



11 June 2024

To All Councillors

Notice is hereby given, in accordance with the provisions of the Local Government Act 1993, that the next Ordinary Meeting of Council will be held in the Council Chambers, on Wednesday, 19 June 2024 at 6:30pm, for the purposes of transacting the undermentioned business.

AGENDA:

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‡ - Denotes that Report is for notation only.



Principles for Local Government

Exercise of functions generally

The following general principles apply to the exercise of functions by Councils:

- a) Councils should provide strong and effective representation, leadership, planning and decision-making.
- b) Councils should carry out functions in a way that provides the best possible value for residents and ratepayers.
- c) Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- d) Councils should apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- e) Councils should work co-operatively with other Councils and the State government to achieve desired outcomes for the local community.
- f) Councils should manage lands and other assets so that current and future local community needs can be met in an affordable way.
- g) Councils should work with others to secure appropriate services for local community needs.
- h) Councils should act fairly, ethically and without bias in the interests of the local community.
- i) Councils should be responsible employers and provide a consultative and supportive working environment for staff.

Council's Values

- Integrity
- Accountability
- Respect
- Excellence
- Teamwork

Our Community's Vision

Cessnock will be a cohesive and welcoming community living in an attractive and sustainable rural environment with a diversity of business and employment opportunities supported by accessible infrastructure and services which effectively meet community need.

Cessnock – thriving, attractive and welcoming.

Our Community's Desired Outcomes

- A connected, safe and creative community.
- A sustainable and prosperous economy.
- A sustainable and healthy environment.
- Accessible infrastructure, facilities and services.
- Civic Leadership and effective governance.



Council Code of Conduct

Council adopted its current Code of Conduct on 1 November 2022. This Code provides details of statutory requirements and gives guidance in respect of the way in which pecuniary and conflict of interest issues must be disclosed. Councillors took an oath or affirmation at the commencement of their term of office under section 233A of the *Local Government Act 1993* (NSW) and are therefore obligated under Council's Code of Conduct to disclose and appropriately manage their conflicts of interest.

Generally, the Code outlines the following issues:

1. Councillors are under an obligation at law to disclose any interest they may have in any matter before the Council as soon as practicable and to refrain from being involved in any consideration or to vote on any such matter where required and out outlined in the Code of Conduct.
2. Councillors must disclose any interest in any matter noted in the business paper prior to or at the opening of the meeting.
3. The nature of the interest shall be included in the disclosure.
4. Councillors shall immediately and during the meeting disclose any interest in respect of any matter arising during the meeting which is not referred to in the business paper.
5. All disclosures of interest shall be recorded in the minutes of the meeting.
6. All disclosures of interest shall as far as is practicable be given in writing.
7. Any member having a pecuniary or non-pecuniary significant conflict of interest shall leave the meeting and remain absent while the subject of the interest is being considered by Council.
8. The meeting shall not discuss any matter in which a Councillor has a pecuniary or non-pecuniary significant conflict of interest while the Councillor is present at the meeting.



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**MINUTES OF ORDINARY COUNCIL MEETING OF THE CESSNOCK CITY COUNCIL
HELD IN COUNCIL CHAMBERS ON WEDNESDAY, 15 MAY 2024, COMMENCING AT
6.30PM**

PRESENT: His Worship the Mayor, Councillor J Suvaal (in the Chair) and Councillors Dunn, Jurd, Hawkins, Burke, Moores, Jackson, Watton, Sander, Grine, Hill and Paynter.

IN ATTENDANCE: General Manager
Director Planning and Environment
Director Corporate and Community Services
Director Works and Infrastructure
Chief Financial Officer
Communications & Engagement Manager
Principal Community Engagement Officer
Help Desk Support Officer
Acting Council Services Team Leader (Senior Governance Officer)

Council Prayer:

The Prayer was conducted by Pastor Amanda Francis of New Vine Vineyards Baptist Church.

LEAVE OF ABSENCE:

MOTION **Moved:** Councillor Moores **Seconded:** Councillor Hawkins
749

RESOLVED

That a Leave of Absence be granted to Councillor Sander for the period inclusive of Saturday 18 May to 8 June 2024.

That a Leave of Absence be granted to Councillor Dunn for the period inclusive of 1 July 2024 to 28 July 2024.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

MINUTES:

MOTION *Moved:* Councillor Hill
Seconded: Councillor Burke

750

RESOLVED

that the Minutes of the Ordinary Meeting of Council held on 17 April 2024, as circulated, be taken as read and confirmed as a correct record.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

DISCLOSURES OF INTEREST

DISCLOSURES OF INTEREST NO. DI4/2024

SUBJECT: DISCLOSURES OF INTEREST

RECOMMENDATION

That Councillors now disclose any interests and reasons for declaring such interest in the matters under consideration by Council at this meeting.

CC32/2024 - Minutes of the Confidential Strategic Property & Community Facilities Committee meeting held on 1 May 2024

Councillor Hill declared a Non Pecuniary Interest – Less Than Significant Conflict for the reasons that he is an acquaintance of an individual involved in a group this report relates to. Councillor Hill advised that he would remain in the Chamber and participate in discussion and voting as the conflict has not influenced him in carrying out his public duty because he is able to objectively vote on the matter regardless of his interest.

CC32/2024 - Minutes of the Confidential Strategic Property & Community Facilities Committee meeting held on 1 May 2024

Councillor Grine declared a Non Pecuniary Interest – Less Than Significant Conflict for the reasons that she is an acquaintance of an individual involved in a group this report relates to. Councillor Grine advised that she would remain in the Chamber and participate in discussion and voting as the conflict has not influenced her in carrying out her public duty.

PETITIONS

Nil

ADDRESS BY INVITED SPEAKERS

Nil

CONSIDERATION AND ADOPTION OF ALL REPORTS BY ENGLOBE OR INDIVIDUALLY WITH NOMINATED EXCEPTIONS

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Sander
751

RESOLVED

That having read and considered the reports in the agenda related to items

CC26/2024	March 2024 Review of the 2022-26 Delivery Program	47
‡ CC27/2024	Investment Report - April 2024.....	51
‡ CC28/2024	Disclosures of Interests in Written Returns.....	58

Council adopt the recommendations as printed for those items.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

**NOTICE OF INTENTION TO DEAL WITH MATTERS IN
CONFIDENTIAL SESSION**

NOTICE OF INTENTION NO. NI3/2024

**SUBJECT: NOTICE OF INTENTION TO DEAL WITH MATTERS IN
CONFIDENTIAL SESSION - REPORT CC32/2024 MINUTES OF THE
CONFIDENTIAL STRATEGIC PROPERTY & COMMUNITY FACILITIES
COMMITTEE MEETING HELD ON 1 MAY 2024**

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
752
RESOLVED

That Council considers in Confidential Session the following matters in accordance with Sections 10A (2) (c) of the *Local Government Act 1993*:

- Report CC32/2024 – Minutes of the Confidential Strategic Property & Community Facilities Committee meeting held on 1 May 2024 as the report contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

MAYORAL MINUTES

Nil

MOTIONS OF URGENCY

Nil

PLANNING AND ENVIRONMENT

PLANNING AND ENVIRONMENT NO. PE8/2024

SUBJECT: DEVELOPMENT APPLICATION PERFORMANCE MONITORING REPORT - MARCH 2024

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Paynter
753
RESOLVED

That Council notes the Development Performance Monitoring Report for the March quarter 2023/2024.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY

CORPORATE AND COMMUNITY NO. CC25/2024

**SUBJECT: PROPOSED ACQUISITION OF LAND - 184 WINE COUNTRY DRIVE
NULKABA**

MOTION **Moved:** Councillor Hawkins **Seconded:** Councillor Hill
754

RESOLVED

1. That Council acquires part of Lot 10 DP 251809 for road purposes and compensation payable to the affected landowner to be negotiated with reference to an independent market valuation and in accordance with the *Land Acquisition (Just Terms Compensation) Act 1991*.
2. That in the event the negotiations with the property owner cannot be satisfactorily finalised, Council make application to the Office of Local Government for the approval of the Minister and the Governor to proceed to compulsory acquisition.
3. That Council authorise the General Manager to execute all documents relating to the acquisition and/or documents relating to any application to the Office of Local Government for the approval of the Minister and the Governor for compulsory acquisition if required.
4. On transfer of ownership to Council, the land is to be dedicated as part of the road reserve.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC26/2024

SUBJECT: MARCH 2024 REVIEW OF THE 2022-26 DELIVERY PROGRAM

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Sander
755

RESOLVED

1. That Council notes the progress in implementing the 2022-26 Delivery Program as at 31 March 2024.
2. That Council approves changes to the Operational Plan actions and targets as outlined in the report.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC27/2024

SUBJECT: INVESTMENT REPORT - APRIL 2024

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Sander
756
RESOLVED

That Council receives the Investment Report for April 2024 and notes that:

- Investments are held in accordance with Council’s Investment Policy, which is in accordance with the Ministerial Investment Order.
- Council’s month end cash and investments balance was \$74,498,860.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC28/2024

SUBJECT: DISCLOSURES OF INTERESTS IN WRITTEN RETURNS

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Sander
757
RESOLVED

That Council notes the tabling of the disclosures of interests written returns for the period 1 February 2024 to 30 April 2024 in accordance with Council's Code of Conduct.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC29/2024

SUBJECT: RESOLUTIONS TRACKING REPORT

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Burke
758
RESOLVED

That Council receives the report and notes the information in the Resolutions Tracking Report.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC30/2024

SUBJECT: QUARTERLY BUDGET REVIEW STATEMENT - QUARTER 3, 31 MARCH 2024

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
759

RESOLVED

1. That Council receives the March 2024 Quarterly Budget Review Statement in accordance with Clause 203 of the Local Government (General) Regulation 2021.
2. That Council approves proposed changes to the 2023-24 operating and capital budgets as presented in the Quarterly Business Report March 2024.

FOR	AGAINST
Councillor Jackson	Councillor Jurd
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Suvaal	
Total (11)	Total (1)

CARRIED

CORPORATE AND COMMUNITY NO. CC31/2024

SUBJECT: MINUTES OF THE STRATEGIC PROPERTY & COMMUNITY FACILITIES COMMITTEE MEETING HELD ON 1 MAY 2024

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Paynter
760

RESOLVED

That Council adopts the Minutes of the Strategic Property & Community Facilities Committee meeting held on 1 May 2024 as a resolution of the Ordinary Council.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

COUNCILLOR REPORTS

Nil

Time: 6.51pm

Confidential reports (closed session)

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Dunn
761

RESOLVED

That the meeting move into closed session in order to consider confidential items.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

Time: 7.02pm
Open Session

MOTION **Moved:** Councillor Hawkins **Seconded:** Councillor Paynter
762
RESOLVED

That the meeting move back into open session and The Mayor reported on the outcome.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC32/2024

SUBJECT: MINUTES OF THE CONFIDENTIAL STRATEGIC PROPERTY & COMMUNITY FACILITIES COMMITTEE MEETING HELD ON 1 MAY 2024

This matter is considered to be confidential under Section 10A(2) (c) of the Local Government Act, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Councillor Hill declared a Non Pecuniary Interest – Less Than Significant Conflict for the reasons that he is an acquaintance of an individual involved in a group this report relates to. Councillor Hill remained in the Chamber and participated in discussion and voting.

Councillor Grine declared a Non Pecuniary Interest – Less Than Significant Conflict for the reasons that she is an acquaintance of an individual involved in a group this report relates to. Councillor Grine remained in the Chamber and participated in discussion and voting.

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Paynter
763
RESOLVED

That Council:

- 1. Undertakes an Expression of Interest process to determine potential uses for lot 31 DP 594396 and lot 2 DP 716009, being Council-owned operational land comprising the former Richmond Main Colliery land and buildings, that outlines the community benefit of the future proposed use of the site.**
- 2. Requests the Expression of Interest results be provided to the Strategic Property and Community Facilities Committee for consideration and advice to Council.**

FOR	AGAINST
Councillor Jackson	Councillor Moores
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (11)	Total (1)

CARRIED

The Meeting Was Declared Closed at 7.04pm

CONFIRMED AND SIGNED at the meeting held on 19 June 2024

.....**CHAIRPERSON**

.....**GENERAL MANAGER**

Disclosures Of Interest

Report No. DI5/2024

Corporate and Community Services



SUBJECT: *DISCLOSURES OF INTEREST*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

RECOMMENDATION

That Councillors now disclose any interests and reasons for declaring such interest in the matters under consideration by Council at this meeting.

SUMMARY

The provisions of Chapter 14 of the *Local Government Act 1993* regulate the way in which Councillors and nominated staff of council conduct themselves to ensure that there is no conflict between their private interests and their public trust.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest must be disclosed as soon as practicable after the start of the meeting and the reasons for declaring such interest.

As members are aware, the provisions of the Local Government Act restrict any member who has declared a pecuniary interest in any matter from participating in the discussions, voting on that matter, and require that member to vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code also provides for a number of ways in which a member may manage non pecuniary conflicts of interest.

ENCLOSURES

There are no enclosures for this report.

Motions of Urgency

Report No. MOU5/2024

Corporate and Community Services



SUBJECT: *MOTIONS OF URGENCY*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

RECOMMENDATION

That Councillors now indicate if there are any matters of urgency which they believe should be conducted at this meeting of Council.

SUMMARY

Under Clause 10.5 of Council's Code of Meeting Practice, business may be transacted at a meeting of Council even though due notice of the business has not been given to the Councillors. This can only happen if a motion is passed to have the business transacted at the meeting, the Mayor rules that the business is of great urgency and the business notified in the agenda for the meeting has been disposed of.

Only the mover of such a motion can speak to the motion before it is put.

ENCLOSURES

There are no enclosures for this report.

General Manager's Unit

Report No. GMU4/2024

General Manager's Unit



SUBJECT: *MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD 8 MAY 2024*

RESPONSIBLE OFFICER: *Internal Auditor - Lisa Ollerton*

RECOMMENDATION

That the Minutes of the Audit and Risk Committee Meeting held 8 May 2024 be adopted as a resolution of the Ordinary Council.

MINUTES OF AUDIT & RISK COMMITTEE MEETING OF CESSNOCK CITY COUNCIL HELD IN ANTE ROOM ON WEDNESDAY, 8 MAY 2024, COMMENCING AT 1.00PM

PRESENT: Jennifer Hayes – Independent Chair
Mayor Suvaal
Councillor Paynter
William Middleton – Independent Member
Martin Matthews – Independent Member
Shane Hubble - Independent Member

IN ATTENDANCE: Ken Liddell – General Manager
Robert Maginnity – Director Corporate & Community Services
Paul McLachlan – Director Works & Infrastructure
Michelle Honeyman – People & Culture Manager
Lisa Ollerton – Internal Auditor
Matthew Plumridge – Chief Financial Officer
Alex Hardy – Prosperity Advisors
Cassie Malone – NSW Audit NSW Office via Teams
Carolyn Crebbin – Minute Taker

INVITEES: Charmaine Bennett – Safety and Risk Coordinator
Keri Neveltsen – Governance and Council Support Coordinator
Jessica Clark – Governance Advisor

The Chair welcomed two new members to the Audit & Risk Committee, Martin Matthews and Shane Hubble.

APOLOGIES

Nil



CONFIRMATION OF MINUTES

MINUTES

MOTION

Moved: Mayor Suvaal
Seconded: Jennifer Hayes

RECOMMENDED that the Minutes of the Audit & Risk Committee held on 7 February 2024, as circulated, be taken as read and confirmed as a correct record.

CARRIED UNANIMOUSLY

ACKNOWLEDGEMENT OF COUNTRY

The Acting Chair delivered an Acknowledgement of Country

DISCLOSURES OF INTEREST

COMMITTEE DISCLOSURE OF INTEREST NO. ACCDI2/2024

SUBJECT: DISCLOSURES OF INTEREST

Martin Mathews – Independent Member declared a Non Pecuniary Interest for the reason that he currently works as the contracted Internal Auditor for Maitland and Port Stephens Councils.

Shane Hubble – Independent Member declared a Non Pecuniary Interest for the reason that he is an independent member of the Audit, Risk & Improvement Committee for Mid Coast Council.

BUSINESS ARISING FROM THE MINUTES

Item	Resolutions/Actions	Responsible Officer	Status
10 May 2022 ACCLM12/2022	Action: That the Internal Auditor reassess risk ratings after the actions due by September on the Farmland Rating categories (Pg. 85) are completed.	Lisa Ollerton – Internal Auditor	Update: Risk Matrix remains unchanged. Action to be closed.

General Manager's Unit

Report No. GMU4/2024

General Manager's Unit



LISTED MATTERS

LISTED MATTERS - COMMITTEE NO. ACCLM12/2024

SUBJECT: FINAL MANAGEMENT LETTER 2023 EXTERNAL AUDIT

MOTION **Moved:** Jennifer Hayes **Seconded:** Bill Middleton

RECOMMENDATION

That that the committee notes the Final Management Letter provided by the Audit Office of NSW as well as management responses for issues raised.

CARRIED UNANIMOUSLY

LISTED MATTERS - COMMITTEE PRESENTATION

SUBJECT: ENTERPRISE RISK MANAGEMENT FRAMEWORK UPDATE

MOTION **Moved:** Jennifer Hayes **Seconded:** Mayor Suvaal

RECOMMENDATION

That the Audit and Risk Committee receives and notes the verbal Enterprise Risk Management Framework update.

CARRIED UNANIMOUSLY

General Manager's Unit
Report No. GMU4/2024
General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM13/2024

SUBJECT: GOVERNANCE UPDATE

MOTION **Moved:** Bill Middleton **Seconded:** Councillor Paynter

RECOMMENDATION

That the Audit and Risk Committee receives and notes the Governance Overview report noting the work Council has undertaken in regards to its Ethical Behavior Framework.

CARRIED UNANIMOUSLY

LISTED MATTERS – COMMITTEE NO. ACCLM14/2024

SUBJECT: INVESTMENT POLICY

MOTION **Moved:** Shane Hubble **Seconded:** Bill Middleton

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed changes to the current Investment Policy, prior to presentation to Council.

CARRIED UNANIMOUSLY

General Manager's Unit
Report No. GMU4/2024
General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM15/2024

SUBJECT: DEBT COLLECTION POLICY

MOTION **Moved:** Martin Matthews **Seconded:** Councillor Paynter

RECOMMENDEATION

That the Audit and Risk Committee endorse the reviewed Debt Collection Policy with:

- A review of other contact methods prior to legal debt collection, and
- the addition of a privacy statement.

CARRIED UNANIMOUSLY

LISTED MATTERS - COMMITTEE NO. ACCLM16/2024

SUBJECT: COUNCIL'S REBATE CONTRIBUTION ON PENSIONER RATES POLICY

MOTION **Moved:** Jennifer Hayes **Seconded:** Martin Matthews

RECOMMENDATION

That the Audit and Risk Committee endorses the reviewed Rebate Contribution on Pensioner Rates Policy.

CARRIED UNANIMOUSLY

General Manager's Unit
Report No. GMU4/2024
General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM17/2024

SUBJECT: FINANCIAL HARDSHIP POLICY

MOTION **Moved:** Councillor Paynter **Seconded:** Martin Matthews

RECOMMENDEATION

That the Audit and Risk Committee endorse the reviewed Financial Hardship Policy.

CARRIED UNANIMOUSLY

LISTED MATTERS - COMMITTEE NO. ACCLM18/2024

**SUBJECT: AUDIT, RISK AND IMPROVEMENT COMMITTEE CHARTER
INTERNAL AUDIT CHARTER
STRATEGIC WORKPLAN**

MOTION **Moved:** Jennifer Hayes **Seconded:** Bill Middleton

RECOMMENDATION

That the Audit and Risk Committee endorses the:

- Audit, Risk and Improvement Committee Charter
- Internal Audit Charter
- Audit, Risk and Improvement Committee Strategic Workplan

and recommend to Council that the Audit, Risk and Improvement Committee Charter and Internal Audit Charter be adopted.

CARRIED UNANIMOUSLY

General Manager's Unit

Report No. GMU4/2024

General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM19/2024

SUBJECT: PROGRESS UPDATE - IMPLEMENTATION RISK MANAGEMENT AND INTERNAL AUDIT GUIDELINES (OFFICE OF LOCAL GOVERNMENT)

MOTION Moved: Shane Hubble **Seconded:** Martin Matthews

RECOMMENDATION

That the Audit and Risk Committee notes the report and progress update on the Implementation Risk Management and Internal Audit Guidelines (Office Of Local Government).

CARRIED UNANIMOUSLY

LISTED MATTERS - COMMITTEE NO. ACCLM20/2024

SUBJECT: INTERNAL AUDIT REPORT MAY 2024

MOTION Moved: Jennifer Hayes **Seconded:** Martin Matthews

RECOMMENDED

That the Audit and Risk Committee notes:

- The Internal Audit Report for May 2024;
- That thirty-five (35) new agreed audit actions have been identified;
- That twenty-four (24) agreed audit actions were implemented during the period; and
- That sixty-one (61) agreed audit actions are open as at 30 April 2024, twenty (20) overdue and two (2) not accepted.

CARRIED UNANIMOUSLY

General Manager's Unit

Report No. GMU4/2024

General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM21/2024

SUBJECT: 2023-02 PROCUREMENT INCLUDING PANEL ARRANGEMENTS - INTERNAL AUDIT REPORT

MOTION Moved: Jennifer Hayes **Seconded:** Martin Matthews

RECOMMENDATION

That the Audit and Risk Committee receives the Procurement including Panel Arrangements Internal Audit Report and notes that the audit is complete, in accordance with the Annual Internal Audit Plan 2023-24, and that twenty-four (24) recommendations were made with six (6) high risk actions and eighteen (18) medium risk actions.

CARRIED UNANIMOUSLY

LISTED MATTERS - COMMITTEE NO. ACCLM22/2024

SUBJECT: INTERNAL AUDIT REPORT - KEY CONTROL TESTING - SUPPLIER MASTER FILES / SUPPLIER INFORMATION (ABN/GST REGISTRATIONS)

MOTION Moved: Jennifer Hayes **Seconded:** Mayor Suvaal

RECOMMENDATION

That the Audit and Risk Committee receives the Key Control Testing – Supplier Master Files / Supplier Information (ABN/GST Registration) and notes that the audit is complete, in accordance with the Annual Internal Audit Plan 2023-24, and that six (6) agreed audit actions were made.

CARRIED UNANIMOUSLY

General Manager's Unit
Report No. GMU4/2024
General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM23/2024

SUBJECT: PROPOSED MEETING SCHEDULE FOR FY 2024-25

MOTION **Moved:** Bill Middleton **Seconded:** Councillor Paynter

RECOMMENDATION

That the Audit and Risk Committee endorse the proposed future meeting dates.

Ordinary Meetings:

- 15 August 2024,
- 6 November 2024,
- 5 February 2025, and
- 7 May 2025.

Special Meeting:

- 17 October 2024* subject to AONSW.

CARRIED UNANIMOUSLY

LISTED MATTERS - COMMITTEE NO. ACCLM24/2024

SUBJECT: AUDIT AND RISK COMMITTEE FORWARD PLAN

MOTION **Moved:** William Middleton **Seconded:** Shane Hubble

RECOMMENDATION

That the Audit and Risk Committee notes:

- The summary of the Committees responsibilities fulfilled for 2023-2024; and
- The indicative calendar of reports for 2024 – 2025.

CARRIED UNANIMOUSLY

General Manager's Unit

Report No. GMU4/2024

General Manager's Unit



LISTED MATTERS - COMMITTEE NO. ACCLM25/2024

SUBJECT: QUARTERLY BUDGET REVIEW STATEMENT - QUARTER 3, 31 MARCH 2024

MOTION **Moved:** Jennifer Hayes **Seconded:** Mayor Suvaal

RECOMMENDATION

That the Audit and Risk Committee receives the Quarterly Budget Review Statement Quarter 3 March 2024 and endorses its presentation to Council in accordance with Clause 203 of the Local Government (General) Regulation 2021.

CARRIED UNANIMOUSLY

GENERAL BUSINESS

Director Corporate & Community Services provided an update to the Committee on the recent High Court decision on the Airport dispute, with Council's appeal being dismissed.

The Meeting Was Declared Closed at 3.25 pm

ENCLOSURES

There are no enclosures for this report.

General Manager's Unit

Report No. GMU5/2024

General Manager's Unit



SUBJECT: *AUDIT, RISK AND IMPROVEMENT COMMITTEE CHARTER*

RESPONSIBLE OFFICER: *Internal Auditor - Lisa Ollerton*

SUMMARY

In December 2023 the Office of Local Government (OLG) issued and regulated the Risk Management and Internal Audit for Local Government guidelines which come into effect 1 July 2024. The regulation requires Council to adopt an Audit, Risk and Improvement Committee Charter which give consideration to the Model Terms of Reference provided by the OLG.

In compliance with the new Regulation the Audit, Risk and Improvement Committee Charter has been prepared based on the OLG Model as required under the Regulation.

RECOMMENDATION

That Council adopts the Audit, Risk and Improvement Committee Charter.

BACKGROUND

In December 2023 the OLG issued and regulated the Risk Management and Internal Audit for Local Government guidelines (Guidelines) which come into effect 1 July 2024. The Regulation requires Council to adopt an Audit, Risk and Improvement Committee (ARIC) Charter which gives consideration to the Model Terms of Reference (OLG model) provided by the OLG.

REPORT/PROPOSAL

The current Audit and Risk Committee Charter was last reviewed in 2022 and adopted by Council 21 September 2022. In compliance with the new Regulation the ARIC Charter (**Enclosure 1**) has been prepared based on the OLG Model (**Enclosure 2**) as required under the Regulation.

The OLG Model has been predominantly incorporated into the draft document, and where necessary, additions have been made to ensure that the Charter remains consistent with Council's policies and procedures.

When reviewing the draft Charter please note the following key:

- **Light blue** – OLG model terms of reference
- **Red** – included from Councils current Audit and Risk Committee Charter
- **Green** – Wording changes to ensure that the Charter remains consistent with Council's policies and procedures.

Key Requirements of the Regulation / Changes in the Audit, Risk and Improvement Committee Charter:

- Members are appointed for a four (4) year term with a maximum term of eight years. The eight (8) year maximum term for existing members is from their original appointment date.

General Manager's Unit

Report No. GMU5/2024

General Manager's Unit



- Only one Councillor member on the Committee. The Councillor member is a non voting member.
- The Mayor is no longer considered a voting member of the Committee, however is invited to all meetings as an attendee.

The composition of the Committee from 1 July 2024:

Position	Name	End Date
Audit Chair	Jennifer Hayes	31 December 2024
Independent Member	William Middleton	31 December 2025
Independent Member	Shane Hubble	30 April 2028
Independent Member	Martin Matthews	30 April 2028
Non-Voting Councillor Member	Councillor Paynter	End of Council Term

- The following clause has been included to facilitate a transfer of knowledge period for the incoming and outgoing members to ensure the consistency and continuity of the Committee where a resignation and end of term may occur in the same 9 month period. Clause 5.1(d) - *a fourth independent member may be appointed to ensure consistency of the committee in the event that appointments or resignations result in the attrition of two members within a 9-month period.*
- The responsibilities of the ARIC as defined by Section 428A of the *Local Government Act 1993* (the Act) are defined in Schedule 1 of the Charter. These responsibilities have been incorporated into the Committee's Strategic Workplan (**Enclosure 3**) as required by the Guidelines and the Charter.
- The inclusion of **Clause 16.8.1** - *The Committee Coordinator will ensure that a confidential memo detailing the Committees' activities be circulated to the elected Council after each meeting on behalf of the Chair.*

Currently the minutes are provided to Council formally via the Ordinary Council meeting outlining the recommendations made by the Committee. The issuing of a confidential memo providing an overview of agenda items including Committee recommendations will provide Council with a more thorough overview of the Committee's activities and ensure the confidentiality of the Committee's activities.

- The ARIC must develop a strategic work plan every four years to ensure that all the matters listed in section 428A of the Act are reviewed by the committee and considered by the internal audit function when developing their risk based program of internal audits. The strategic work plan has been developed and endorsed by the Committee and included at (**Enclosure 3**).
- The ARIC must develop an annual work plan to guide its work over the forward year. The annual workplan has been developed and included in the ARIC strategic work plan included at (**Enclosure 3**).
- The ARIC must provide an annual assessment to Council each year. This will take the form of the Audit and Risk Committee Annual Report.

General Manager's Unit

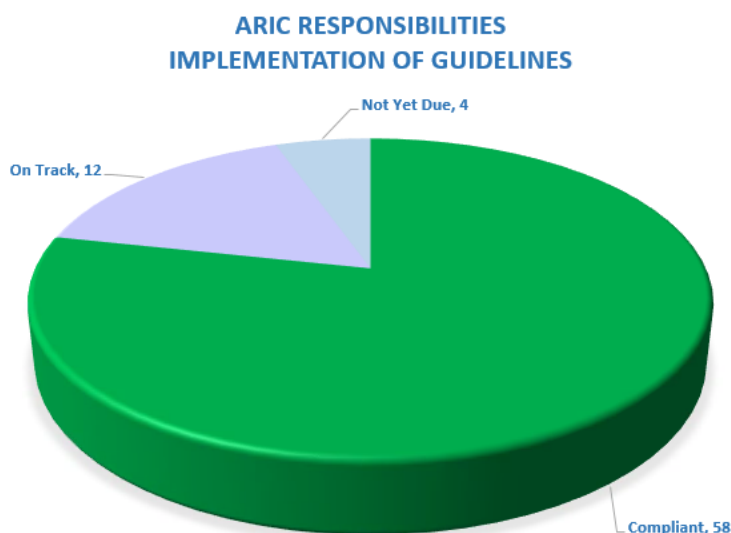
Report No. GMU5/2024

General Manager's Unit



- The ARIC must provide to Council a comprehensive independent assessment every council term (i.e. four years) of all the matters listed in section 428A of the Act that have been reviewed during the council term. The first independent assessment will be due in 2028.
- Commencing with the 2024-2025 annual report, the General Manager will be required under the Regulation to attest each year in the Council’s annual report whether Council has complied with the requirements prescribed under the Regulation in relation to its ARIC.

Overall the Guidelines provide seventy-four (74) requirements for the implementation and administration of Councils ARIC (**Enclosure 4**). The majority of these requirements are implemented via the adoption of the ARIC Charter in **Enclosure 1**. The remaining actions are on track to be implemented by their due dates.



OPTIONS

Nil

CONSULTATION

Audit and Risk Committee
 Executive Leadership Team
 Governance Team
 Local Government Internal Audit Network

STRATEGIC LINKS

a. Delivery Program

The Audit, Risk and Improvement Committee is a crucial part of the organisation’s governance framework. This report is linked to the Community’s desired outcome under the Community Strategic Plan of *Civic Leadership and Effective Governance*.

General Manager's Unit

Report No. GMU5/2024

General Manager's Unit



b. Other Plans

This Charter is linked to the Audit, Risk and Improvement Committee Strategic Workplan.

IMPLICATIONS

a. Policy and Procedural Implications

Nil

b. Financial Implications

Nil

c. Legislative Implications

The OLG Guidelines, effective 1 July 2024, requires Council's ARIC to operate according to a terms of reference (ARIC Charter).

This requirement has been regulated by the *Local Government (General) Amendment (Audit, Risk and Improvement)* under the *Local Government Act 1993*, section 216K Terms of reference—the Act, Sch 6, cl 19B:

- (1) A council must adopt terms of reference for the council's Audit, Risk and Improvement Committee.
- (2) The adoption must occur by resolution of the council.
- (3) The council must consider model terms of reference approved by the Departmental Chief Executive before adopting terms of reference.
- (4) Terms of reference must be consistent with the Act and this regulation.
- (5) An Audit, Risk and Improvement Committee must exercise its functions in accordance with the adopted terms of reference.

d. Risk Implications

Not implementing risks Council breaching legislation.

e. Environmental Implications

Nil

f. Other Implications

Nil

CONCLUSION

The Audit and Risk Committee endorsed the Audit, Risk and Improvement Committee Charter on 8 May 2024 and recommend to Council that the Charter be adopted.

General Manager's Unit

Report No. GMU5/2024

General Manager's Unit



ENCLOSURES

- [1](#) Audit Risk and Improvement Committee Charter
- 2 Office of Local Government Audit, Risk and Improvement Committee Model Charter
- 3 Audit, Risk and Improvement Committee Strategic Workplan
- 4 Core Responsibilities - Audit Risk and Improvement Committee

General Manager's Unit

Report No. GMU6/2024

General Manager's Unit



SUBJECT: *INTERNAL AUDIT CHARTER*

RESPONSIBLE OFFICER: *Internal Auditor - Lisa Ollerton*

SUMMARY

In December 2023 the Office of Local Government (OLG) issued and regulated the Risk Management and Internal Audit for Local Government guidelines which come into effect 1 July 2024. The regulation requires Council to adopt an Internal Audit Charter which give consideration to the Model Terms of Reference provided by the OLG.

In compliance with the new Regulation the Internal Audit Charter has been prepared based on:

- The Office of Local Government Model (OLG Model) as required under the Regulation, and
- The Model Charter provided by the Institute of Internal Auditors (IIA).

Where required, additions have been made to the OLG model to ensure Council's Internal Audit Charter both considers the model (as required by legislation) and complies with the International Professional Practices Framework (IPPF).

RECOMMENDATION

That Council adopts the Internal Audit Charter.

BACKGROUND

In December 2023 the Office of Local Government issued and regulated the Risk Management and Internal Audit for Local Government guidelines (Guidelines) which come into effect 1 July 2024. The regulation requires Council to adopt an Internal Audit Charter which give consideration to the OLG Model.

Council's current Internal Audit Charter was endorsed in April 2013.

REPORT/PROPOSAL

The draft Internal Audit Charter (**Enclosure 1**) has been prepared based on:

- Consideration of the OLG model (**Enclosure 2**), and
- Review of the Institute of Internal Auditors model (IIA Model) (**Enclosure 3**).

Where required, additions have been made to the OLG model to ensure Council's Internal Audit Charter, whilst considering the model provided (as required by legislation), complies with the IPPF requirements for Internal Audit Charters.

It should be noted that the OLG has acknowledged that the model charter provided by the OLG is not compliant with the IPPF and is currently undergoing a review. The OLG has provided no timeframe for the completion of this review. The IPPF is considered best practice for all Internal Audit functions.

General Manager's Unit

Report No. GMU6/2024

General Manager's Unit



Key additions to the Internal Audit Charter

The following sections of the IIA model have been included in the draft charter to ensure compliance with the IPPF:

IIA Model Charter Requirement	Inclusion Draft Charter
Section 12 – Nature and Scope of work	Section 2.4 and 2.5 – Internal audit services
Section 6 – Conflicts of Interest	Section 8 - Conflicts of Interest <i>(OLG has not included in the model)</i>
Section 7 – Internal Audit Positioning	Section 4 – Internal Audit Function <i>(OLG has not included in the model)</i>
Section 13 – Professional Standards	Section 11 – Professional standards <i>(OLG Model does not include the detail required by the IPPF with regards to the standards)</i>
Section 17 – Quality Assurance Improvement Program	Section 10 - Quality Assurance Improvement Program <i>(OLG has not included in the model)</i>
Section 19 – Relationship with other assurance activities	Section 13.2 – Relationship with other assurance activities <i>(replacing external audit in the model charter – IIA model provides clear detail)</i>

Schedule 1 – Internal Audit Function Responsibilities

Schedule 1 of the model OLG charter is a replication of the Audit, Risk and Improvement Committee (ARIC) Charter responsibilities. This schedule has been amended to reflect the responsibilities as they apply to the Internal Auditor rather than the ARIC.

Schedule 2 – Internal Audit Protocol

The IIA model charter includes managements obligations (section 16) in relation to internal audit which have not been included in the OLG model charter. The internal audit protocol has been included to ensure the mutual obligations for internal audit and senior management are clearly prescribed within the charter.

The draft Charter has been assessed against the IIA Internal Audit checklist utilised when completing Quality Assurance reviews of internal audit in compliance with the IPPF.

Overall the Guidelines provide twenty-six (26) requirements for the implementation and administration of Councils Internal Audit function (**Enclosure 4**). The majority of these requirements are implemented via the adoption of the Internal Audit Charter in enclosure 1. The remaining actions are on track to be implemented by their due dates.

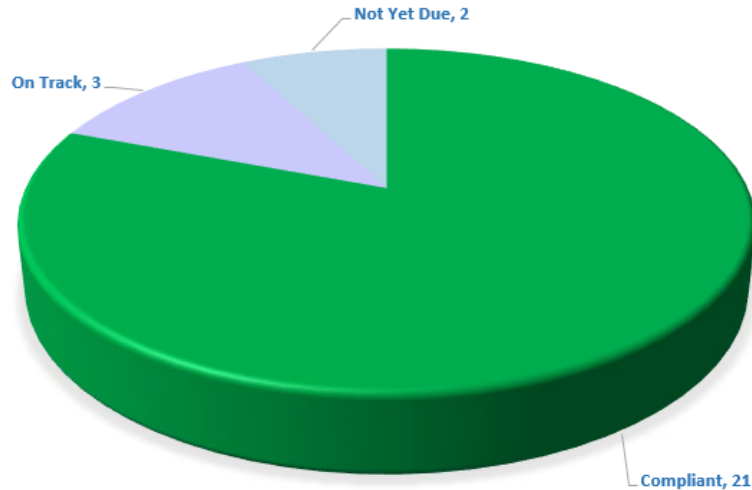
General Manager's Unit

Report No. GMU6/2024

General Manager's Unit



**CORE RESPONSIBILITIES - INTERNAL AUDIT
IMPLEMENTATION OF GUIDELINES**



OPTIONS

Nil

CONSULTATION

Audit and Risk Committee
Executive Leadership Team
Governance Team
Local Government Internal Audit Network

STRATEGIC LINKS

a. Delivery Program

This report is linked to the Community's desired outcome under the Community Strategic Plan of *Civic Leadership and Effective Governance*.

b. Other Plans

Nil

IMPLICATIONS

a. Policy and Procedural Implications

Nil

b. Financial Implications

Nil

General Manager's Unit

Report No. GMU6/2024

General Manager's Unit



c. Legislative Implications

The Guidelines, effective 1 July 2024, requires Council to adopt an Internal Audit Charter to guide how internal audit will be undertaken by the council that is informed by the Model Internal Audit Charter.

Councils must *consider* the model charter approved by the Departmental Chief Executive. This requirement has been regulated by the *Local Government (General) Amendment (Audit, Risk and Improvement)* under the *Local Government Act 1993* - section 216O Internal audit charter—the Act, Sch 6, cl 8A:

- (1) A council must adopt an internal audit charter setting out how the council will exercise its internal audit functions.
- (2) The adoption must occur by resolution of the council.
- (3) The council must consider a model internal audit charter approved by the departmental Chief Executive before adopting an internal audit charter.
- (4) An internal audit charter must be consistent with the Act and this regulation.
- (5) The council must exercise its internal audit functions in accordance with the adopted internal audit charter.

d. Risk Implications

Not implementing risks Council breaching legislation.

e. Environmental Implications

Nil

f. Other Implications

Nil

CONCLUSION

The Audit and Risk Committee endorsed the Internal Audit Charter on 8 May 2024 and recommend to Council that the Internal Audit Charter be adopted.

ENCLOSURES

- 1** Internal Audit Charter
- 2** Model Terms of Reference - Internal Audit - (OLG Model)
- 3** Model Internal Audit Charter - Institute of Internal Auditors (IIA Model)
- 4** Core Responsibilities - Internal Audit

Planning and Environment

Report No. PE9/2024

Planning and Environment



SUBJECT: *DEVELOPMENT APPLICATION NO. 8/2023/642/1
PROPOSING MULTI-DWELLING HOUSING COMPRISING
TWO (2) SINGLE STOREY RESIDENTIAL UNITS AND SIX (6)
TWO STOREY RESIDENTIAL UNITS FOLLOWED BY AN
EIGHT (8) LOT STRATA TITLE SUBDIVISION*

16A STEPHEN STREET, CESSNOCK

RESPONSIBLE OFFICER: *Acting Development Services Manager - Sue Page*

APPLICATION NUMBER:	8/2023/642/1
PROPOSAL:	Multi-Dwelling Housing Comprising two (2) Single Storey Residential Units and six (6) Two Storey Residential Units followed by an eight (8) Lot Strata Title Subdivision
PROPERTY DESCRIPTION:	Lot: 7 Sec: A DP: 5015
PROPERTY ADDRESS:	16A Stephen Street CESSNOCK NSW 2325
ZONE:	R3 Medium Density Residential
OWNER:	Stephen St Projects Pty Ltd
APPLICANT:	Mr D Berman

RECOMMENDATION

1. That:

- (i) Development Application No. 8/2023/642/1 proposing multi-dwelling housing development comprising the construction of two (2) single storey residential units and six (6) double storey residential units followed by an eight (8) lot strata title subdivision at LOT: 7 SEC: A DP: 5015, 16A Stephen Street, Cessnock be approved pursuant to Sections 4.16 and 4.17 of the *Environmental Planning and Assessment Act 1979* subject to the conditions contained in this report.
- (ii) The reasons for the decision (having regard to any statutory requirements applying to the decision), are as follows:
 - The proposed development, subject to the recommended conditions, is consistent with the objectives of the applicable environmental planning instrument(s), being the *Cessnock Local Environmental Plan 2011 (CLEP)*,



- The proposal is a permitted land use in the R3 Medium Density Residential zone under the *Cessnock Local Environmental Plan 2011*,
- The proposal is consistent with the relevant provisions contained within the relevant State Environmental Planning Policies,
- The proposed development is, subject to the recommended conditions, consistent with the objectives of the Cessnock Development Control Plan 2010 (DCP),
- The proposal incorporates adequate measures to ensure the development will not result in any adverse impacts on the natural and built environments,
- The proposal incorporates adequate measures to ensure the development will not result in any adverse impacts on the social and economic locality,
- The proposed development is a suitable and planned use of the site and its approval is consistent with the public interest.

(iii) In considering community views, the following is relevant:

- The design of the development was amended following concerns raised,
- The development proposed will have an acceptable impact on the amenity of the area,
- The proposed development will provide additional housing stock within the locality, and
- Any issues raised in submission/s have been taken into account in the assessment report and where appropriate, conditions of consent have been imposed on the determination. Council has given due consideration to community views when making the decision to determine the application.

(iv) The details contained above be publicly notified pursuant to Section 2.22 and Clause 20(2) of Schedule 1 of the *Environmental Planning and Assessment Act 1979*.

2. That Council notifies in writing the persons who made a submission with regard to the proposed development, of Council's decision.

REASON FOR REPORT

Development Application No. 8/2023/642/1 is being referred to Council for determination as it has been called-up by three (3) Councillors.

EXECUTIVE SUMMARY

Council is in receipt of Development Application No. 8/2023/642/1 seeking approval for the construction of a multi-dwelling housing development comprising the construction of two (2) single storey residential units and six (6) double storey residential units followed by an eight (8) lot strata title subdivision at 16A Stephens Street, Cessnock.

The Development Application has been assessed against the *Environmental Planning and Assessment Act 1979*, *Environmental Planning and Assessment Regulations 2021*, relevant Environmental Planning Instruments and Council policies.

The Development Application was first publicly notified, with fifteen (15) submissions from seven (7) households received. Of these submissions eight (8) were received from five (5) households within the specified timeframe.

A review of the submissions identified the following key issues:

- Character
- Privacy
- Traffic
- Noise
- Security

As a result of the issues raised in the submissions the applicant submitted amended plans which:

- Reduced the proposed two storey dwellings presenting to Stephen Street to single storey to be more in keeping with the existing street character.
- The second storey windows directly facing neighbouring properties were amended to be high light windows (1500mmm above floor height) and bathroom/toilet windows overlooked adjoining properties were to be constructed of obscure glass.

Following the re-design of the proposed development the application was re-notified, with four (4) submissions from three (3) households received. The submissions received retained the key issues raised above but were reduced from fifteen (15) submissions to four (4) with two (2) of these submissions in the form of a pro-forma letter.

The issues and concerns raised in the submissions are addressed in the enclosed report.

The development has been assessed as being consistent with the objectives of the R3 Medium Density Residential zone under the *Cessnock Local Environmental Plan 2011* (CLEP 2011), and it is considered that the proposal will result in the provision of additional housing in the form of medium density residential development within the locality. The site is located in close proximity to a Local Centre, including a school and medical care which provides services to the future residents of the development.

Planning and Environment

Report No. PE9/2024

Planning and Environment



The proposal will not result in any significant adverse impacts on the surrounding natural or built environment, and suitable conditions of consent have been recommended to protect the amenity of adjoining properties. The site is considered suitable for the proposed development and is not contrary to the public interest.

Based on the assessment, it is recommended that the Development Application be approved, subject to the conditions of consent included in this report.

ENCLOSURES

- 1 Assessment Report
 - 2 Development Plans
 - [3](#) Draft Conditions of Consent
- .

Planning and Environment

Report No. PE10/2024

Planning and Environment



SUBJECT: *PROPOSED AMENDMENT OF DEVELOPMENT CONTROL PLAN CHAPTER E20 REGROWTH KURRI KURRI*

RESPONSIBLE OFFICER: *Strategic Planning Manager - Martin Johnson*

SUMMARY

This report seeks Council's endorsement to exhibit amendments to Cessnock Development Control Plan 2010 (CDCP 2010), specifically those proposed to Chapter E20 Regrowth Kurri Kurri.

The proposed amendments to the Chapter reflect additional requirements from the Department of Climate Change, Environment, Energy and Water (DCCEEW) and Council identified as part of the finalisation of the rezoning of the former Hydro site and surrounding lands, collectively referred to as the Regrowth Kurri Kurri site.

RECOMMENDATION

- 1. That Council place draft chapter E20 Regrowth Kurri Kurri of the Cessnock Development Control Plan 2010 on public exhibition for a minimum period of 28 days.**
- 2. That subject to no unresolvable submissions, Council adopt Chapter E20 Regrowth Kurri Kurri of the Cessnock Development Control Plan 2010.**

BACKGROUND

Council resolved in June 2022 to finalise the rezoning of the Regrowth Kurri Kurri site.

The majority of the site was rezoned in December 2022, however, portions of the site below the Probable Maximum Flood (PMF) level were deferred from rezoning by the (then) Department of Planning and Environment (DPE). The DPE advised that the deferred land would be reconsidered following the submission of additional information regarding flooding.

The rezoning supported by Council in June 2022 and that rezoned in December 2022 is reflected in figures 1 and 2 respectively.

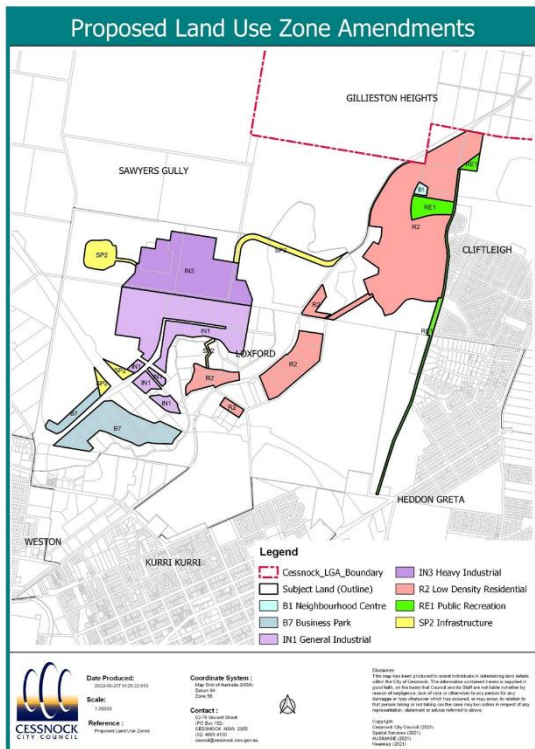


Figure 1: Rezoning supported by Council June 2022

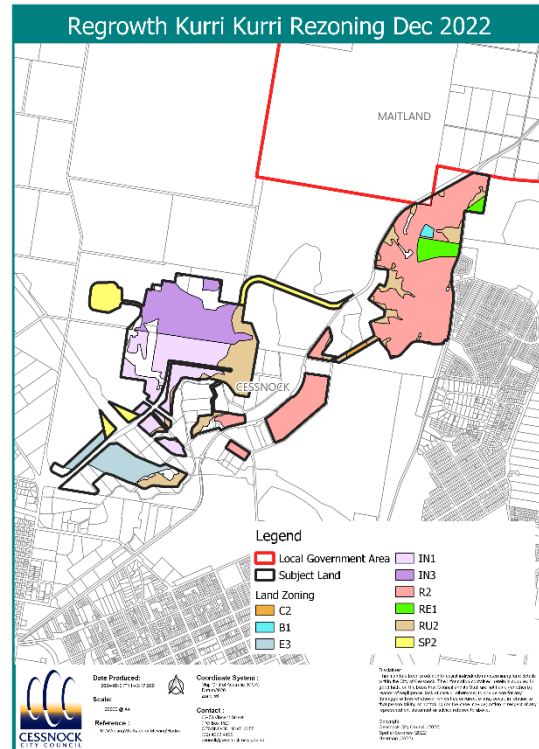


Figure 2: Rezoning implemented December 2022

The initial rezoning was supported by a site-specific Chapter of CDCP 2010, Chapter E20 Regrowth Kurri Kurri, adopted by Council in September 2023.

REPORT/PROPOSAL

In an effort to rezone the deferred areas of the site, Council has been working with the Regrowth Kurri Kurri Proponent, the Department of Planning, Housing and Infrastructure (DPHI) and DCCEEW. This was undertaken in two stages, the first involved re-including those deferred areas of the site with landforms above the PMF level. This was completed in June 2023 (Figure 3).

The second stage involved undertaking additional flooding modelling to address the requirements of the new Flood Risk Management Manual 2023 and supporting guidelines.

The DPHI finalised this aspect on 24 May 2024 (as per Figure 4).

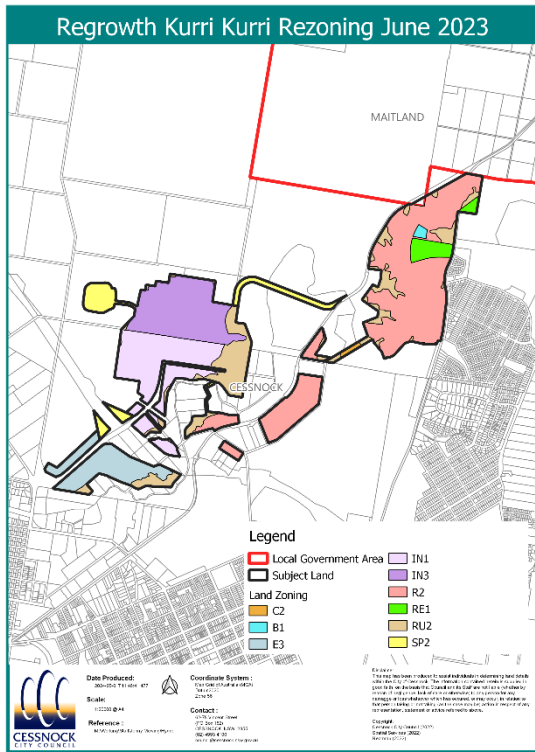


Figure 3: Rezoning implemented June 2023

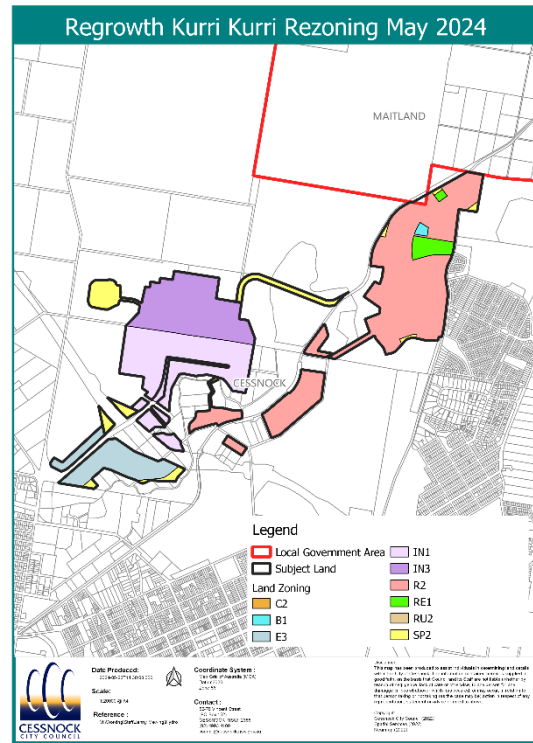


Figure 4: Rezoning implemented May 2024

However, in finalising the Planning Proposal, agency responses have triggered the need to amend Chapter E20 Regrowth Kurri Kurri in relation to flooding controls.

These amendments, (as provided in **Enclosure 1**) require the:

- Provision of Flood Impact and Risk Assessment (FIRA) at the subdivision Development Application (DA) stage to address local catchment impacts;
- Final floor levels for buildings within the employment lots being constructed to 0.5m above the 1% Annual Exceedance Probability Event (AEP); and
- Provision of rising egress for employment lots away from Swamp Creek.

It should be noted that other provisions of CDCP 2010, where relevant, apply to the development of the site, in addition to the site-specific controls under Chapter 20.

It is recommended that the amendments proposed to Chapter E20 Regrowth Kurri Kurri be publicly exhibited.

CONSULTATION

The amendments to Chapter E20 Regrowth Kurri Kurri have been identified through agency consultation, particularly DCCEEW, associated with the rezoning of the deferred areas of the Regrowth Kurri Kurri site.

The proposed amendments have also been the subject of consultation with Council's Stormwater and Flooding section.

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Public exhibition of the amended Chapter will be in accordance with the requirements of Council's Community Participation Plan (CPP) and the *Environmental Planning and Assessment Regulation, 2021*. Exhibition is proposed for a minimum of 28 days.

STRATEGIC LINKS

a. Delivery Program

The project is relevant to the following outcomes and objectives of the 2023/2024 Community Strategic Plan (CSP):

Outcome 3: A sustainable and healthy environment

Objective 3.1: Protecting and enhancing the natural environment and the rural character of the area.

- Strategic Direction 3.1.1: We act on climate change and build disaster resilience, and
- Strategic Direction 3.1.5: Our waterways and catchments are maintained and enhanced.

Outcome 5: Civic leadership and effective governance

Objective 5.2: Encouraging more community participation in decision making.

- Strategic Direction 5.2.2: We have effective relationships across different levels of government.

Objective 5.3: Ensuring Council is accountable and responsive to the community.

- Strategic Direction 5.3.2: Our Council's processes are efficient and transparent.

The project is relevant to the following outcomes and objectives of the draft 2024/2025 CSP:

Outcome 3: A sustainable and healthy environment

Objective 3.1: Protecting and enhancing the natural environment and the rural character of the area.

- Strategic Direction: We act on climate change and build disaster resilience, and
- Strategic Direction: Our waterways and catchments are maintained and enhanced.

Outcome 5: Civic leadership and effective governance

Objective 5.2: Encouraging more community participation in decision making

- Strategic Direction: We have effective relationships across different levels of government.

Objective 5.3: Ensuring Council is accountable and responsive to the community.

- Strategic Direction: Our Council's processes are efficient and transparent.

b. Other Plans

Nil

IMPLICATIONS

a. Policy and Procedural Implications

The exhibition timeframes and notification requirements for the exhibition of amendments to CDCP 2010 are required to be undertaken in accordance with Council's CPP.

b. Financial Implications

The costs associated with the amendment of Chapter E20 Regrowth Kurri Kurri are funded by a fee paid by the Proponent.

c. Legislative Implications

The process for amending Development Control Plans is directed by the provisions of the *Environmental Planning and Assessment Act, 1979* and the *Environmental Planning and Assessment Regulation, 2021*.

d. Risk Implications

The inclusion of the proposed controls in the site-specific Chapter will ensure that residual flooding risks not resolved through the rezoning stage will be captured through the subdivision DA assessment process.

In undertaking the amendments, Council is also demonstrating that it is acting in "good faith" as per the provisions of Section 733 of the *Local Government Act, 1993*.

e. Environmental Implications

Council is responsible for the management of floodprone lands within its Local Government Area (LGA). The amendments proposed to Chapter E20 Regrowth Kurri Kurri will support the effective management of floodprone lands specifically, those surrounding/on the Regrowth Kurri Kurri site.

f. Other Implications

Nil

CONCLUSION

The amendment of Chapter 20 Regrowth Kurri Kurri of CDCP 2010 is proposed in response to the finalisation of the Planning Proposal which reinstates the land deferred from the rezoning implemented in 2022. The amendments proposed relate directly to agency consultation/requirements received through this process.

It is recommended that the amendments proposed to Chapter E20 Regrowth Kurri Kurri be publicly exhibited and that subject to no unresolvable objections, Council adopted the revised Chapter.

ENCLOSURES

- 1** Draft Chapter E20 Regrowth Kurri Kurri

Planning and Environment

Report No. PE11/2024

Planning and Environment



SUBJECT: ***OUTCOMES OF EXHIBITION OF 174 - 178 LANG STREET
KURRI KURRI DRAFT PLANNING AGREEMENT***

RESPONSIBLE OFFICER: ***Strategic Planning Manager - Martin Johnson***

SUMMARY

The purpose of this report is for Council to note the public submissions lodged during the exhibition period of the draft Planning Agreement (draft PA) and road closure and to authorise the General Manager to execute the Voluntary Planning Agreement and any necessary documentation required for the road closure.

RECOMMENDATION

- 1. That Council notes the public submissions received during the exhibition period of the draft PA and road closure.**
- 2. That Council delegate authority to the General Manager to execute the draft PA and any necessary documentation in relation to the road closure.**

BACKGROUND

A report was presented to Council on 21 February 2024 (Council Report PE1/2024), recommending the exhibition of the draft PA and road closure application for 174 – 178 Lang Street, Kurri Kurri (the property). Council resolved to place the draft PA and road closure application on public exhibition and to receive a further report should submissions be received. This is that report.

REPORT/PROPOSAL

The draft PA was placed on public exhibition for 32 days from 1 April 2024 to 2 May 2024. Nine (9) online submissions (**Enclosure 1**) were received during that period. A total of 3,584 views occurred on the exhibition page on Council's "have your say" website.

Of the nine (9) submissions received, eight (8) provided overwhelming support for the draft PA, the development and the benefit that the development will provide for the community of Kurri Kurri. The last submission expressed concerns regarding the amount of carparking spaces the development will provide as opposed to the current spaces already existing. The adequacy of carparking is a matter for assessment under the Development Application (DA) 8/2023/64/1. Council has advised the relevant officer for the DA of this submission.

Council also conducted a poll on the "have your say" website and received 72 responses to the question "Overall, do you support the Woolworths development in Kurri Kurri Town Centre", 68 people submitted they supported the development and 4 submitted that they did not support the development.

As a result, from the submissions Council received, there is no need to amend the draft PA. The land owner and Council are in a position to execute the draft PA.

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In relation to the road closure, no submissions were received and as soon as the draft PA has been executed by all parties, the finalisation of the road closure can proceed. The process for the road closure is as follows:

1. Demolition of the existing building and carpark
2. Construction of the new laneway and dedication to Council
3. Closure of the existing laneway and dedication to the applicant
4. Construction of the new supermarket and specialty shops

The applicant will also need to prepare and provide a survey, subdivision certificate and s88B instrument to Council. Once this has been received Council will lodge the documents with NSW Land Registry Services to register the plan and then the road closure will be gazette. A 60 day appeal period applies before finalisation of the road closure.

It is recommended that Council note all submissions received and the outcomes of the online poll. It is also recommended that Council delegate authority to the General Manager to execute the draft PA and any necessary documentation in relation to the road closure.

OPTIONS

1. Council recommendation acknowledge submissions and to delegate authority to the General Manager to execute the draft PA and any documentation in relation to the road closure application. **This is the recommended option.**
2. Not adopt the recommendation and take no further action. This option is not recommended.

CONSULTATION

Consultation with relevant stakeholders within Council has been undertaken in relation to the submissions.

STRATEGIC LINKS

a. Delivery Program

The draft PA will contribute toward desired outcomes of the Community Strategic Plan and Delivery Programs aligning with the following objectives of the Cessnock 2036 Community Strategic Plan:

- 1.1 Promoting social connections and wellbeing;
- 1.2 Strengthening community culture;
- 2.1 Diversifying and growing our economy
- 2.2 Achieving more sustainable employment opportunities;
- 4.2 Improving the road network;
- 5.2 Encouraging more community participation in decision making; and
- 5.3 Ensuring Council is accountable and responsive to the community

b. Other Plans

The draft PA will assist Council to realise objectives of the Kurri Kurri Commercial Centre Masterplan.

IMPLICATIONS

a. Policy and Procedural Implications

Council and the land owner have ensured that Council's Planning Agreement Policy and NSW Department of Planning, Industry and Environment (now Department of Planning, Housing and Infrastructure) Practice Note published in February 2021 have been followed.

b. Financial Implications

There will be no financial implications to Council as the developer has undertaken to complete all works and cover all Council's costs associated with the preparation of the draft PA and the commitments contained therein.

c. Legislative Implications

The Draft PA will be prepared with regard to the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulations 2000*.

d. Risk Implications

If the works proposed under the draft PA, such as the roadway opening, closing and dedication are not supported, it may prevent the site from being developed in accordance with the adopted Kurri Kurri Commercial Centre Masterplan.

e. Environmental Implications

The works outlined in the draft PA will have minimal environmental impact.

f. Other Implications

Should the draft PA not be finalised, it may prevent the subject site being developed for the supermarket proposed under DA 8/2023/64/1. The proposed development will provide an additional supermarket in the locality, improvements to the existing site which is in disrepair, connectivity to Lang Street, and employment opportunities, all of which will benefit the community.

CONCLUSION

The draft PA will provide a unique opportunity to expand and redevelopment this area within the Kurri Kurri Commercial Centre. The draft PA and development has received overwhelming support from the community to have this development commenced.

It is recommended that Council delegate authority to the General Manager to execute the draft PA and any documentation in relation to the road closure application.

ENCLOSURES

- 1** Submission Table

Planning and Environment

Report No. PE12/2024

Planning and Environment



SUBJECT: ***HENRY KENDALL ENTRANCE DRAFT PLANNING AGREEMENT***

RESPONSIBLE OFFICER: *Strategic Planning Manager - Martin Johnson*

SUMMARY

The purpose of this report is to seek Council's endorsement to place the draft Planning Agreement (draft PA) (**Enclosure 1**) on public exhibition for a minimum of 28 days. The draft PA requires the developer to provide a monetary contribution of \$1,713,000 in accordance with the terms as reported below.

RECOMMENDATION

- 1. That Council publicly notify the draft Henry Kendall Entrance Planning Agreement for a minimum period of 28 days.**
- 2. That Council delegate authority to the General Manager to execute the draft PA unless unresolved written objections relating to the draft PA are received during the notification period.**

BACKGROUND

The Developer has an approved 30 lot subdivision (DA 8/2014/628) on land known as 254 Wollombi Road, Bellbird Heights as part of the consent the developer, at their own cost, is to construct an intersection at the entrance of the subdivision.

In 2023 the State Government announced Council was successful in obtaining a grant of \$16.8M for the upgrade of Wollombi Road. The grant objectives were to assist in the release of housing within NSW.

Council sought funding for the construction of the intersection at the entrance to the Henry Kendall subdivision. The Traffic and Transport Strategy for Bellbird North, which the City Wide Contributions Plan relies on, required a different intersection to the one that was conditioned in the approved DA consent.

REPORT/PROPOSAL

Council entered into negotiations with the developer regarding a draft PA to enable the intersection to be constructed in accordance with the Strategy and not the consent. Council did not believe that the developer should construct the intersection only to have it removed and reconstructed in accordance with the Strategy at a later date. It is the intention for both parties to come to an agreement in relation to the construction of the intersection.

Lengthy negotiations with the developer has taken place to come to a joint agreement relating to the construction of the intersection at the entrance. The agreement has now been formalised into a draft PA between both parties. Essentially, the outcome of the terms of the draft PA is as follows:

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- a. Henry Kendall pay a monetary contribution of \$1,713,000 which is their share of the construction of the intersection in accordance with DA 8/2014/628;
- b. Council will construct the intersection on behalf of Henry Kendall;
- c. Council will construct drainage and stormwater works on behalf of Henry Kendall; and
- d. Henry Kendall will dedicate of a portion of land at the entrance to allow for further turning lanes required in the future when capacity targets are met.

It is recommended that Council publicly notify the draft PA for a minimum period of 28 days in accordance with the EP&A Act. In addition, it is recommended that Council delegate authority to the General Manager to execute the draft PA unless unresolved written objections are received during the exhibition period.

OPTIONS

1. Council support the recommendations of this report and publicly notify the draft PA for a minimum of 28 days. ***This is the recommended option.***
2. Request changes to the draft PA and seek further discussions with the Developer. This is not recommended as the developer may take no further action in the negotiation and Council will be left with the burden of the total cost of the intersection works and unable to expand the intersection at a later date. This option is not recommended.
3. Not adopt the recommendation and take no further action. This will result in Council being left with the burden of the total cost of construction of the intersection with no compensation from the developer and unable to expand the intersection at a later date. This option is not recommended.

CONSULTATION

Internal Consultation has occurred with the Local Infrastructure Contributions Steering Group Committee and Works and Infrastructure.

STRATEGIC LINKS

a. Delivery Program

The draft PA will contribute toward desired outcomes of the 2036 Community Strategic Plan and Delivery Programs aligning with the following Community Strategic Plan objectives:

- 1.1 Promoting social connections and wellbeing;
- 1.2 Strengthening community culture;
- 2.1 Diversifying and growing our economy
- 2.2 Achieving more sustainable employment opportunities;
- 4.2 Improving the road network;
- 5.2 Encouraging more community participation in decision making; and
- 5.3 Ensuring Council is accountable and responsive to the community.

b. Other Plans

The draft PA will assist Council in realising the outcomes from the City Wide Infrastructure Contributions Plan 2020 and Cessnock LGA Traffic and Transport Strategy 2018 and the adopted Cessnock LGA Traffic and Transport Strategy 2023.

IMPLICATIONS

a. Policy and Procedural Implications

Council and Developer have ensured that Council's Planning Agreement Policy and NSW Department of Planning, Industry and Environment (now Department of Planning, Housing and Infrastructure) Practice Note published in February 2021 have been followed.

b. Financial Implications

If the recommendation is not adopted Council will be left with the burden of completing the works at our own cost.

c. Legislative Implications

The Draft PA will be prepared with regard to the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulations 2000*.

d. Risk Implications

If the intersection works are completed by the developer in accordance with their consent, Council will need to then reconstruct the intersection in accordance with the Strategy from the City Wide Infrastructure Contributions Plan 2020.

e. Environmental Implications

Entering into the Draft planning agreement will have no environmental impacts.

f. Other Implications

Nil

CONCLUSION

The draft PA was negotiated by Council staff and reflects the terms of the negotiations. The draft PA is a good outcome for Council as it will construct the intersection entrance in accordance with the terms of the Traffic and Transport Strategy for Bellbird North meaning Council will not need to return in the future to reconstruct the intersection entrance.

It is recommended that Council publicly notify the draft PA for a minimum period of 28 days in accordance with the *Environmental Planning and Assessment Act 1979*. In addition, it is recommended that Council delegate authority to the General Manager to execute the draft PA unless unresolved written objections are received during the exhibition period.

ENCLOSURES

- 1 Henry Kendall Entrance - Draft Planning Agreement
- 2 Henry Kendall Entrance - Letter of Offer



SUBJECT: ***CESSNOCK CITY WIDE INFRASTRUCTURE
CONTRIBUTION PLAN 2020 - REVIEW AND OPTIONS
PAPER***

RESPONSIBLE OFFICER: ***Strategic Planning Manager - Martin Johnson***

SUMMARY

Council Officers have carried out a review of the Cessnock City Wide Infrastructure Contribution Plan 2020 ('the CWICP'). The review has resulted in a proposal for a refined CWICP Works Schedule (**Enclosure 1**) and an Options Paper (**Enclosure 2**).

The recommended contributions framework is a section 7.12 fixed rate infrastructure plan for residential development in existing urban areas and a section 7.11 contribution plan for residential development in the city's major urban release areas (URAs). In addition, it is recommended that the plans are extended to June 2035 to provide additional time for Council to collect contributions and deliver the infrastructure nominated in the refined Works Schedule. The preferred option is referenced as Option 1D in the Options Paper.

RECOMMENDATION

That Council endorse:

- 1. The refined Works Schedule for residential development; and**
- 2. Option 1D of the Local Infrastructure Contributions Plan Options Paper, as the basis for the preparation of a new infrastructure contributions framework for residential development in the Cessnock LGA, generally involving:**
 - An amendment to Council's existing s.7.12 Levy Contribution Plan to include the tourist related infrastructure projects, proposed to be transferred from the existing City Wide Infrastructure Contributions Plan Works Schedule;**
 - The preparation of a new s.7.11 Infrastructure Contribution Plan for residential development in the major urban release areas of Cessnock; and**
 - The preparation of a new 2% s.7.12 contributions plan, for residential development in the existing urban areas of Cessnock.**

BACKGROUND

The CWICP was originally adopted on 20 May 2020 and became operational on 1 July 2020. Prior to the operation of the CWICP, Council relied on several area specific contribution plans. Where relevant, these plans were consolidated into the CWICP in 2020. The CWICP was reviewed in 2022, and a new version of the Plan was adopted by Council on 20 July 2022.

The CWICP presently contains 227 Works Schedule items with a reported total cost of approximately \$458 million. In the 2023/24 financial year, the total cost of the Works Schedule items has escalated to approximately \$531 million. The cost escalation is primarily due to inflation and the rising price of materials and labour in the years immediately following the COVID-19 pandemic.

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This review of the CWICP has been carried out in order to:

- Update and simplify the CWICP and contributions framework;
- Ensure infrastructure projects are capable of being delivered within the life of the plan;
- Reduce the infrastructure burden on Council, which exists under the current plan;
- Re-calculate development apportionment and Council's infrastructure funding 'gap';
- Update infrastructure project costings in the CWICP Works Schedule;
- Prepare standard project costings for certain open space and recreation facilities; and
- Consider alternative contribution plan options for residential development in existing urban areas.

REPORT/PROPOSAL

Consultation to refine the CWICP Works Schedule occurred with relevant Council teams in 2023. As a result of consultation, 76 items are proposed to be removed from the existing CWICP Works Schedule, 12 items are proposed to be relocated to the Cessnock s.7.12 Levy Contributions Plan, and 6 additional items are proposed to be included. The additional items primarily relate to new URAs in the Cessnock Local Government Area (LGA). Subject to the review, 145 items will remain in the Works Schedule, with an approximate total cost of \$337m (escalated to 2023/24 prices). The items have been selected on the basis of their priority and probability of completion within the life of the plan.

Development contributions are expected to fund approximately \$191m of the total infrastructure cost in the refined CWICP Works Schedule if the plan is extended to 2035. Of this figure, approximately \$60m is already collected, or has been conditioned in development consents. The difference of approximately \$146m between the total cost of the infrastructure and the amount that is to be funded through development contributions is referred to as the 'gap'. The gap is required to be funded by Council, grants or other funding sources.

An Options Paper (**Enclosure 2**) has been prepared to test various methods of levying residential development contributions. The Paper relies on the most current dwelling projections for the Cessnock LGA and Australian Bureau of Statistics residential development costs for the most common dwelling typologies (i.e. single dwellings, secondary dwellings, dual occupancies and multi-dwelling housing). Four possible options were tested to (A) 2031 and (B) 2035, as follows:

- Options 1A and 1B – Propose to introduce a s.7.12 plan for residential development in existing urban areas and retain a s.7.11 plan for residential development in the major Urban Release Areas (URAs). Options 1A and 1B consider the refined CWICP Works Schedule, with major URAs excluded from payment of regional and district infrastructure.
- Options 1C and 1D – Proposes to introduce a s.7.12 plan for residential development in existing urban areas and retain a s.7.11 plan for residential development in the major Urban Release Areas (URAs). Options 1C and 1D consider the refined CWICP Works Schedule, with major URAs contributing to regional and district infrastructure.
- Options 2A and 2B – Proposes to retain a s.7.11 plan for residential development in existing urban areas and major URAs. Options 2A and 2B consider the refined CWICP Works Schedule, with major URAs contributing to regional and district infrastructure.
- Options 3A and 3B – Considers retaining the existing plan and works schedule.

Each of these options are detailed in the Options Paper.

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Options 1A and 1B will not be feasible unless a Section 7.12 plan levy rate of significantly more than 1% is adopted. Gaining approval for a Section 7.12 plan levy rate above 1% is not guaranteed to be supported by the Department of Planning, Housing and Infrastructure (DPHI). While beneficial for residential development in the city's major URAs, Option 1A and 1B are also inequitable for new residential development occurring in existing urban areas, which will be required to shoulder the full cost of regional and district infrastructure. For these reasons, Option 1A and 1B are not recommended.

A Section 7.12 plan levy rate of around 1% is feasible for residential development in existing urban areas, but only if each of the major URAs contribute to the cost of regional and district infrastructure and the delivery of the works schedule under a Section 7.11 and Section 7.12 plan is extended to 2035. While Option 1C and 1D are equitable when compared to the range of other options considered, only Option 1D presents a realistic delivery timeframe for the infrastructure of 2035. For this reason, and considering the other benefits outlined in the Options Paper, Option 1D is the preferred option, but at a plan rate of at least 2% to counter the risks listed within the risk implications section of this report.

Options 2A and 2B are generally viable, with Option 2B being the preferred option of the two. Option 2B minimises the contribution levy for developers and Council by extending the plan life to 2035. However, when compared to Option 1D, Option 2B is not recommended as a Section 7.11 Plan does not provide the range of benefits offered by a Section 7.12 plan. A Section 7.12 plan is also easier for the community to understand and for Council to implement.

Options 3A and 3B are not viable from a financial perspective and cannot be recommended.

Each of the options will result in the per lot/dwelling rate for the Bellbird North Catchment breaching the \$30,000 contribution cap imposed by the state government. In proceeding with any option, it is recommended that the CWICP Works Schedule for the Bellbird North Local Catchment is examined further in consultation with relevant stakeholders, or other funding opportunities are considered (including grants and/or an application to IPART to increase the contributions cap), to ensure the CWICP is sustainable for Council, i.e. at or below the \$30,000 cap.

Several other amendments to the CWICP are proposed within the Options Paper and will be required, either as part of this review, or within an administrative review in the future, including:

- A specific local catchment (or cross-boundary contributions plan) for Stage 2 of the Huntlee development. This amendment will need to occur in the near future within an administrative amendment to the plan.
- An amendment to the extent of the Nulkaba Local Catchment to reflect additional dwelling yield as a result of the forthcoming Nulkaba Structure Plan. The amendment is expected to occur within an administrative amendment to the plan, should a planning proposal be lodged in respect of the Nulkaba Investigation Area in the future.
- A new local contributions catchment for the former Hydro Kurri Kurri site at Loxford. The purpose of the Loxford Local Catchment is to account for the cost of local infrastructure associated with this development. This amendment will involve seeking the Minister's approval to increase the contribution cap for the proposed Loxford Local Catchment to \$30,000. This amendment will need to occur as a component of this review.

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- Incorporating the existing Kurri Kurri to Maitland Local Catchment within the Kurri Kurri District Catchment and incorporating the existing Millfield Local Catchment within the Rural West District Catchment. Retaining a local catchment for the Millfield and Kurri Kurri to Maitland URAs is no longer necessary as much of the infrastructure within these catchments has been delivered. Therefore, it is proposed to incorporate any remaining yield and infrastructure requirements related to those catchments within the Rural West District Catchment and Kurri Kurri District Catchment, respectively. This amendment will need to occur as a component of this review.

OPTIONS

1. Support the recommendation of this report by endorsing the refined CWICP Works Schedule and Option 1D (with a rate levy of at least 2%) as the preferred contributions plan framework for residential development in the Cessnock LGA. ***This is the recommended option.***
2. Make additional amendments to the CWICP Works Schedule and/or endorse another option as the preferred contributions plan framework for residential development in the Cessnock LGA.

CONSULTATION

The review of the CWICP Works Schedule involved consultation with the following sections of Council to refine the existing CWICP Works Schedule:

- Open Space and Community Facilities Team
- Community and Cultural Development Team
- Infrastructure Team
- Development Services Team
- Building Services Team
- ELT
- MAT

Consultation has also occurred with Council's Infrastructure Contributions Steering Group.

STRATEGIC LINKS

a. Delivery Program

The review aligns with Delivery Program Action 4.1.7, continue implementation of the section 7.11 City Wide Infrastructure Contribution Plan.

b. Other Plans

In reviewing the CWICP consideration has been given to the relevant legislation, Ministerial Directions, policies, practice notes, planning circulars and regional and local strategies.

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The relevant regional and local strategies considered are:

- Hunter Regional Plan 2041.
- Local Strategic Planning Statement.
- Housing Strategy.
- Urban Growth Management Plan.
- Traffic and Transport Strategy.
- Recreation and Open Space Strategic Plan.
- Cycling Strategy.

The priority strategic planning actions contained in these strategies are to:

- Encourage/Incentivise infill development and higher density,
- Encourage diverse housing typologies, including affordable living, and
- Reduce contributions in existing urban areas.

A summary of the applicability of these strategies is provided in the Options Paper.

IMPLICATIONS

a. Policy and Procedural Implications

Reviewing the plan has several benefits for Council including:

- being easier to read and interpret;
- reducing financial risk to Council;
- reducing the risk of legal challenge by providing up-to-date data, including revised Works Schedule and costings;
- aligning with current local and regional strategic plans;
- enabling Council to impose conditions of consent on development to collect the applicable funds required from development to meet its share of the cost of delivering infrastructure; and
- updated works and costings outlined in the Works Schedule.

b. Financial Implications

The financial implications of each contribution plan option is set out in the Local Infrastructure Contributions Plan Options Paper (**Enclosure 2**). The financial impact to Council will depend upon the option chosen. Options 1D and 2B are considered the options that minimise financial risk to Council, with Option 1D being the preferred option for the reasons set out in the Options Paper.

Retaining the existing CWICP Works Schedule and 2031 plan end date is strongly advised against. The existing Works Schedule sets out a significant financial and infrastructure burden for Council. Furthermore, the existing CWICP Works Schedule is highly unlikely to be delivered within the current life of the plan.

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Each of the options discussed in the Options Paper will result in the per lot/dwelling rate for the Bellbird North Local Catchment breaching the \$30,000 contribution cap imposed by the state government. In proceeding with any option, it is recommended that the CWICP Works Schedule for the Bellbird North Local Catchment is examined further in consultation with relevant stakeholders, or other funding opportunities are considered (including grants and/or an application to IPART to increase the contributions cap), to ensure the CWICP is sustainable for Council, i.e. at or below the \$30,000 cap.

c. Legislative Implications

The review of the CWICP has been carried out in accordance with Part 7 of the *Environmental Planning and Assessment Act 1979*, and Part 4 of the *Environmental Planning and Assessment Regulation 2000*, which relate to development contributions.

d. Risk Implications

Should Council introduce a Section 7.12 contributions plan for new residential development outside the major urban release areas (e.g. Option 1D), a plan rate of at least 2% to counter the following risks to Council:

The high risk of developers under-reporting the true cost of residential development

Council will need ensure that the cost of development reported with each application for a dwelling, secondary dwelling, dual occupancy, multi-dwelling development and residential flat building, etc. is accurate. A review of development applications to Council has revealed that the estimated cost of works provided in a large number of building applications grossly underestimates the true value of building works. This will be a problem if Council is looking to migrate to a Section 7.12 contributions plan for existing urban areas, as the value of works is a critical factor in determining the contribution levy for each development.

The high risk that contributions conditioned in consents will not be received

In comparing the various contribution plan options, contributions received and contributions conditioned (but not yet received) were factored into the calculations. However, there is a moderate risk that contributions that have been conditioned in consents may not be received in the future if developers do not act on the consents and allow them to lapse.

The high risk of infrastructure costs escalating at a rate above CPI

The cost of labour, materials and infrastructure increased significantly following the COVID-19 pandemic and at rates significantly higher than CPI. Should the cost of labour, materials and infrastructure continue to rise at a rate higher than CPI, the burden of the additional cost will borne by Council and not infrastructure contributions.

The moderate risk that the forecast residential dwelling yield is not achieved

While the most current information available to Council was used to assess the various options outlined in this Paper, forecasting demographics is not an exact science and is subject to many factors outside of Council's control. If the projected dwelling and population yield is not achieved, Council will not receive the value of contributions anticipated.

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The moderate risk that contributions may have already been paid at the subdivision stage

There is a risk that contributions may have been paid at the subdivision stage for some of the future dwelling yield anticipated by this Options Paper. This is particularly true in relation to allotments within the major URAs, e.g. Bellbird North. A single dwelling cannot be charged contributions again if contributions were levied at the subdivision stage for the allotment on which the dwelling is proposed to be constructed. It is extremely difficult to quantify the number of future dwellings this may apply to. This may impact the contribution income anticipated by this Options Paper between 2021 and 2035.

e. Environmental Implications

Nil

f. Other Implications

Nil

CONCLUSION

The existing Works Schedule sets out a significant financial and infrastructure burden for Council. Furthermore, the existing CWICP Works Schedule is highly unlikely to be delivered within the current life of the plan.

The review has resulted in a proposal for a refined CWICP Works Schedule (**Enclosure 1**) and an Options Paper (**Enclosure 2**), which explores several ways Council may choose to levy development contributions in the future.

The recommended contributions framework is a 2% s.7.12 fixed rate infrastructure contributions plan for residential development in existing urban areas, and a section 7.11 contribution plan for residential development in the major URAs. In addition, it is recommended that the life of both plans is extended to June 2035 to allow additional time for Council to collect contributions and deliver the infrastructure. The preferred option is referenced as Option 1D in the Options Paper.

Option 1D is considered financially viable for Council and has the benefit of supporting infill development within Cessnock's existing urban areas with a low plan rate, consistent with the aims and principles of the Hunter Regional Plan 2041 and the Cessnock Local Strategic Planning Statement 2036.

ENCLOSURES

- 1** CWICP Works Schedule
- 2** Options Paper

Corporate and Community

Report No. CC33/2024

Corporate and Community Services



SUBJECT: ***ADOPTION OF THE OPERATIONAL PLAN 2024-2025
INCORPORATING THE BUDGET, REVENUE POLICY AND
FEES & CHARGES.***

RESPONSIBLE OFFICER: ***Chief Finance Officer - Matthew Plumridge***

SUMMARY

Council is required to undertake its corporate planning and reporting in accordance with the *Local Government Act 1993* (the Act), the *Local Government (General) Regulation 2021* (the Regulation) and the NSW Government's Integrated Planning and Reporting (IP&R) Guidelines and Handbook 2021, collectively referred to as the IP&R Framework.

This report outlines changes made following exhibition and a summary of external submissions received.

RECOMMENDATION

That Council having considered submissions received from the community following public exhibition of the draft documents adopts the:

- **Operational Plan 2024-2025, including the budget and Revenue Policy**
- **Fees and Charges for 2024-2025**

BACKGROUND

On 17 April 2024, Council resolved to place the draft Operational Plan, budget and Revenue Policy as well as the draft Fees and Charges on public exhibition. The exhibition period took place from 22 April to 20 May 2024.

REPORT/PROPOSAL

Council is required to undertake its corporate planning and reporting in accordance with the IP&R Framework. Under the IP&R Framework, an Operational Plan, budget and Fees and Charges documents were prepared and in April 2024, Council resolved to place the draft documents on public exhibition.

The exhibition period took place from 22 April to 20 May 2024 with 10 submissions received. A list summarising external submissions and Council Officer comments is included at **Enclosure 1**. Councillors were provided with a briefing session on 12 June 2024 outlining submissions made, proposed changes and providing further opportunity for feedback.

All changes made to the documents are after consideration of external feedback, internal submissions and quality review checks. Changes to the Operational Plan actions are summarised in the document at **Enclosure 2**.

The proposed final documents are included under separate cover and will be made available on Council's website.



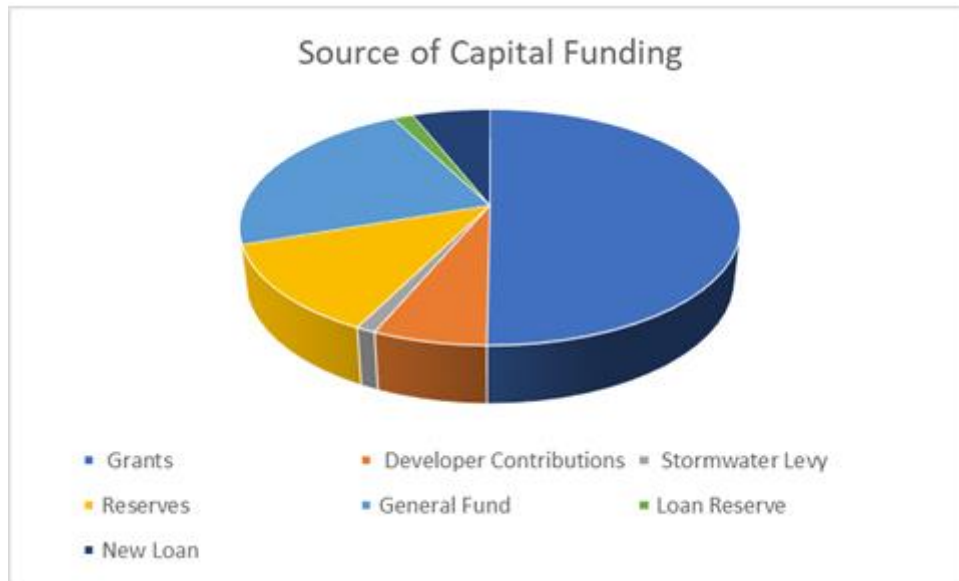
Budget Changes

While on exhibition Council Officers received submissions and undertook quality reviews of the budget which are summarised in the table below.

Operating 24/25		
	Including Capital Income	Excluding Capital Income
Draft Operating Budget	16,030,941	(13,969,059)
Adjustments post exhibition		
Additional rate income	690,127	690,127
Increase in rates subsidy	(215,000)	(215,000)
Increase domestic waste income	533,730	533,730
Capital grants used in capital works programs	14,735,944	-
Non Cash land and dedications	20,000,000	-
Additional staff costs	(384,191)	(384,191)
Sawyers Gully urban growth area planning investigations	(500,000)	(500,000)
Aquatic service review	(53,666)	(53,666)
Reduction in interest expenses	302,339	302,339
	35,109,283	373,339
Final Operating Budget	51,140,224	(13,595,720)

Similar to the operating budget, the capital budget was reviewed and projects adjusted due to priority changes including those projects deferred from the March quarterly review. The net effect to the capital budget is outlined below:

Draft budget	75,287,859	
CBS-2022-002 Watagan Creek #1 Laguna Bridge Replac	334,719	Cost increase - investigating with funding body if can fund
WDC-2023-002 Rehab of fuel spill remediation	1,025,000	Deferred from Q3
CFT-2024-007 Keene St Cessnock-Ext. to Wollombi Rd	(1,417,000)	Not a priority
PMF-2022-003 Black Creek, Restoration Plan I&D	195,000	Works will not start in 23/24
Major Plant-Capital-Workshop - Plant Purchases	1,000,000	Q3 budget not increased
CFR-2022-007 Cessnock Regional Skate Park Design	(900,000)	Funds spent in 23/24
CFR-2024-004 Kurri Kurri Sportsground Upgrades	300,000	Deferred from Q3
CFR-2024-005 Kurri Kurri Netball Facility	(2,650,000)	Majority of works deferred to 25/26
RFP-2021-004 Aquatic Facility Renewal Program	(30,000)	Transfer cost of service plan to operating (Open Space Strategic planning)
Pre-Construction Design - Open Space	71,000	DOC2024/068254: Miller Park Pump Track Design - \$40,000 - DOC2024/068659: Kitchener Poppethead Park – Concept Plan and Engineering Plans - \$31,000
Waste Services Capital - Purchases - Capital	500,000	Removed in Q2 - 24/25 will have two collection vehicles purchased
PMF-2022-006 South Cessnock Flood Mitigation Const	4,501,000	Contractor about to be engaged
Doyle St Bridge Replacement	1,000,000	Urgent works required
	79,217,578	
Movement from Exhibition	3,929,719	



Fees and charges changes

As a result of quality review and some regulation changes there are 8 changes to Fees & Charges with the proposed changes summarised at Enclosure 2. Proposed final Fees & Charges document is provided under separate cover.

Statement by the Responsible Accounting Officer

Continued pressures on costs and delivery of the capital works program is leading to a projected operating deficit for council. This is on the back of a projected operating loss for the financial year ending 30 June 2024. Council's cash position is predicted to remain strong for the budget year utilising reserves held for this purpose.

Future investigations will be required to manage the reserve funds of council, ongoing revenue and expenditure to ensure financial sustainability.

OPTIONS

The recommended option is to adopt the revised documents as attached to ensure Council meets legislative obligations. Any option to further amend the documents prior to adoption is not recommended as the community would not have any opportunity to provide feedback on these amendments.

CONSULTATION

Councillors
Community members
Executive Leadership and Management team
Relevant Council staff

STRATEGIC LINKS

a. Delivery Program

IP&R Framework is required under CSP Outcome Civic leadership and effective governance and Delivery Program action 5.3 Making Council more responsive to the community.

b. Other Plans

As listed in the proposed documents.

IMPLICATIONS

a. Policy and Procedural Implications

The Operational Plan impact all areas of Council with required policies and procedures amended as required in time with their next review.

b. Financial Implications

Financial implications are included in the Operational Plan which funds Council's operations.

c. Legislative Implications

Local Government Act 1993
Local Government (General) Regulation 2021

d. Risk Implications

There are no significant risk implications with this report. Documents have been prepared as per relevant legislation and guidelines.

e. Environmental Implications

Nil

f. Other Implications

Nil

CONCLUSION

The IP&R documents outlining Council's plans for the community are required to be adopted by 30 June 2024. These documents have been prepared in accordance with legislation and guidelines and after consideration of community and internal feedback.

ENCLOSURES

- 1** Submission Summary
- 2** Operational Plan, Fees & Charges Changes Summary
- 3** IPR Documents - Operational Plan, Fees and Charges - Provided Under Separate Cover



SUBJECT: *MAKING THE RATE 2024-25*
RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The Operational Plan 2024-25 includes the Revenue Policy that detailed the rates and charges proposed to be levied for the year commencing 1 July 2024. Council is statutorily required to make the rate following the adoption of the Operational Plan to ensure the legality of the rates and charges levied.

RECOMMENDATION

That Council make the following rates and charges for the year commencing 1 July 2024 to 30 June 2025:

1. Ordinary Rates

The following Ordinary Rates now be made for the year commencing 1 July 2024.

Category	Sub Category	Ad-valorem Amount Cents in \$	Base Amount \$	Base Yield % of Total Rate
Residential		0.243271	430.00	31.34%
Residential	Rural	0.181764	430.00	18.81%
Farmland		0.143026	430.00	14.40%
Farmland	Mixed Use	0.379112	535.00	6.15%
Farmland	Business Rural	0.372754	535.00	8.47%
Business		1.122966	535.00	11.24%
Mining		4.503185	1,500.00	0.47%

2. Waste Charges

Council do hereby prescribe and order under Section 496 of the *Local Government Act 1993* for rateable land categorised for rating purposes as residential or farmland and situated within the area in which a Domestic Waste Management Service is able to be provided, that the following waste charges be now made for the year commencing 1 July 2024.

Domestic Waste Management Service Charge

Domestic Waste Management Availability Charge ¹	\$84.00
Domestic Waste Management Service Charge ²	\$707.00
Additional Domestic Waste Management Service Charge ³	\$707.00
Additional Domestic Waste Management Service Charge – Recycling	\$93.00
Additional Domestic Waste Management Service Charge – Organics	\$93.00

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1. Charge applies to vacant rateable land situated within the area in which a Domestic Waste Management Service is able to be provided.
2. Each premise is entitled to one approved mobile waste bin mixed waste service per week, one fortnightly collection of recyclable material and one fortnightly collection of organic material for each Domestic Waste Management Service Charge.
3. Each premise is entitled to one approved mobile waste bin mixed waste service per week for each Additional Domestic Waste Management Service Charge.

Council do hereby prescribe and order under Section 501 of the *Local Government Act 1993*, for land not categorised for rating purposes as residential or farmland and situated within the area in which a Waste Management Service is able to be provided, that the following waste charges be now made for the year commencing 1 July 2024.

Waste Management Service Charge

Commercial Waste Management Service Charge ¹	\$862.00
Additional Waste Management Service Charge ²	\$862.00
Additional Waste Management Service Charge - Recycling	\$93.00
Additional Waste Management Service Charge - Organics	\$93.00

1. Each premise is entitled to one approved mobile waste bin mixed waste service per week and one fortnightly collection of recyclable material for each Waste Management Service Charge. Each premise is also entitled to one fortnightly collection of organic material for each Waste Management Service Charge upon request and justification of needs.
2. Each premise is entitled to one approved mobile waste bin mixed waste service per week for each Additional Waste Management Service Charge.

3. Stormwater Management Services Charges

Council do hereby prescribe and order under Section 496A of the *Local Government Act 1993*, for land situated within the designated stormwater area, that the following stormwater charges be now made for the year commencing 1 July 2024.

Stormwater Management Service Charge - Residential	\$25.00
Stormwater Management Service Charge - Residential Strata	\$12.50
Stormwater Management Service Charge - Business	\$25.00 per 350m ² (or part thereof) to a maximum \$500

4. Interest on Overdue rates and Charges

Council do hereby determine and order, in accordance with Section 566 of the *Local Government Act 1993*, that if rates and charges are unpaid at the due date, the amount shall be increased by a sum calculated at:

- Ten and a half per cent (10.5%) per annum, simple interest, calculated daily for the period 1 July 2024 to 30 June 2025.

5. Hunter Local Land Services

Council, in accordance with Clauses 36 and 40, Part 4, of the *Local Land Services Regulation 2014*, prescribes that the rate for the year commencing 1 July 2024 shall be the rate gazetted by the Minister for the Hunter Catchment Contribution for the period 1 July 2024 to 30 June 2025 inclusive being 0.00629 cents per dollar of rateable land value.

BACKGROUND

The Operational Plan 2024-25 incorporates the revenue policy for rates and charges proposed to be levied for the period 1 July 2024 to 30 June 2025. Council is required to make the rates and charges for the financial year commencing 1 July 2024 in accordance with Sections 535, 537 & 538 of the *Local Government Act 1993* (the Act).

REPORT/PROPOSAL

Council's Operational Plan 2024-25, inclusive of the revenue statements with respect to each Ordinary and Special Rates and Charges proposed to be levied, was resolved to be placed on public exhibition by Council at its Ordinary Meeting of 17 April 2024 and the Operational Plan 2024-25 is being considered for adoption at this meeting of Council.

In accordance with Sections 535, 537 & 538 of the Act, Council is required to make the rates and charges for the financial year commencing 1 July 2024. Extracts of the relevant sections of the Act are reproduced below for Council's information.

Section 535 Rate or charge to be made by resolution

A rate or charge is made by resolution of the Council.

Section 537 Form of resolution specifying base amounts of rates

In the resolution that specifies a base amount of a rate, or the base amount of a rate for a category or sub-category of an ordinary rate, the Council must state:

- (a) the amount in dollars of the base amount, and*
- (b) the percentage, in conformity with section 500, of the total amount payable by the levying of the rate, or the rate for the category or sub-category concerned of the ordinary rate, that the levying of the base amount will produce.*

Section 500 Limit on revenue that can be raised from base amount

The amount specified as the base amount of a rate (or the base amount of the rate for a category or sub-category of an ordinary rate) must not be such as to produce more than 50 per cent of the total amount payable by the levying of the rate (or of the rate for the category or sub-category concerned) on all rateable land subject to the rate (or the rate for the category or sub-category concerned).

Section 538 Form of resolution for special rate

(1) *In the resolution that makes a special rate, the Council must state whether the special rate is to be levied on all rateable land in the Council's area or on only a part of that land.*

(2) *If the special rate is to be levied on only a part of that land, the Council must specify in the resolution the part on which it is to be levied.*

The Office of Local Government (circular 24-05 Information about Rating 2024-25) detailed the prescribed maximum interest rate on overdue rates and charges as follows:

- In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the period 1 July 2024 to 30 June 2025 (inclusive) will be **10.5% per annum**.
- Notice giving effect to these decisions has been published in the NSW Government Gazette (Government Gazette No 140 – 19 April 2024).

OPTIONS

1. Adopt the recommendation – preferred, is the basis for 2024-25 Operating budget.
2. Amend the recommendation.

CONSULTATION

Consultation has taken place with Councillors and Council staff in preparing the draft Operational Plan, incorporating the proposed rates and charges to be levied. The Operational Plan inclusive of the Revenue Statement was publicly exhibited for 28 days.

STRATEGIC LINKS

a. Delivery Program

This report is a part of the organisation's governance framework – in line with the community's desired outcome of *Civic Leadership and Effective Governance*.

b. Other Plans

Nil

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

The Operational Plan includes budgetary allocations for 2024-25 and the levying of rates and charges provides a significant portion of the required funds for Council's operations.

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c. Legislative Implications

The making of the rates and charges for the year commencing 1 July 2024 satisfies legislative obligations under Sections 535, 537 & 538 of the Act.

d. Risk Implications

If rates and charges are not made as required under Act, Council may be exposed to the possibility of a legal challenge on the validity of any rates and charges levied in 2024-54.

e. Other Implications

Nil

CONCLUSION

The making of the rates and charges for the year commencing 1 July 2024 satisfies legislative obligations under Sections 535, 537 & 538 of the Act and ensures Council's rates levied in 2024-25 can be legally raised.

ENCLOSURES

There are no enclosures for this report.

SUBJECT: *INVESTMENT REPORT - MAY 2024*
RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

Section 625 of the *Local Government Act 1993* (the Act), Clause 212 of the *Local Government (General) Regulation 2021* (the Regulation) and Council's Investment Policy (the Policy) requires a monthly report to Council detailing all money invested.

RECOMMENDATION

That Council receives the Investment Report for May 2024 and notes that:

- Investments are held in accordance with Council's Investment Policy, which is in accordance with the Ministerial Investment Order.
- Council's month end cash and investments balance was \$76,130,378.

BACKGROUND

A monthly report to Council detailing money invested as per the Act, Regulation and Policy.

REPORT

Statement by the Responsible Accounting Officer

The Responsible Accounting Officer has certified that this report is produced in accordance with Clause 212 of the Regulation and that all investments have been made in accordance with the Act, Regulation and Policy.

General Investment Commentary

Council officers monitors and manages the cash and investment portfolio by taking into consideration credit ratings of financial institutions, interest rates offered for periods of investment, counterparty exposures and cash flow requirements.

Following assessment of projected cash flow requirements, surplus funds are invested in accordance with Council's Investment Policy. Investment returns of the portfolio to the end of May 2024 are exceeding the budget. As older term deposits mature and new term deposits are invested, yields are increasing compared to the last few years as demonstrated on Table 1 below.

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Council has engaged Prudential Investment Services Corp for investment advice and the May 2024 Economic and Investment Portfolio Commentary, regarding interest rates notes:

- *Despite substantial declines from their peaks, inflation in many advanced economies remain above central banks' targets and, in some cases, progress in lowering inflation appears to have stalled. Countering this trend is the Bank of Canada and the European Central Bank which are expected to be the first two central banks to cut rates, as early as the next month.*
- *In the US, economic data was mixed with consumer confidence improving in May and an increase in the net proportion of respondents reporting that jobs are plentiful. However, March quarter GDP growth was revised down to 1.3%pa from 1.6%pa with a downward revision to wages growth.*
- *In China, economic growth has picked up and appears to be on track to reach the growth target for 2024 of 'around 5 per cent'. However, conditions in the property market remain very weak leaving economists to speculate that government policy support will be needed to offset the drag on GDP growth.*
- *Global share markets started May strongly spurred on by favourable inflation expectations. Despite sentiment turning later in the month, after higher than expected inflation data in the US and Australia pushing out the expected timing of future rate cuts, most major share markets recorded modest gains for the month: US shares were up 5%, European shares gained 3.5% and Japanese and Australian share markets were both up approximately 1% on the month.*
- *Global share markets are expected to remain volatile over the coming months as uncertainty remains high regarding the outlook and timing for interest rate cuts, geopolitical risks around the Israel/Gaza/Iran conflict, and the prospect of another very close US election between two political parties with widely differing views on globalisation.*

Domestic issues noted within Prudential's report include:

- *Latest monthly inflation data revealed an unexpected increase. The uptick in the Monthly Inflation Indicator from 3.5%yoy to 3.6%yoy surprised economists and financial markets which were expecting a decline. The main drivers were weather related food prices, tobacco, health insurance premiums, fuel prices and continued rapid increases in rents and general insurance.*
- *The RBA updated its inflation forecasts in its May 2024 Statement on Monetary Policy. The central bank is now saying it expects inflation to be higher by around 0.5% through until the end of this year, with the annual headline rate of quarterly CPI inflation expected to run at 3.8% in both the June and December quarters.*
- *Latest retail sales numbers were weaker than expected and, on a trend basis, show that total retail turnover has largely stagnated since the start of this year. Furthermore, when considered on per capita basis, turnover has gone backwards. This indicates that household spending remains very weak, in line with ongoing depressed consumer sentiment readings.*

The RBA kept the official cash rate unchanged at 4.35% following its meeting in mid-April, the next meeting is June. In May, term deposit rates across the 1 month to 5 year range ended largely flat on average, with a small rise in 3 to 5 year rates offsetting an average decline of 0.05%pa across 7, 8 and 9 month terms.

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In summarising Council's portfolio Prudential advises:

- Council's investment portfolio posted a marked-to-market return of 5.37%pa for the month versus the bank bill index benchmark return of 4.50%pa. Over the past 12 months, Council's portfolio has returned 4.95% versus the benchmark's 4.32%.
- The NSW TCorpIM Medium Term Fund (0.60% actual) recorded a good gain for the month, holding onto much of the share market rebound from the start of May before the inflation-wary retreat at the end of the month.
- Without marked-to-market influences, Council's investment portfolio yielded 5.24%pa for the month. This is based on the actual interest rates being received on existing investments and excludes the underlying changes to the market value of the TCorp growth fund.

Investment Portfolio Information

Table 1 Total cash and investments held by Council as at 30 April 2024

Invest No	Financial Institution Investment Held With	Invest Type	Interest Coupon Term	Maturity	Current Coupon Rate	Par Value \$'000
	Commonwealth Bank	CASH			4.00%	18,549
	Commonwealth Bank	At Call			4.35%	2,941
1243	AMP Bank	At Call			3.30%	520
1490	Westpac Bank	TD	729	25-Sep-24	4.91%	4,000
1501	National Australia Bank	TD	371	06-Aug-24	5.40%	5,000
1502	Commonwealth Bank	TD	364	06-Aug-24	5.55%	5,000
1503	Commonwealth Bank	TD	363	28-Aug-24	5.27%	4,000
1504	Suncorp Bank	TD	369	24-Sep-24	5.30%	4,000
1505	National Bank	TD	364	25-Sep-24	5.33%	5,000
1507	Suncorp Bank	TD	274	30-Jun-24	5.35%	5,000
1508	Commonwealth Bank	TD	365	29-Oct-24	5.39%	5,000
1509	National Australia Bank	TD	365	21-Jan-25	5.16%	5,000
1510	Westpac Bank	TD	365	23-Jan-25	5.20%	5,000
1512	Suncorp Bank	TD	274	03-Dec-24	5.12%	3,000
1463	Treasury Corporation	Growth Fund				4,120
TOTAL						76,130

Table 2 Level of funds held and the percentage invested with financial institutions

Financial Institution	Credit Rating	Institution Maximum	Amount \$'000	% of Portfolio
Commonwealth Bank	AA-	40%	14,000	25.87%
Westpac Bank	AA-	40%	9,000	16.63%
National Australia Bank	AA-	40%	15,000	27.72%
Suncorp Bank	A+	40%	12,000	22.17%
Treasury Corporation	Unrated	10%	4,120	7.61%
TOTAL			54,120	100.00%

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In accordance with the Policy, figures in Table 2 above exclude cash and at call balances in Council’s main operating account held with the Commonwealth and AMP banks.

Investment in NSW Treasury Corporation (TCorp)

TCorpIM Funds are unit trusts. Distributions are made annually and are automatically reinvested into the fund to buy additional units. As this investment is held for medium to long-term capital appreciation, gains or losses will only be realised on redemption of the investment. However due to accounting requirements any unrealised gains or losses will be processed between investments and the operating statement.

The preliminary May 2024 unrealised return was a gain of \$20,296.88 or 0.50% (5.91% annualised). Rates of return fluctuate monthly and can be negative from time to time with the medium-term investment horizon. The fund performance summary for May 2024 is not yet available at the time of this report. The fund performance summary as at 30 April 2024 is shown below. The TCorp benchmark is CPI + 2.00% p.a. (over rolling 5 years).

Table 3 NSW Treasury Corporation Performance Summary

	10 year (% pa)	7 year (% pa)	3 year (% pa)	1 year %	FYTD %	1 month %
IM Medium Term Growth Fund	4.1	3.6	2.2	5.3	5.4	-1.6
Benchmark: CPI + 2.0% p.a. (over rolling 5 years)	4.7	5.0	6.9	6.1	5.1	0.5
Return above benchmark p.a.	(0.5)	(1.40)	(4.70)	(0.8)	0.30	(2.10)

Table 4 Investment types, risk, amount and percentage invested compared to total

Investment Type	Risk Assessment		Amount	% of
	Capital	Interest	\$'000	Portfolio
Term Deposits	Low	Low	50,000	65.68%
Cash/At Call Deposits	Low	Low	22,010	28.91%
Capital Growth Fund	Medium	Medium	4,120	5.41%
TOTAL			76,130	100.00%

Table 5 Comparison of interest rates, earnings and balances this year to last year

Performance Measures	This Year	Last Year
Investment Portfolio Average Interest Rate (year to date)	5.05%	3.92%
BBSW Average Interest Rate (year to date) *	4.36%	3.77%
Actual Investment Interest Earned (for the current month)	\$308,568	\$202,459
Actual Investment Interest Earned (year to date) ^	\$3,543,307	\$1,722,645
Original Budget Investment Interest (year to date)	\$1,265,112	\$748,447
Original Budget Investment Interest (annual)	\$1,380,122	\$1,680,122
Revised Budget Investment Interest (annual)	\$1,750,122	\$1,680,122
TCorp unrealised movement (year to date)	5.93%	6.22%

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Investment and Cash Balances (Par Value) #	This Year	Last Year
Opening Balance as at 1 July	\$73,085,190	\$73,415,666
Closing Balance as at 31 May	\$76,130,378	\$71,320,636

* BBSW 90 day Bank Bill Reference Rate (performance measure as per Council's Investment Policy)

^ Excludes TCorp unrealised returns

Excludes Section 355 Committee cash held

Graph 1 Actual interest earned compared to revised budget and actual interest last year

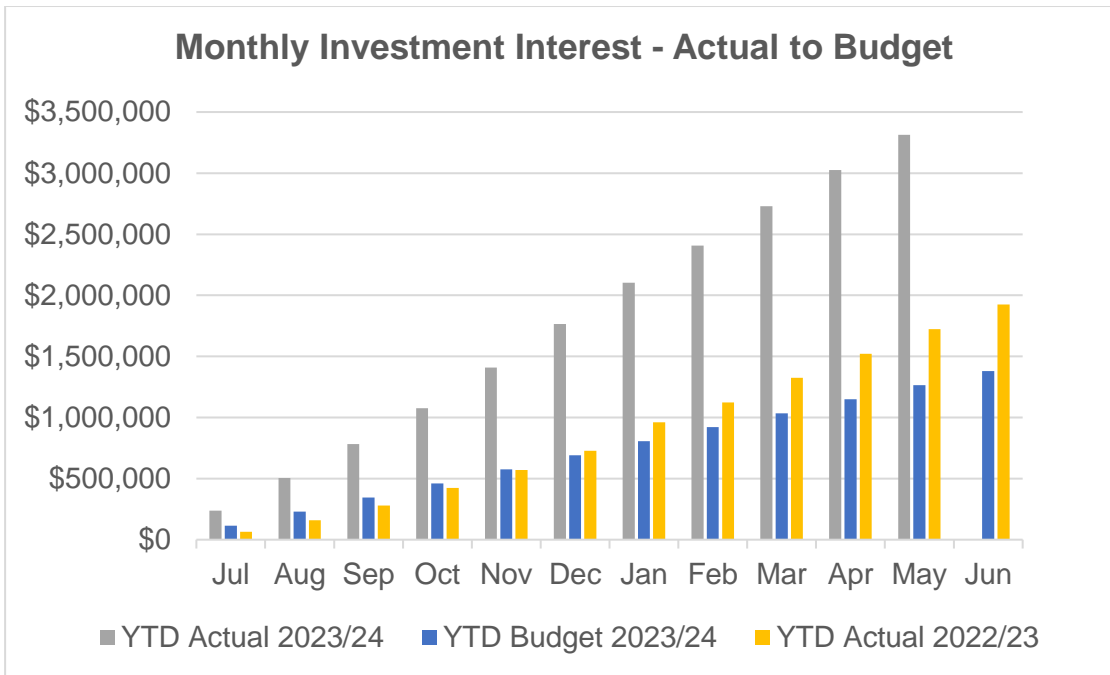


Table 6 Internal and external restrictions over cash and investments held

Month End Totals \$'000	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024	Dec 2023
Developer contributions	36,718	38,895	36,791	36,276	35,858	35,355
Committed developer contributions	5,480	1,987	2,275	2,456	2,485	2,735
RMS contributions	0	0	0	0	0	0
Specific purpose unexpended grants	16,858	14,885	16,813	17,819	20,087	22,104
Domestic waste management	430	430	430	430	430	430
Stormwater management	0	0	0	872	889	909
External Restrictions	59,898	56,197	56,309	57,853	59,749	61,533
Plant and vehicle replacement	789	789	1,017	1,274	1,274	1,274
Employees leave entitlement	1,430	2,430	2,430	2,430	2,418	2,418

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Month End Totals \$'000	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024	Dec 2023
Carry over works	0	0	287	287	371	581
Bridge replacement	0	0	0	0	0	308
Insurance provisions	50	50	50	50	50	761
Miscellaneous and property	432	432	534	534	534	534
Grant Fund Leverage	82	82	82	82	82	82
Energy efficiency	133	133	95	95	95	95
Operations and programs	420	420	472	472	472	472
Property investment fund	2,200	2,200	2,550	3,021	3,021	3,021
Civil Works	0	0	0	0	0	0
Waste depot and rehabilitation	7,732	7,732	8,198	8,843	8,843	8,843
Committed projects (SRV)	0	0	0	0	0	0
Security deposits and bonds	3,582	3,582	3,492	3,440	3,435	3,432
Unexpended Loan Funds	817	817	836	840	848	958
Internal Restrictions	18,267	18,667	20,043	21,368	21,443	23,917
Emergency Flood Works Approved Claim to be received from TfNSW**	(2,200)	(2,200)	(1,273)			
Unrestricted	765	1,835	1,637	2,958	1,123	1,138
Total Cash & Investments	76,130	74,499	76,716	82,179	82,315	86,057

** Note Council is currently completing emergency flood works on behalf of Transport of NSW. Works are completed and paid by Council in advance, with Transport paying after each month. This artificially lowers the unrestricted cash balance of Council. Until the works are complete, the investment report will provide amounts owing from Transport to show a true unrestricted cash balance.

CONSULTATION

- Director Corporate and Community Services
- Chief Financial Officer
- Finance staff

STRATEGIC LINKS

a. Delivery Program

Investment returns are an integral part of funding sources for future services and community expectations within the Delivery Program and Operational Plan. This report is a part of the organisation’s governance framework – providing feedback on the progress against the investment policy and budget adopted by Council. This is in line with the community’s desired outcome of: “*Civic Leadership and Effective Governance*” and more specifically links to strategic direction:

- 5.3.2: Our Council’s processes are efficient and transparent;
- 5.3.3: Our Council is financially sustainable.

IMPLICATIONS

a. Policy and Procedural Implications

Investments are held in accordance with Council's Investment Policy.

b. Financial Implications

Investment returns are included in Council's Delivery Program and Operational Plan. Amendments are affected through the Quarterly Budget Review process. Investment portfolio performance is detailed within the report with comparisons to prior year and budget.

A portion of the portfolio and its associated investment income is restricted as it relates to funds from developer contributions, payments in advance for grant projects, Domestic Waste Management, and stormwater management income to be applied to specific purposes and not available for general operational projects.

c. Legislative Implications

This report meets Council's statutory obligations under the Act and Regulation.

d. Risk Implications

Investment risks are detailed within this report.

e. Other Implications

There are no environmental, community, consultative or other implications to this report.

CONCLUSION

The report details investments held at month end and meets Council's reporting obligations.

ENCLOSURES

There are no enclosures for this report.

Corporate and Community

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Corporate and Community Services



SUBJECT: *INVESTMENT POLICY*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The purpose of this report is to present the revised Investment Policy following its annual review for adoption by Council.

RECOMMENDATION

That the Council approves the updated Investment Policy.

BACKGROUND

In accordance with the Office of Local Government "Investment Policy Guidelines", the *Local Government Act 1993*, the *Local Government (General) Regulation 2021* and Council's Investment Policy, Council is required to review its Investment Policy on an annual basis and to adopt the revised Policy by resolution.

REPORT/PROPOSAL

The most recent review of the Policy took place last year and was adopted by Council on 21 June 2023.

The Policy has been subject to a review undertaken by Prudential Investment Services Corp with the recommended changes from the review being accepted by management and the draft was endorsed by the Audit and Risk Committee on 8 May 2024.

The main change to the Investment Policy is the streamlining of the Overall Portfolio Credit Framework table and the Institutional Credit Framework table. With these changes, Council's risk management framework will remain stricter than required by legislation and the Ministerial Investment Order while providing better overall diversification of the investment portfolio. The updated policy is included at **Enclosure 1**.

OPTIONS

N/A

CONSULTATION

Director Corporate & Community Services
Audit and Risk Committee
Finance Coordinator
Financial Accountant

STRATEGIC LINKS

a. Delivery Program

This report is a part of the organisation's governance framework and is in line with the community's desired outcome of: "*Civic Leadership and Effective Governance.*"

b. Other Plans

N/A

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

Increased ability to gain the most advantageous rates of return for Council's investment portfolio whilst minimising risk.

c. Legislative Implications

Revision of the Investment Policy satisfies the legislative requirement of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021*, the Ministerial Investment Order and the Office of Local Government "Investment Policy Guidelines".

d. Risk Implications

N/A

e. Other Implications

N/A

CONCLUSION

Council is required to annually review and adopt its Investment Policy.

ENCLOSURES

- 1 Updated Investment Policy

Corporate and Community

Report No. CC37/2024

Corporate and Community Services



SUBJECT: *FINANCIAL MANAGEMENT POLICIES*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

Council has a suite of financial management policies that are required to be reviewed, updated as necessary and approved by Council. These policies outline how Council Officers will assist the community in regards to hardship, rebates and ultimately debt collection.

RECOMMENDATION

That Council adopts the updated:

- **Council Rebate Contribution on Pensioner Rates Policy,**
- **Financial Hardship Policy, and**
- **Debt Collection Policy.**

BACKGROUND

Council last adopted these policies at the July 2020 meeting and in accordance with prescribed policy review timelines, have been reviewed and are presented to Council for reoption.

REPORT/PROPOSAL

Attached to this report is the updated draft policies for Council's consideration. Council's Audit and Risk Committee have reviewed these draft policies and have endorsed them to be considered by Council.

Council Rebate Contribution on Pensioner Rates Policy

This policy provides direction on the granting of a Pensioner Rebate on rates and annual charges under sections 575 and 582 of the *Local Government Act 1993*.

Minor changes have been made to this policy in updating applicable legislation, Council Officer titles and privacy requirements.

Financial Hardship Policy

This policy provides a framework for responding to applications from owners/ratepayers and customers experiencing genuine hardship with the payment of their rates, annual charges and fees in accordance with the *Local Government Act 1993* and the *Local Government (General) Regulation 2021* (Regulation).

Minor changes have been made to this policy in updating applicable legislation, Council Officer titles and privacy requirements, however it also been broadened to allow ratepayers potentially suffering hardship across all rate categories to make application for hardship.

Corporate and Community

Report No. CC37/2024

Corporate and Community Services



Debt Collection Policy

The objective of the policy is to provide direction for the collection of rates, annual charges and sundry debtors where payment exceeds payment terms.

This policy outlines the procedure Council will use for the collection of outstanding debts including trying to contact ratepayers where resources are available to discuss other payment methods and policies that the ratepayer may not be aware of.

OPTIONS

Council can choose to adopt the updated policies or not adopt them.

CONSULTATION

Audit and Risk Committee
Director of Corporate and Community Services
Chief Financial Officer
Finance Coordinator
Rates and Debt Management Staff

STRATEGIC LINKS

a. Delivery Program

This report is a part of the organisation's governance framework and is in line with the community's desired outcome of: "*Civic Leadership and Effective Governance.*"

b. Other Plans

Revenue Policy
Operational Plan

IMPLICATIONS

a. Policy and Procedural Implications

Polices have been reviewed as required and presented to Council for adoption.

b. Financial Implications

Effective management in these areas assist with Council's cashflow to ensure continuation of services throughout the Local Government Area.

c. Legislative Implications

Local Government Act 1993
Local Government (General) Regulation 2021

d. Risk Implications

These policies assist in mitigating Council's financial risk while assisting the community when suffering financial hardship.

Corporate and Community

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Corporate and Community Services



e. Environmental Implications

N/A

f. Other Implications

N/A

CONCLUSION

The adoption of these policies will continue to provide clear direction in collection of outstanding rates while providing a necessary service to the community where genuine hardship exists.

ENCLOSURES

- 1** Draft Council Rebate Contribution on Pensioner Rates Policy
- 2** Draft Financial Hardship Policy
- 3** Draft Debt Collection Policy

Corporate and Community

Report No. CC38/2024

Corporate and Community Services



SUBJECT: *CORRUPTION PREVENTION POLICY*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The purpose of this report is to present the Corruption Prevention Policy (the Policy) to Council for adoption.

RECOMMENDATION

1. That Council adopts the Corruption Prevention Policy (2024).
2. That Council rescinds the Fraud Control and Corruption Prevention Policy (2020).

BACKGROUND

Council's 2023/24 Operational Plan provides for work to be undertaken to revise Council's Corruption Prevention Framework to align with best practice by 30 June 2024.

The Corruption Prevention Framework has undergone significant review to ensure alignment with Australian Standards address the latest guidance provided by the NSW Independent Commission Against Corruption (ICAC).

Council's Corruption Prevention Framework consists of:

- Corruption Prevention Policy;
- Corruption Control Plan;
- Fraud Risk Register (as part of Council's Enterprise Risk Management Framework);
- Reporting fraud and corruption, including Council's Public Interest Disclosures (PID) Policy and Integrity Breach Register; and
- Corruption prevention training and awareness.

On 17 June 2020, the elected Council adopted the existing Fraud Control and Corruption Prevention Policy (2020). The Policy has now been revised to incorporate contemporary approaches to anti-fraud and anti-corruption.

REPORT/PROPOSAL

Council is committed to preventing, detecting and responding to all fraudulent and corrupt activity. Fraud and corruption impact on public resources and may damage organisational reputation. Council has zero tolerance for fraudulent or corrupt practices.

Corporate and Community

Report No. CC38/2024

Corporate and Community Services



The Policy (**Enclosure 1**) updates Council's position in relation to fraud and corruption prevention, and includes the following:

- Amendments to terminology, legislation references, abbreviations, job/team titles, and removal of duplication;
- Update of responsibilities including for the governing body and Cyber Security Specialist;
- Incorporation of connection to Council's Digital Strategy;
- Inclusion of General Manager foreword;
- Updated information in relation to: delegations and authorisations; compliance; and privacy and personal information; and
- Amendment/clarification of:
 - Policy scope regarding reports of wrongdoing that do not amount to fraud or corruption;
 - Policy statement that Council has zero tolerance to fraud and corruption;
 - Council's Corruption Prevention Framework's alignment with Australian Standards;
 - New examples of fraudulent or corrupt activities;
 - The responsibilities of the PID Coordinator; all managers, coordinators, principals and team leaders; Safety and Risk Coordinator; and Internal Auditor;
 - The frequency of implementation and reporting on, and alignment with ICAC recommendations of the Fraud and Corruption Risk Assessments;
 - Minor amendments and re-ordering of clauses to improve the context and content;
 - Policy administration; and authorised functions.

OPTIONS

N/A

CONSULTATION

Executive Leadership Team
Management Team
Internal Auditor

STRATEGIC LINKS

a. Delivery Program

The Policy promotes the community's outcome of: "*Civic Leadership and Effective Governance*".

Corporate and Community

Report No. CC38/2024

Corporate and Community Services



b. Other Plans

Adopting the Policy achieves objective 5.3.7 from Council's Operational Plan:
"Continue to manage Council governance functions and statutory requirements".

5.3.7.c Action: Review and update Council's Fraud Control and Corruption Prevention Framework to align with best practice.

Target: Prepare and finalise a revised Fraud Control and Corruption Prevention Framework by 30 June 2024.

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

N/A

c. Legislative Implications

N/A

d. Risk Implications

Adopting the Policy ensures Council continues to have a robust and effective defense system to combat fraudulent and corrupt behaviour. Adopting industry best practice reduces Council's risk of financial loss and provides community reassurance in Council's operations.

e. Environmental Implications

N/A

f. Other Implications

Training and awareness will be provided to Council Officials as part of the Corruption Prevention Framework.

CONCLUSION

This report is presented for Council to rescind the old version (2020) of, and adopt the Policy. In doing so, Council will endorse best industry practices to combat fraudulent and corrupt conduct.

ENCLOSURES

- 1 Corruption Prevention Policy

Corporate and Community
Report No. CC39/2024
Corporate and Community Services



SUBJECT: *RESOLUTIONS TRACKING REPORT*
RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The enclosure contains pending actions from previous meetings as well as completed actions for period 07 May 2024 to 10 June 2024.

RECOMMENDATION

That Council receives the report and notes the information in the Resolutions Tracking Report.

ENCLOSURES

- [1](#) Outstanding Actions - All
- [2](#) Completed Actions - All

Works and Infrastructure

Report No. WI13/2024

Works and Infrastructure



SUBJECT: ***INTERSECTION OF COOPER AND CHARLTON STREETS - INTERIM REMEDIATION***

RESPONSIBLE OFFICER: ***Infrastructure Manager - Cameron Clark***

SUMMARY

Provide interim improvement to address traffic and pedestrian safety until a permanent solution is developed in line with the review of the Cessnock Commercial Precinct Public Domain Plan.

RECOMMENDATION

That Council endorse the proposed interim intersection treatment for the Cooper and Charlton Streets intersection.

BACKGROUND

In the existing endorsed public domain plan the Cooper and Charlton Street intersection provides for a town square concept with a shared zone in the road reserve. The Shared Zone connects adjacent open spaces on privately owned land.

Heavy vehicles travel through the Cooper and Charlton Street intersections for public transport and to facilitate deliveries to commercial businesses. A key component to implementing the CCPPDP is acquiring property at the northern end of Keene Street. Extending Keene Street will divert heavy vehicles from the Cooper and Charlton Street intersection and enable the shared zone to function as intended.

In November 2019 Council moved to implement a shared zone that aligned with the public domain plan and retained the Cooper Street and Charlton Street roundabout. The performance of the flagstone style pavers as a wearing course has been poor and significant maintenance and rectification work has been required to maintain an even and trafficable surface. The retention of the roundabout and two-way traffic flow presents a risk to pedestrian safety within the shared zone and also encourages “rat running” along Cooper Street to avoid peak hour traffic congestion along Wollombi Road and Maitland Road.

In light of the issues raised above relating to the poor performance of the wearing surface, the pedestrian and traffic safety and the Public Domain Plan review it is proposed to implement an interim treatment to address these issues.

REPORT/PROPOSAL

Based on detailed geotechnical investigation Council Officer's confirm that a suitably engineered pavement option must be installed to cater for the heavy vehicle traffic movements. The use of flagstone pavers as a wearing course is not appropriate to achieve the pavement strength or performance required accommodate heavy vehicles from an asset life perspective. Council Officer's propose to implement a more durable deep lift asphalt treatment instead.

In addition to this, a revised priority for the intersection has been proposed to address the pedestrian and traffic safety issues.

Works and Infrastructure

Report No. WI13/2024

Works and Infrastructure



The revised intersection treatment allows the continued use of the intersection by heavy vehicles while formalising the pedestrian crossing locations resulting in a better performing outcome from a traffic perspective and consequentially reducing the risk of traffic incidents.

The revised intersection treatment removes the current hybrid shared zone and provides flexibility to meet the intent of the current public domain plan until permanent changes are made to the plan as part of the strategic review.

OPTIONS

1. **Do nothing** – retain existing pavement and intersection treatment and accept the anticipated future maintenance cost and the poor performance of the current intersection treatment and the traffic issues currently being experienced.
2. **Implement interim pavement and revise intersection treatment** – This is likely to result in significantly reduced maintenance costs and improved performance from a traffic perspective resulting in fewer incidents.

CONSULTATION

The implementation of the revised intersection treatment is subject to formal approval by the Local Traffic Committee and as part of that process the treatment will be publicly advertised. The community and businesses can provide feedback on the proposed treatment during this period.

Anecdotally, the operation of the current intersection is a subject of frequent complaints directly to Council and also informally on Council's endorsed community engagement channels.

STRATEGIC LINKS

a. Delivery Program

The proposed future maintenance budget is adequate to cover the costs associated with the intersection improvement project.

b. Other Plans

Implementation of intersection improvements to provide priority to Cooper Street; restrict movements in and out of Charlton Street; implement one way access along a portion of Cooper Street; increase parking spaces; and delineate the roadway through the shared zone with a sustainable wearing course.

While this proposed treatment does not directly align with the CCBDPDP it provides a safer and more accessible environment for all users than the current arrangement in the short term. Once the review of the CCBDPDP is complete a revised implementation plan can be prepared that satisfy the Plan's objectives and how it can be funded.

IMPLICATIONS

a. Policy and Procedural Implications

NA

Works and Infrastructure

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Works and Infrastructure



b. Financial Implications

The proposed works are to be funded out of the annual road maintenance budget and the estimated cost of the rectification works is as follows:

Site Establishment and Preliminaries	\$ 10,000
Traffic Control	\$ 50,000
Night Work Allowance	\$ 50,000
Demolition of Existing Flag Pavers	\$ 85,000
Disposal of Demolished Pavers	\$ 50,000
Rectification of Subgrade	\$ 95,000
Install Deep Lift AC	\$125,000
Line Marking & Signage	\$ 25,000
Total	\$490,000

In addition, Asset Planning are reviewing the condition of adjacent infrastructure to identify if there are any cost efficiencies to completing other improvement works that will enable the Cooper & Charlton Street improvements to be more effective.

c. Legislative Implications

The proposed improvements to the Cooper and Charlton Street intersection will be implemented as maintenance works. From an environmental planning perspective, approval under part 5 of the legislation applies as the works are being completed by Council who are considered a public authority under the Act.

d. Risk Implications

The proposed intersection improvements will improve pedestrian and traffic safety. The proposed pavement treatment will reduce the risk of pavement failure and ongoing maintenance.

If not completed the budget for ongoing maintenance may significantly increase to due accelerated failure of the flagstone paver wearing course and underlying pavement.

e. Environmental Implications

Council crews completing the works will complete an environmental management plan that will be monitored throughout the project to ensure effective operation of environmental controls.

f. Other Implications

The proposed works may require temporary closure of the road and in order to reduce the inconvenience to road users it may be required to complete the works at night.

CONCLUSION

The proposed intersection improvements provide a safer and more accessible environment for all users than the current arrangement in the short term.

Works and Infrastructure

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Works and Infrastructure



The associated proposed pavement treatment will reduce the risk of ongoing maintenance. The works can be implemented quickly and efficiently to balance the immediate needs of the community. It will improve pavement performance and improve operation of the intersection as well as be adapted to the long-term strategic objectives of the revised Cessnock CBD Public Domain Plan.

ENCLOSURES

There are no enclosures for this report

Works and Infrastructure

Report No. WI14/2024

Works and Infrastructure



SUBJECT: *MINUTES OF THE LOCAL TRAFFIC COMMITTEE MEETING HELD 20 MAY 2024.*

RESPONSIBLE OFFICER: *Principal Engineer - Traffic and Transport - Warren Jeffery*

RECOMMENDATION

That the Minutes of the Cessnock Local Traffic Committee Meeting of 20 May 2024 be adopted as a resolution of the Ordinary Council.

- **TC12/2024 – That Council authorises the temporary regulation of traffic for the Winery Run Hunter Valley 2024 on Lovedale Road, Wilderness Road, and Talga Road, Lovedale in accordance with Various Roads Lovedale _ Winery Run Hunter Valley Traffic Control Plan’s.**
- **That Council note the General Manager or the General Managers sub-delegate authorised the following Local Traffic Committee reports in accordance with Division 2 of Part 8 of the Roads Act 1993:**
 - **TC13/2024, and**
 - **TC14/2024.**

MINUTES OF LOCAL TRAFFIC COMMITTEE MEETING OF CESSNOCK CITY COUNCIL HELD IN COUNCIL CHAMBERS ANTE ROOM ON MONDAY, 20 MAY 2024

OPENING: The meeting was opened at 9:32am

PRESENT: Councillor Paul Paynter (Acting Chairperson)
Senior Constable Jon Cassidy - NSW Police
Mr Mark Morrison – TfNSW – Via ZOOM entered 9:45am

IN ATTENDANCE: Mr Warren Jeffery – Principal Engineer, Traffic & Transport
Ms Alison Shelton – Road Safety Officer
Mrs Melissa Vile – Senior Business Support Officer, Traffic & Transport

APOLOGIES

RESOLVED that the apologies tendered for unavoidable absence be accepted on behalf of:

Councillor James Hawkins (Chairperson)
Mr Clayton Barr MP – NSW State Member
Mr Richard Ingall - Rover Coaches

CONFIRMATION OF MINUTES

NOTED: That the Minutes of the Local Traffic Committee held on 20 May 2024, as circulated, be taken as read and confirmed as a correct record.

Works and Infrastructure

Report No. WI14/2024

Works and Infrastructure



DISCLOSURES OF INTEREST

Nil

BUSINESS ARISING FROM PREVIOUS MINUTES

Nil

LISTED MATTERS

SUBJECT: VARIOUS ROADS, LOVEDALE
TEMPORARY REGULATION OF TRAFFIC
WINERY RUN HUNTER VALLEY 2024

REPORT NO.: TC12/2024

REFERENCE: 46 2024 2 1

MATTER: Council has received an application for the temporary regulation of traffic for the Winery Run Hunter Valley 2024, and has assessed the application along with the associated Traffic Management Plan (TMP) and Traffic Control Plans (TCPs) / Traffic Guidance Schemes (TGS).

Approval is sought under Section 116 of the *Roads Act 1993*, to regulate traffic on various roads in Lovedale, in connection with this event.

DISCUSSION: The matter was described as per the report, without further discussion.

RECOMMENDATION

That Council authorises the temporary regulation of traffic for the Winery Run Hunter Valley 2024 on Lovedale Road, Wilderness Road, and Talga Road, Lovedale in accordance with Various Roads Lovedale _ Winery Run Hunter Valley Traffic Control Plan's.

SUPPORT: Unanimous

Works and Infrastructure

Report No. WI14/2024

Works and Infrastructure



SUBJECT: **VARIOUS ROADS HUNTLEE _ TOLLBAR AVENUE EXTENSION WORKS _ REGULATORY SIGNAGE & LINE MARKING**

REPORT NO.: **TC13/2024**

REFERENCE: **DOC2024/032186**

MATTER: Approval is sought for the installation of regulatory parking and line marking with the ongoing Huntlee Development - Huntlee Town Centre Tollbar Avenue Extension Works. This matter was previously considered at the 8 March 2024 meeting of the Local Traffic Committee; however, the developer has submitted a revision of the previously approved plan with additional regulatory items.

DISCUSSION: The matter was described as per the report, and discussed as follows: Councillor Paynter queried the presence on the plan of additional edge line on the northern side of Tollbar Avenue – it was advised that the edge line will delineate the available width for parking of vehicles where permissible. We can assume it is to delineate the parking roadside and provide lane discipline for traffic.

RECOMMENDATION

That the General Manager or the General Manager's Sub-Delegate, authorises installation of regulatory controls on various roads within Huntlee, in accordance with Various Roads North Rothbury _ Signage & Line Marking Diagram TBX-C12.01 Rev F.

SUPPORT: Unanimous

SUBJECT: **LANEWAY REAR OF MILLER STREET CESSNOCK _ REGULATORY SIGNAGE**

REPORT NO.: **TC14/2024**

REFERENCE: **CRM1273/2024**

MATTER: Council has received customer correspondence advising of faded signage in the laneway off Miller Street, Cessnock encompassing the school zone for St Patrick's Primary School.

An inspection of the site revealed that the times on the faded NO PARKING signs are not consistent with the standard school zone times of 8.00am to 9.30am and 2.30pm to 4.00pm School Days.

Replacement of the faded signs presents an opportunity to upgrade the signage to reflect the standard school-zone-times, ensuring consistent regulatory signage for safety around the school.

DISCUSSION: The matter was described as per the report, without further discussion.

Works and Infrastructure

Report No. WI14/2024

Works and Infrastructure



RECOMMENDATION

That the General Manager or the General Manager's Sub-Delegate authorises the installation of regulatory signage on laneway at rear of properties 1-11 Miller Street Cessnock in accordance with the St Patrick's Primary School laneway Miller Street Cessnock _ Signage Plan.

SUPPORT: Unanimous

CLOSURE

The Meeting Was Declared Closed at 9:51am

ENCLOSURES

There are no enclosures for this report

Notices Of Motion

Report No. BN6/2024

General Manager's Unit



NOTICES OF MOTION No. BN6/2024

SUBJECT: *BIN COLLECTION*

COUNCILLOR: *James Hawkins*

MOTION

1. That Council bring forward the review/update of the Waste and Resources Recovery Strategy 2020–2025 and that the updated Strategy be endorsed by the elected Council prior to the implementation of the State Government Mandated FOGO Scheme, expected in 2025.
2. That Council prioritise the review of options for standard collections in Part 3.4 of Section 6 Action Plan of the Strategy and report back to Council on the benefits and costs.
3. That existing collection services remain unchanged until the newly elected Council endorse the updated Waste and Resources Strategy and State Government mandated FOGO services are potentially introduced in 2025.

It is my intention to move the above motion at the next Ordinary Meeting of Council on 19 June 2024.

RATIONALE:

The policy for food and garden organic (FOGO) collection has been mandated by the State government. While council must adopt FOGO, we have the ultimate say in determining the makeup of our waste collection services and strategy.

The uncertainty surrounding the establishment of a regional processing facility and start date for FOGO has left many in the community concerned and/or confused about proposed changes to our collection services.

Council's current position would implement the FOGO service weekly and the general waste bin and recycling service alternating fortnightly. It does offer residents the ability to apply for 'additional bins and/or weekly collection at a reasonable cost'. :3.4(a). Whilst this policy was designed to allow people to add weekly 'red' bin collection if needed, I feel the majority of people would prefer the choice to decrease their service to fortnightly, potentially reducing cost, when they are confident that their waste removal requirements can still be met.

I would like council to investigate an option that implements the FOGO scheme in addition to our current service. Ie: Weekly 'red lid' general waste bin and fortnightly 'yellow lid' recycling bin.

I would also like council to consider that any reduction in collection frequency should be an option selected by each household based on their own unique needs and experiences.

Notices Of Motion

Report No. BN6/2024

General Manager's Unit



I would like Council to investigate the option of offering this reduced collection frequency and a reduction in waste service fee to encourage households to take advantage of potential savings any such scheme may offer.

I realise the 'forced behaviour change' method around FOGO strategies has merits but for Cessnock City Council, and our circumstances, I feel our residents should have the choice when they reduce their weekly collection service.

I believe that any new strategy to reduce the amount of waste to landfill will have the support of the wider community and that our Environment and Waste Services team will be well placed to deliver the exceptional levels for service our residents currently experience.

To clarify, if Council adopts this motion, there will be NO changes to the current waste collection services until after the next elected council considers the updated Waste and Resources Strategy.

SOURCE OF FUNDING:

I believe there is a review already being undertaken. This motion can easily be incorporated into this review.

DELIVERY PROGRAM:

Delivery program to be provided along with the updated Waste and Resources Strategy.

Sgd: James Hawkins

Date: 7 June 2024

Notices Of Motion

Report No. BN6/2024

General Manager's Unit



DIRECTORS COMMENTARY:

Council officers are currently undertaking a review of FOGO implementation across NSW Councils with a focus on:

- Frequency of waste and organics collection from households.
- Waste and organics bin sizes (standard v other options available).
- Reported household participation rates, diversion and contamination rates.
- Winter FOGO collections with no/limited GO in bins (i.e. community issues, any frequency changes, etc).

The review also considers organics processors views (including but not limited to our current processor) on the future of FO/FOGO processing including:

- Levels and impacts of contamination in FOGO compared to GO only.
- Quality of compost produced from FOGO compared to GO only.
- Market trends and opportunities for FOGO compost.
- Market reaction following Sydney/Melbourne asbestos incidents to FOGO/GO products vs other compost sources.

Noting the adopted recommendation by Council (WI18/2023) for FOGO collection to be deferred to June 2025 and that this recommendation has also been adopted by Singleton and Maitland Councils. The adopted recommendation ensures the community of Council's commitment to implement FOGO services and reduce waste in line with the Waste and Resource Recovery Strategy 2020 – 2025.

The Waste and Resource Recovery Strategy 2020 - 2025 is due for review/update in 2025 and the abovementioned review is due to be completed in the second half of this year. The Strategy review/update can be brought forward, consider the outcomes from the current review and be presented to Council in advance of FOGO implementation across Cessnock LGA by 30 June 2025.

ENCLOSURES

There are no enclosures for this report

Notices Of Motion

Report No. BN7/2024

General Manager's Unit



NOTICES OF MOTION No. BN7/2024

SUBJECT: *POLICE*

COUNCILLOR: *Daniel Watton*

MOTION

1. That the General Manager organise a meeting with NSW Police, local MP's, relevant council officers and other key stakeholders where appropriate, in order to discuss potential strategies regarding the need for an increase in police presence across our LGA.
2. That the General Manager provide ongoing advocacy regarding additional police presence throughout the Cessnock LGA, to the respective minister and necessary operational level staff as part of this process.
3. That the petition for additional police presence is formally forwarded to the local member and the Minister for Police.

It is my intention to move the above motion at the next Ordinary Meeting of Council on 19 June 2024.

RATIONALE:

As our LGA continues to grow at a record rate, so too must our infrastructure. At present, the hard-working officers of the NSW police force in our community are struggling to keep up with the demand placed upon them. One example of this is that the Cessnock LGA only has 2 x patrol units available at any given time. If those units are not available to attend urgent matters, then it is typically a long wait for police to become available – which may in cases prove to be too late. As outlined in my petition in which I have now obtained over 1k signatures of support for this cause, the reasons for this request include:

1. Rising Concerns: Our community has recently experienced and will continue to experience high levels of population growth. This in turn has brought about an increase in safety concerns, necessitating a proactive response to maintain a secure living environment.
2. Deterrence: A heightened police presence acts as a deterrent to criminal activities, promoting a safer and more secure atmosphere for all residents.
3. Emergency Response: Quick and efficient emergency response is crucial in times of need. Additional police resources can contribute to reducing response times and ensuring timely assistance.
4. Community Well-being: A visible police presence fosters a sense of security, positively impacting the overall well-being of residents and while enhancing community cohesion.
5. Collaboration: Strengthening the partnership between law enforcement and the community will foster open communication and collaborative efforts to address local concerns.

Notices Of Motion

Report No. BN7/2024

General Manager's Unit



Please see below link to the abovementioned petition:

<https://chnq.it/TxX4GQ7Yg2>

SOURCE OF FUNDING:

N/A

DELIVERY PROGRAM:

1.2.2.a: Be an active member of collaborative network groups that strive for inclusive, safer and healthier communities.

1.3: Promoting safe communities.

Sgd: Daniel Watton

Date: 11 June 2024

ENCLOSURES

There are no enclosures for this report

Notices Of Motion

Report No. BN8/2024

General Manager's Unit



NOTICES OF MOTION No. BN8/2024

SUBJECT: *REPURPOSING OF GRETA COURT HOUSE*

COUNCILLOR: *Daniel Watton*

MOTION

That the General Manager investigate and report on the feasibility of repurposing the Greta Court House to serve as a food bank provider, addressing food insecurity and supporting the growing needs of our Local Government Area (LGA).

It is my intention to move the above motion at the next Ordinary Meeting of Council on 19 June 2024.

RATIONALE

The Greta Court House, a historic building within our LGA, currently stands underutilised. With the increasing challenges of food insecurity faced by many residents, there is a critical need for accessible, cheap groceries. Repurposing the Greta Court House for a food bank provider to operate out of presents a strategic opportunity to support vulnerable populations and ensure the efficient distribution of food aid within our community.

In addition to the above, a service on offer like this in our LGA could also offer additional services such as nutrition education, cooking classes, and assistance with accessing other social services, providing holistic support to our community.

SOURCE OF FUNDING:

N/A

DELIVERY PROGRAM:

1:1: Promoting social connections + wellbeing.

1.2.2: Collaborate with the community to develop and deliver services.

DIRECTOR'S COMMENTARY:

An action within Council's Community Infrastructure Strategic Plan is to develop a Masterplan for the Greta Community Precinct which will include Greta Preschool, Greta Courthouse, the former Greta Council Chambers and Greta Arts and Sports Community Hall. The Masterplan will consider place activation and revitalisation of these sites. Future uses for each of the sites within the precinct (including the potential for a food bank) would need to be considered in line with the development of a Masterplan.

Notices Of Motion

Report No. BN8/2024

General Manager's Unit



There is no funding identified within the 2024/2025 Operational Plan for the development of a Masterplan for the Greta Community Precinct.

ENCLOSURES

There are no enclosures for this report