	29,453	14,863	11,929	(2,934)
- Income transferred to Restricted Cash	(54,169)	(54,605)	(21,229)	(21,584)	(365)
- Payment of Right of Use Leases	0	0	0	0	0
- Payment of Accrued Leave Entitlements	(14,533)	(14,533)	(7,243)	(5,805)	1,437
- Payment of Carbon Contributions	0	0	0	0	0
Net Share Joint Venture using Equity Method	0	0	0	0	0
<b>Funds Available from Operations</b>	<b>56,897</b>	<b>56,622</b>	<b>28,570</b>	<b>30,013</b>	<b>1,443</b>
Borrowings repaid	(5,242)	(5,242)	(2,425)	(2,425)	(0)
Advances (made by) / repaid to Council	0	0	0	0	0
<b>Operational Funds Available for Capital Budget</b>	<b>51,655</b>	<b>51,380</b>	<b>26,145</b>	<b>27,587</b>	<b>1,443</b>
<b>CAPITAL BUDGET</b>					
Assets Acquired	(93,359)	(95,807)	(38,805)	(32,035)	6,770
Contributed Assets	(11,562)	(11,562)	(16)	(16)	0
Transfers to Restricted Cash	(1,447)	(3,947)	(3,224)	(3,224)	0
<b>Funded From :-</b>					
- Operational Funds	51,655	51,380	26,145	27,587	1,443
- Sale of Assets	1,801	1,801	382	785	404
- Internally Restricted Cash	13,371	11,896	4,047	3,433	(614)
- Borrowings	0	0	0	0	0
- Capital Grants	4,762	5,439	1,182	1,375	193
- Developer Contributions (Section 94)	11,931	13,714	6,767	3,725	(3,042)
- Other Externally Restricted Cash	1,170	2,620	1,749	1,705	(44)
- Other Capital Contributions	12,559	12,572	839	730	(109)
<b>TOTAL FUNDS SURPLUS / (DEFICIT)</b>	<b>(9,119)</b>	<b>(11,894)</b>	<b>(934)</b>	<b>4,066</b>	<b>5,000</b>

### **Manager Project Delivery Division Commentary on November and December 2020 Capital Budget Report**

On 29 June 2020, Council approved a Capital budget for 2020-2021 of \$93.4M. As of the end of December 2020, the approved Capital Budget has been increased from the previously adjusted \$94.6M to \$95.2M due primarily to the rephasing of Waste Reserve and West Dapto Sect 7.11 Funding.

Council achieved expenditure at the end of December 2020 of \$32.0M compared to the phased budget expenditure of \$38.8M.

<b>Program</b>	<b>Major Points of change to Capital Budget</b>
Traffic Facilities	Introduce additional Section 94 funding for existing projects into Traffic Facilities Program. Introduce additional NSW Safer Roads Program funding for existing projects.
Roadworks	Reallocate Local Roads and community Infrastructure (Round 1) funding from Play Facilities to Roadworks Program. Transfer budget from Commercial Centre Upgrades – Footpaths and Cycleways to Roadworks Program.
West Dapto Infrastructure Expansion	Rephasing of Sect 7.11 funding for existing project.
Footpaths	Rephase Port Kembla Community Infrastructure Funding for existing project Transfer budget from Commercial Centre Upgrades – Footpaths and Cycleways Program
Cycle/Shared Paths	Introduce Section 94 Funding for existing projects. Introduce NSW Government Streets as Shared Spaces Funding for Pop Up Cycleway Projects.
Commercial Centre Upgrades – Footpaths and Cycleways	Reallocate Budget to Cycle/Shared Paths Program and Footpaths program
Cultural Centres (IPAC, Gallery, Townhall)	Reallocate Budget to Cultural Centres (IPAC, Gallery, Townhall) from Administration Buildings. Reallocate Budget to Cultural Centres (IPAC, Gallery, Townhall) from Community Buildings
Administration Buildings	Reallocate Budget from Administration Buildings to Cultural Centres (IPAC, Gallery, Townhall).
Community Buildings	Reallocate Budget from Treated Water Pools to Community Buildings Program Reallocate budget from Capital to Operational Budget
Play Facilities	Reallocate Local Roads and Community Infrastructure (Round 1) funding from Play Facilities to Roadworks Program.
Recreation Facilities	Reallocate Budget from Recreation Facilities to Sporting Facilities.
Sporting Facilities	Reallocate budget from Capital Budget Contingency to Sporting Facilities Program
Rock/Tidal Pools	Reallocate Budget to Rock/Tidal Pools from Treated Water Pools.
Treated Water Pools	Reallocate Budget from Treated Water Pools to Community Buildings Program
Whytes Gully New Cells	Rephase Waste Reserve funding to future year
Land Acquisitions	Introduce additional Sect 7.11 West Dapto Funding for existing projects
Capital Project Contingency	Reallocate budget from Contingency to Community Buildings Program.

CAPITAL PROJECT REPORT							
as at the period ended 25 December 2020							
ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000	
	CURRENT BUDGET		WORKING BUDGET			VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING
Roads And Related Assets							
Traffic Facilities	2,207	(1,145)	2,169	(1,307)	706	(38)	(162)
Public Transport Facilities	335	0	335	0	41	0	0
Roadworks	11,406	(1,569)	11,427	(2,072)	5,023	21	(503)
Bridges, Boardwalks and Jetties	1,980	0	1,980	0	457	(0)	0
TOTAL Roads And Related Assets	15,928	(2,714)	15,912	(3,380)	6,226	(17)	(665)
West Dapto							
West Dapto Infrastructure Expansion	8,031	(8,031)	7,931	(7,931)	3,029	(100)	100
TOTAL West Dapto	8,031	(8,031)	7,931	(7,931)	3,029	(100)	100
Footpaths And Cycleways							
Footpaths	7,330	(2,800)	8,217	(2,800)	3,708	887	0
Cycle/Shared Paths	4,065	(2,025)	5,777	(3,342)	1,586	1,712	(1,317)
Commercial Centre Upgrades - Footpaths and Cycleways	5,187	(1,882)	4,337	(1,432)	1,560	(850)	250
TOTAL Footpaths And Cycleways	16,582	(6,507)	18,331	(7,573)	6,853	1,749	(1,067)
Carparks							
Carpark Construction/Formalising	1,115	(400)	1,115	(400)	252	(0)	0
Carpark Reconstruction or Upgrading	1,565	(280)	1,565	(280)	606	(0)	0
TOTAL Carparks	2,680	(680)	2,680	(680)	858	(0)	0
Stormwater And Floodplain Management							
Floodplain Management	1,793	(283)	1,793	(283)	290	(0)	0
Stormwater Management	2,954	(335)	2,954	(335)	1,526	0	(0)
Stormwater Treatment Devices	85	(85)	85	(85)	4	(0)	0
TOTAL Stormwater And Floodplain Ma	4,832	(703)	4,832	(703)	1,820	0	0
Buildings							
Cultural Centres (IPAC, Gallery, Townhall)	1,090	0	1,400	0	396	310	0
Administration Buildings	1,935	0	1,835	0	284	(100)	0
Community Buildings	13,128	(1,775)	13,127	(1,815)	4,690	(1)	(40)
Public Facilities (Shelters, Toilets etc.)	230	0	230	0	1	(0)	0
TOTAL Buildings	16,383	(1,775)	16,592	(1,815)	5,371	209	(40)
Commercial Operations							
Tourist Park - Upgrades and Renewal	870	0	870	0	606	0	0
Crematorium/Cemetery - Upgrades and Renewal	265	0	265	0	115	0	0
Leisure Centres & RVGC	170	0	170	0	4	0	0
TOTAL Commercial Operations	1,305	0	1,305	0	725	0	0
Parks Gardens And Sportfields							
Play Facilities	2,510	(670)	2,050	(210)	48	(460)	460
Recreation Facilities	2,399	(1,661)	2,400	(1,662)	179	1	(21)
Sporting Facilities	2,305	(850)	2,425	(850)	444	120	0
Lake Illawarra Foreshore	100	0	100	0	0	0	0
TOTAL Parks Gardens And Sportfields	7,314	(3,181)	6,975	(2,742)	672	(339)	439



CAPITAL PROJECT REPORT							
as at the period ended 25 December 2020							
ASSET CLASS PROGRAMME	\$'000		\$'000		YTD EXPENDITURE	\$'000	
	CURRENT BUDGET		WORKING BUDGET			VARIATION	
	EXPENDITURE	OTHER FUNDING	EXPENDITURE	OTHER FUNDING		EXPENDITURE	OTHER FUNDING
Beaches And Pools							
Beach Facilities	827	0	828	0	84	0	0
Rock/Tidal Pools	970	0	1,120	0	963	150	0
Treated Water Pools	1,480	0	1,130	0	388	(350)	0
TOTAL Beaches And Pools	3,277	0	3,077	0	1,435	(200)	0
Waste Facilities							
Whytes Gully New Cells	3,710	(3,710)	3,057	(3,057)	1,296	(653)	653
TOTAL Waste Facilities	3,710	(3,710)	3,057	(3,057)	1,296	(653)	653
Fleet							
Motor Vehicles	1,800	(949)	1,800	(949)	232	(0)	0
TOTAL Fleet	1,800	(949)	1,800	(949)	232	(0)	0
Plant And Equipment							
Mobile Plant (trucks, backhoes etc.)	4,380	(853)	4,380	(853)	952	(0)	(0)
TOTAL Plant And Equipment	4,380	(853)	4,380	(853)	952	(0)	(0)
Information Technology							
Information Technology	2,134	0	2,134	0	172	0	0
TOTAL Information Technology	2,134	0	2,134	0	172	0	0
Library Books							
Library Books	1,251	0	1,251	0	691	(0)	0
TOTAL Library Books	1,251	0	1,251	0	691	(0)	0
Public Art							
Art Gallery Acquisitions	100	0	100	0	53	(0)	0
TOTAL Public Art	100	0	100	0	53	(0)	0
Emergency Services							
Emergency Services Plant and Equipment	20	0	20	0	4	0	0
TOTAL Emergency Services	20	0	20	0	4	0	0
Land Acquisitions							
Land Acquisitions	3,920	(3,870)	3,966	(3,916)	1,618	46	(46)
TOTAL Land Acquisitions	3,920	(3,870)	3,966	(3,916)	1,618	46	(46)
Non-Project Allocations							
Capital Project Contingency	944	0	828	0	0	(116)	0
Capital Project Plan	10	0	26	0	24	16	0
TOTAL Non-Project Allocations	954	0	854	0	24	(100)	0
GRAND TOTAL	94,603	(32,973)	95,198	(33,599)	32,031	595	(626)

WOLLONGONG CITY COUNCIL		
As at 25th December 2020		
	Actual 2020/21 \$'000	Actual 2019/20 \$'000
Balance Sheet		
<b>Current Assets</b>		
Cash Assets	60,881	56,050
Investment Securities	91,020	97,422
Receivables	21,671	21,668
Inventories	475	381
Current Contract Assets	3,688	5,669
Other	8,894	10,572
Assets classified as held for sale	0	0
	0	0
<b>Total Current Assets</b>	<b>186,630</b>	<b>191,761</b>
<b>Non-Current Assets</b>		
Non Current Cash Assets	20,000	4,000
Non Current Investment Securities	0	0
Non-Current Receivables	0	0
Non-Current Inventories	5,972	5,972
	0	0
Property, Plant and Equipment	2,657,372	2,655,487
Investment Properties	5,000	5,000
Westpool Equity Contribution	3,484	3,484
Intangible Assets	205	254
Right-Of-Use Assets	1,790	1,790
<b>Total Non-Current Assets</b>	<b>2,693,821</b>	<b>2,675,987</b>
<b>TOTAL ASSETS</b>	<b>2,880,451</b>	<b>2,867,748</b>
<b>Current Liabilities</b>		
Current Payables	36,110	30,592
Current Contract Liabilities	2,980	3,571
Current Lease Liabilities	341	341
Current Provisions payable < 12 months	15,819	13,272
Current Provisions payable > 12 months	47,811	47,811
Current Interest Bearing Liabilities	5,260	5,260
<b>Total Current Liabilities</b>	<b>108,321</b>	<b>100,848</b>
<b>Non-Current Liabilities</b>		
Non Current Payables	0	0
Non Current Interest Bearing Liabilities	10,014	12,439
N/C Lease Liabilities	1,519	1,519
Non Current Provisions	40,519	39,775
<b>Total Non-Current Liabilities</b>	<b>52,053</b>	<b>53,734</b>
<b>TOTAL LIABILITIES</b>	<b>160,374</b>	<b>154,582</b>
<b>NET ASSETS</b>	<b>2,720,077</b>	<b>2,713,166</b>
<b>Equity</b>		
Accumulated Surplus	1,365,974	1,360,922
Asset Revaluation Reserve	1,214,797	1,214,858
Restricted Assets	139,307	137,386
<b>TOTAL EQUITY</b>	<b>2,720,077</b>	<b>2,713,166</b>

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT as at 25 December 2020		
	YTD Actual 2020/21 \$ '000	Actual 2019/20 \$ '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts:</b>		
Rates & Annual Charges	116,373	203,414
User Charges & Fees	12,753	29,485
Interest & Interest Received	1,802	4,130
Grants & Contributions	25,484	68,993
Other	6,394	25,886
<b>Payments:</b>		
Employee Benefits & On-costs	(59,794)	(118,396)
Materials & Contracts	(30,885)	(73,390)
Borrowing Costs	(338)	(910)
Other	(15,650)	(46,162)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>56,139</b>	<b>93,050</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts:</b>		
Sale of Investments	-	-
Sale of Infrastructure, Property, Plant & Equipment	785	958
Deferred Debtors Receipts	-	-
<b>Payments:</b>		
Purchase of Infrastructure, Property, Plant & Equipment	(40,072)	(83,558)
Purchase of Interests in Joint Ventures & Associates	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(39,287)</b>	<b>(82,600)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Receipts:</b>		
Proceeds from Borrowings & Advances	-	-
<b>Payments:</b>		
Repayment of Borrowings & Advances	(2,425)	(7,935)
Repayment of Finance Lease Liabilities	-	(312)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(2,425)</b>	<b>(8,247)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>14,427</b>	<b>30,865</b>
plus: Cash & Cash Equivalents and Investments - beginning of year	157,475	126,610
<b>Cash &amp; Cash Equivalents and Investments - year to date</b>	<b>171,902</b>	<b>157,475</b>

WOLLONGONG CITY COUNCIL		
CASH FLOW STATEMENT as at 25 December 2020		
	YTD Actual 2020/21 \$ '000	Actual 2019/20 \$ '000
<b>Total Cash &amp; Cash Equivalents and Investments - year to date</b>	<b>171,902</b>	<b>157,475</b>
<b>Attributable to:</b>		
External Restrictions (refer below)	80,906	75,470
Internal Restrictions (refer below)	58,862	62,675
Unrestricted	32,134	19,330
<b>Total</b>	<b>171,902</b>	<b>157,475</b>
<b>External Restrictions</b>		
Developer Contributions	39,971	35,099
RMS Contributions	330	350
Specific Purpose Unexpended Grants	6,096	3,568
Special Rates Levy Wollongong Mall	121	214
Special Rates Levy Wollongong City Centre	20	49
Local Infrastructure Renewal Scheme	277	274
Unexpended Loans	1,151	2,686
Domestic Waste Management	13,990	14,216
Private Subsidies	5,892	6,167
West Dapto Home Deposit Assistance Program	11,083	10,987
Stormwater Management Service Charge	1,975	1,860
<b>Total External Restrictions</b>	<b>80,906</b>	<b>75,470</b>
<b>Internal Restrictions</b>		
Property Investment Fund	6,212	7,889
Strategic Projects	39,433	42,900
Sports Priority Program	1,088	938
Car Parking Strategy	1,540	2,195
MacCabe Park Development	1,515	1,440
Darcy Wentworth Park	171	171
Garbage Disposal Facility	1,748	561
West Dapto Development Additional Rates	6,513	6,067
Southern Phone Natural Areas	173	173
Lake Illawarra Estuary Management Fund	469	341
<b>Total Internal Restrictions</b>	<b>58,862</b>	<b>62,675</b>

ITEM 10

NOTICE OF MOTION - COUNCILLOR CATH BLAKEY - TREATY ON THE PROHIBITION OF NUCLEAR WEAPONS

Councillor Blakey has submitted the following Notice of Motion –

“I formally move that -

- 1 Council notes the entry into force of the Treaty on the Prohibition of Nuclear Weapons (TPNW) on 22 January 2021.
- 2 Council notes that nuclear weapons are now illegal under international law, along with chemical weapons, biological weapons, anti-personnel landmines and cluster munitions.
- 3 Council congratulates all nations that have signed and/or ratified the TPNW and commends the work of civil society and Australian nuclear test survivors who continue to advocate for nuclear disarmament.
- 4 Council reaffirms its support for the TPNW and its call for the Australian Government to sign and ratify it.
- 5 Council will write to the Foreign Minister and Shadow Foreign Minister advising them of this motion.
- 6 Council review its investment vehicles to determine if any Council investment activities include holdings in companies associated with the production or maintenance of nuclear weapons, with the goal of ensuring it does not invest in nuclear weapons companies.”

ITEM 11

NOTICE OF MOTION - COUNCILLOR TANIA BROWN - ESTABLISHMENT OF POST-COVID PEAK BODIES TASKFORCE

Councillor Tania Brown has submitted the following Notice of Motion –

“I formally move that –

- 1 Council establish a Post-COVID Peak Bodies Taskforce to work together on ensuring that Wollongong and our regional economy is best placed to recover from this pandemic.
- 2 The Taskforce membership is to include, but not limited to, all Councillors, Executive and local peak bodies such as Illawarra Business Chamber, Destination Wollongong, Property Council and Regional Development Australia (Illawarra). The Taskforce will bring together key stakeholders to address the economic challenges facing our region.
- 3 The General Manager move responsibility for the Economic Development Unit into the Office of the General Manager, to demonstrate the commitment of the region to growing our economy and build on our ambition to promote Wollongong as a progressive place to do business and as a site for the decentralisation of government jobs.
- 4 A report to Council be provided, or Councillor Briefing held, by 1 April 2021 to update on progress.”

**Background provided by Councillor Tania Brown:**

Conscious that NSW Health are the lead agency throughout the pandemic, but recognising that we need to play a leadership role in ensuring our economy recovers, we need to be best placed to promote Wollongong and do all we can to emerge from this crisis with a plan ready to roll out.

The Economic Development Unit is tasked with attracting business and industry to Wollongong, but this pandemic has presented unforeseen hurdles and a renewed focus may be needed in a crowded marketplace to sell our potential. Traditional methods of business development and market attraction have been challenged and a new approach may be required to cut through.

A Taskforce approach gives us an opportunity to combine our strengths and identify where we can make an impact. The recent City Deal collaborative demonstrated to all levels of Government that we can work well together as a region and achieve genuine outcomes.



ITEM 12

NOTICE OF MOTION - COUNCILLOR JANICE KERSHAW - ACKNOWLEDGMENT OF SURF LIFE SAVERS

Councillor Janice Kershaw has submitted the following Notice of Motion –

“I formally move that –

- 1 Council recognise the significant contribution that our volunteer Surf Life Savers have made during these challenging times.
- 2 In recognition of the above, Council write to the following Surf Clubs: Helensburgh-Stanwell Park, Coalcliff, Scarborough-Wombarra, Coledale, Austinmer, Thirroul, Sandon Point, Bulli, Woonona, Bellambi, Corimal, Towradgi, Fairy Meadow, North Wollongong, Wollongong City, Port Kembla and Windang acknowledging their efforts.
- 3 At an appropriate time in future, some form of formal recognition be made, such as an award ceremony or reception, or what may be deemed appropriate.”

**Background provided by Councillor Janice Kershaw:**

Our Surf Live Savers are always dedicated, professional and hardworking volunteers, however during this summer school holiday period their role has been even more demanding. From having to implement COVID safe measures, contend with the influx of beach users from outside of our Local Government area and unfavourable surf conditions.

During this period, we have seen many rescues, some outside of patrolling areas and or patrolling hours and unfortunately drownings, all of which have an impact on our volunteers and the community.