



Notice of Ordinary Meeting

an Ordinary Meeting of Ballina Shire Council will be held in the Ballina Shire Council Chambers, 40 Cherry Street Ballina on **Thursday 27 February 2014 commencing at 9.00 am.**

Business

1. Australian National Anthem
2. Acknowledgement of Country
3. Apologies
4. Confirmation of Minutes
5. Declarations of Interest and Reportable Political Donations
6. Deputations
7. Mayoral Minutes
8. Development and Environmental Health Group Reports
9. Strategic and Community Facilities Group Reports
10. General Manager's Group Reports
11. Civil Services Group Reports
12. Public Question Time
13. Notices of Motion
14. Advisory Committee Minutes
15. Reports from Councillors on Attendance on Council's behalf
16. Questions Without Notice
17. Confidential Session

Paul Hickey
General Manager

A morning tea break is taken at 10.30 a.m. and a lunch break taken at 1.00 p.m.

Deputations to Council – Guidelines

Deputations by members of the public may be made at Council meetings on matters included in the business paper. Deputations are limited to one speaker in the affirmative and one speaker in opposition. Requests to speak must be lodged in writing or by phone with the General Manager by noon on the day preceding the meeting. Deputations are given five minutes to address Council.

Any documents tabled or given to Councillors during the meeting become Council documents and access may be given to members of the public in accordance with the requirements of the Government Information (Public Access) Act 2009.

The use of powerpoint presentations and overhead projectors is permitted as part of the deputation, provided that the speaker has made prior arrangements with the General Manager's Office at the time of booking their deputation. The setup time for equipment is to be included in the total time of five minutes allocated for the deputation.

Public Question Time – Guidelines

A public question time has been set aside during the Ordinary Meetings of the Council. Public Question Time is held at 12.45 pm but may be held earlier if the meeting does not extend to 12.45 pm.

The period for the public question time is set at a maximum of 15 minutes.

Questions are to be addressed to the Chairperson. The period is set aside for questions not statements.

Questions may be on any topic, not restricted to matters on the agenda for the subject meeting.

The Chairperson will manage the questions from the gallery to give each person with a question, a "turn". People with multiple questions will be able to ask just one before other persons with a question will be invited to ask and so on until single questions are all asked and, time permitting, the multiple questions can then be invited and considered.

Recording of the questions will not be verbatim.

The standard rules of behaviour in the Chamber will apply.

Questions may be asked from the position in the public gallery.

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1. Australian National Anthem

The National Anthem will be performed by Ballina High School.

2. Acknowledgement of Country

In opening the meeting the Mayor provided an Acknowledgement of Country by reading the following statement on behalf of Council:

I would like to respectfully acknowledge past and present Bundjalung peoples who are the traditional custodians of the land on which this meeting takes place.

3. Apologies

4. Confirmation of Minutes

A copy of the Minutes of the Ordinary Meeting of Ballina Shire Council held on Thursday 23 January 2014 were distributed with the business paper.

RECOMMENDATION

That Council confirms the Minutes of the Ordinary Meeting of Ballina Shire Council held on Thursday 23 January 2014.

5. Declarations of Interest and Reportable Political Donations

6. Deputations

7. Mayoral Minutes

Nil Items

8.1 DA 2012/377 - Lot 2 Teven Road Alstonville

8. Development and Environmental Health Group Reports

8.1 DA 2012/377 - Lot 2 Teven Road Alstonville

Applicant	Stephen Fletcher & Associates
Property	Lot 2 DP 800081 Teven Road ALSTONVILLE
Proposal	Single Storey Dwelling
Effect of Planning Instrument	The land is zoned 7(i) under the provisions of the Ballina LEP 1987
Locality Plan	The subject land is depicted on the locality plan attached. A site plan and elevations are also attached.

Introduction

Council is in receipt of a Development Application for the construction of a single story brick and colorbond dwelling on a 5.642 hectare rural zoned parcel of land on the outskirts of Alstonville. The dwelling is proposed on the north-west corner of the land on the corner of Greenie Drive and Teven Road. The land is located between Tuckombil Quarry and existing residential housing. The property is currently vacant, was recently used for grazing, and slopes gradually eastward towards Teven Road.

Reportable Political Donations

Details of known reportable political donations are as follows:

- Nil

Public Exhibition

The application was notified to the adjoining property owners resulting in two individual objections (from the one person) and one petition with 12 signatures being received (copies attached).

Applicable Planning Instruments

Ballina Local Environmental Plan 2012 (LEP) - Deferred Matter

Deferred matter under BLEP 2012 means BLEP 1987 still applies. The subject site is zoned 7(i) Environmental Protection (Urban Buffer) under the Ballina LEP.

The primary objectives of this zone are:

(a) The primary objective is to create a rural buffer in the locality of Alstonville and Wollongbar and to prevent development of an urban character within any part of the zone which is likely to be seen by existing or likely future residents of the villages of Alstonville and Wollongbar or from a major road in the locality.

8.1 DA 2012/377 - Lot 2 Teven Road Alstonville

(b) The secondary objective is to enable development as permitted by primary and secondary objectives of the Zone No 1 (a1), except for development which would conflict with the primary objective of this zone.

(c) The exception to these objectives is development of land within the zone for public works and services, outside the parameters specified in the primary and secondary objectives.

The construction of a single dwelling is permitted with consent.

North Coast Regional Environmental Plan (REP)

The objectives of the REP for rural housing are to “ensure that any opportunities for rural housing in the area are available only as part of a planned strategy for rural living areas”.

It is considered that as the property enjoys a dwelling entitlement the proposal meets the applicable development controls to achieve the objectives of the REP.

Ballina Shire Council’s Development Control Plan 2012

The application is required to be assessed in accordance with the Ballina Development Control Plan particularly:

Chapter 2: General and Environmental Considerations and Chapter 7 Rural Living and Activity.

It is considered, based on the supporting information submitted, that the application meets the aims and objectives of the Development Control Plan.

Report

The original proposal submitted to Council on the 17 September 2012 was for the construction of a single storey brick and colorbond dwelling and a 9m x 7m colorbond shed. The application has since been modified to delete the shed. The dwelling is proposed in the north-western corner of the 5.642 hectare rural property. The property is situated on the western side of Teven Road with Tuckombil Quarry and the Bitupave plant being adjacent on the eastern side of Teven Road. The property backs onto residential development on two sides and fronts Greenie Drive.

The proposed dwelling is within 225m of property comprising the Tuckombil Quarry Lot 2 DP 11300300, and 360m of the Bitupave Plant Lot 1 DP 880416 Gap Road, Alstonville.

Both properties are owned by Ballina Shire Council with the former currently leased to Lismore City Council and the latter to Bitupave.

For many years the Council had “buffer” distance requirements from the Tuckombil Quarry operations with a view to the protection of sensitive residential receivers from the adverse affects of the quarrying operation including:

- vibration from blasting

8.1 DA 2012/377 - Lot 2 Teven Road Alstonville

- noise from various sources including rock crushing and heavy vehicle movements
- dust from crushing operations and vehicle movements within the site
- dust from stockpiling

These have varied over time between 400m and 500m from the original rock crusher and centre of the pit respectfully. As time has gone by more has been learned about the degree of impact potentially caused by rural and extractive industry and the Government has released "Living and Working in Rural Areas – A Handbook for Managing Land Use Conflict on the NSW North Coast". This publication calls for a 1,000m buffer to extractive industries where blasting occurs and this requirement is now called up in Council's DCP. The reason for this was to try to reduce the conflict occurring between existing legitimate uses and sensitive receivers. These types of conflict can be intractable and can result in loss of the resource and the viability of existing uses can be detrimentally affected.

The Tuckombil Quarry is such a use, established for many years and still with significant resource potential.

The site of the proposed dwelling to the nearest boundary of the quarry land is approximately 225m, with most of that distance on the same land as the proposed dwelling. The building is proposed to be situated some 600m from the present location of the portable rock crushers now located in the floor of the quarry and 635m from the face now being worked. The former rock crusher on the southern rim of the quarry has been decommissioned for over two years. Operation of crushing plant in the floor of the quarry utilises the walls of the quarry itself as noise attenuation, an improvement on the previous fixed siting. The current workings are moving in an easterly direction away from the proposed dwelling site (however this may not always be the case). The dwelling site is some 450m from the Bitupave manufacturing plant which is fixed. Vehicles (some of which have reverse alarms), move all over the site including to the stockpiles on the western side (nearest the proposed dwelling).

Council resolved at its meeting of 25 July 2012 to continue extraction of resource from this site following consideration of a recently prepared strategic options study for Tuckombil and Stokers Quarries and to submit applications as required for planning and regulatory approvals. The quarry is expected to continue operation for many years into the future with land already held for expansion to the east. It was noted from the options paper that quarry resource exists beneath the Bitupave plant. It is not unreasonable to assume that this resource may be extracted at some time in the future. This would potentially bring the active quarry face to within 400m of the proposed new dwelling.

Because of the proximity of the quarry land uses, a Land Use Conflict Risk Assessment (LUCRA) was required. Input from a noise and vibration consultant was deemed to be necessary to inform the LUCRA.

The applicant was informed of this requirement and the application has been held in abeyance until the required information was submitted. The LUCRA has now been submitted together with an assessment of noise and vibration issues undertaken by acoustic specialist Ambience Audio Services.

8.1 DA 2012/377 - Lot 2 Teven Road Alstonville

The acoustics consultancy in preparing their report could only base the work on the operating circumstance at the time they undertook their site assessments. If the working face moves then both noise and vibration readings will also vary.

In the case of the Tuckombil Quarry and the Bitupave Plant both developments are licensed by the NSW Environment Protection Authority (EPA) and hence are regulated by that Authority. Such regulation includes management of any complaints made in relation to environmental compliance. The EPA was provided with the initial submission and given the opportunity to comment. That response (dated 27 August 2013) is **attached**. The EPA commented on the initial LUCRA suggesting it was based on limited data. At that time the Tuckombil Quarry did not have project specific noise levels set, but the EPA advised that these were being negotiated with the operator (Lismore City Council).

The applicant was given the opportunity to provide additional supporting information. This allowed the applicant to further address the EPA and Council's concerns. As it was not considered reasonable or practical to conduct more time consuming field assessment, the applicant was advised to review recently obtained data regarding blasting which is being undertaken differently. In relation to noise it could reasonably be assumed the location of the existing residential dwellings would dictate the Project Specific Noise Levels.

By the time this was submitted the EPA had issued the Tuckombil Quarry with a revised license inclusive of project specific noise limits.

Four dwellings exist nearer to the quarry property boundary than the proposed dwelling:

Lot 3 DP 588893, 1353 Teven Rd Alstonville, Ms J Schmidt – 35m
Lot 1 DP 800081, 1358 Teven Rd Alstonville, C & R Lacey – 135m
Lot 1 DP 749583, 1329 Teven Rd Alstonville, Ms M Rew – 125m
Lot 2 DP 1182136, 1336 Teven Rd Alstonville, T & S Prendergast – 200m

All distances are approximate.

All have existed prior to the current requirement, and it appears that at least one was present before the previous buffers were proposed.

Most of the existing lots within the Panorama and Fairfield Estates are within 1000m of Tuckombil Quarry.

At the time of the original submission, enquiry was made of the EPA officer who deals with this site with a view to ascertaining the complaint record. Advice at that time was that whilst the number of formal complaints to that office in relation to the operations at Tuckombil Quarry are low, one in 2012 and several in 2008-9, the office is aware that the plant manager has fielded additional complaints from time to time about noise, dust, and blasting. At the time of the additional information submission, fresh complaints had been received by the EPA but these are thought to be attributable to the Bitupave operation. The EPA provided the Council with a further response on 13 December 2013 which has been **attached**.

The LUCRA and supporting material was assessed to determine whether it could demonstrate that the lesser separation distance applied for should be approved in this instance. The LUCRA and subsequently submitted information appears to conclude that the development can co-exist with the existing quarry and bitumen plant development as does the existing residential development in the vicinity. This already limits and constrains activity within the quarry site (including the Boral Bitupave Plant) and is likely to have resulted in the setting of the project specific noise levels.

The process of having to prepare the LUCRA report has forced the applicant and their advisors to carefully consider the quarry and Bitupave development (which provides an essential service at night up to 60 nights per year) when putting forward plans.

The orientation of the building with the bedrooms and their window openings to the west, furthest from the potential noise source, minimises the potential for being awakened by noise from the Bitupave plant when night work is being conducted. The building has been sited on the western boundary to provide as much buffer as possible to both day and night operations.

It is not considered that the addition of the proposed dwelling will further constrain these operations beyond that already existing however Council needs to be mindful that in any situation of this type every additional resident moved into an area potentially impacted by noise, dust and odour has the potential to increase complaint. There is a risk that the addition of just one additional dwelling may be the factor that will tip the regulatory authority into enforcing requirements on the operations that may, if they cannot be rectified, render them non-viable.

Issues Raised By Objectors

Issues raised by the objectors are listed below with comments provided:

“The proposed dwelling is located within the buffer exclusion zone of Tuckombil Quarry and a precedent will be set by approving the application within the buffer:”

Comment: The objectors were individually written to, with an explanation provided about the past and current exclusion zones. Whilst the proposed dwelling is located within the current 1,000m buffer this was only introduced with the Rural DCP in June 2009. This buffer not only encompasses the subject site and those of the adjoining objectors but also a large portion of the existing residential development of Alstonville. The proposed dwelling is situated outside of the former 400m and 500m exclusion zones. There are existing dwellings already located closer to Tuckombil Quarry than the proposed dwelling. The proposed dwelling is within 50m of established residential premises. It is not considered that the approval of this application would set a precedent.

“The applicant is proposing to build two dwellings on the property:”

8.1 DA 2012/377 - Lot 2 Teven Road Alstonville

Comment: The Development Application before Council is for a single dwelling. The applicant may in the future propose to construct a dual occupancy which would be subject to a separate Development Application and assessed in accordance with Council's LEP, DCP, and other provisions that might apply at that time, should same ever be submitted.

"The site proposed for the dwelling is the closest point (on the land) to the quarry:"

The consultant for the applicant has considered other sitings including the south-western corner but concluded that the chosen location is the most suitable with little to no benefit perceived to be gained by moving the dwelling. The proposed site is west of the planted berm on the western side of the quarry.

"Impact of vibration and Noise from the blasting:"

Comment: The recent revisions to the license issued by the EPA sets limits on the noise and vibration from the operation of the quarry. The blasting regime has recently been modified in response to issues raised in the past. The applicants have provided a LUCRA in support of their application, addressing the likely environmental impacts of both noise and vibration at that location. The applicant is aware of identified issues and has designed the building to ameliorate the potential impacts. The consent will be conditioned that a structural engineer's certification be submitted certifying that the design and construction of the dwelling will withstand predicted blasting and vibration expected from the operation of the quarry.

"The land was sold at a price well below the current value because of development restrictions within the buffer zone."

Comment: The price paid for a block of land is not an assessment issue in this instance.

Conclusion

Given the value of Tuckombil Quarry and Bitupave Plant to the community, not only of the resource, but the value of having it conveniently located and the income derived from it which assists to resource Council's other activities, the risk of action by the regulator following any complaint from occupants of this dwelling is not one to be treated lightly.

However, in relation to this, the document previously referred to, "Living and Working in Rural Areas" from which the 1000m buffer distance was derived, states:

Where a new dwelling is proposed on an existing vacant lot that has a dwelling entitlement, the setback and buffers normally required may not necessarily be appropriate or practical. In these cases, council will need to use discretion to determine the most appropriate location, design and arrangement for the new dwelling. The principle of conflict avoidance should be maintained and the maximum achievable buffer and conflict avoidance measures implemented.

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Council's DCP allows a variation to the minimum buffers specified where a LUCRA can demonstrate that an alternative is suitable to manage potential land use conflict.

The applicant has submitted a LUCRA and the subsequently submitted information that concludes that the development can co-exist with the existing quarry and bitumen plant development as does existing residential development in the vicinity. Additionally it is noted that prior to the adoption of the 1,000m buffer distance there would have been no issue regarding the proposed location of the dwelling, as its location would have complied with the past 400m and 500m exclusion zones.

Council has the following options with regard to determining the subject application:

Option 1

Approve the development application based on the submission of a Land Use Conflict Risk Assessment (LUCRA), which included an assessment of noise and vibration issues, and concluded that the proposed dwelling can co-exist with the existing quarry and bitumen plant. Part 3 of the Ballina Development Control Plan 2012 Chapter 2 – General and Environmental Considerations enables Council to approve a proposed development where a LUCRA demonstrates that an alternative buffer arrangement is suitable to manage potential land use conflict. This option is recommended for the reasons outlined in this report.

Option 2

The subject development application be refused by Council due to the proposed dwelling being within the 1,000m minimum buffer distance specified in Table 2.1 of Ballina Development Control Plan 2012 Chapter 2 – General and Environmental Considerations and, in Council's opinion, the siting of the dwelling would unreasonably impact upon the operations of long established commercial operations nearby.

RECOMMENDATION

That Council APPROVES Development Application 2012/377 for the erection of a single story dwelling, subject to appropriate conditions of approval.

Attachment(s)

1. Locality Plan
2. Site Plan
3. Elevations
4. Submitter - Atkinson
5. Submitter - Atkinson plus residents
6. NSW EPA Letter 27 August 2013
7. NSW EPA Letter 12 December 2013

8.2 DA 2013/460 - Front Boundary Fencing, 478 River Street, Ballina

8.2 DA 2013/460 - Front Boundary Fencing, 478 River Street, Ballina

Applicant	Ardill Payne & Partners
Property	Lot: 2 DP: 539947, 478 River Street WEST BALLINA
Proposal	Front fence (680mm height) and boom gate forward of the building line.
Effect of Planning Instrument	The land is zoned B6 Enterprise Corridor under the provisions of the Ballina LEP
Locality Plan	The subject land is depicted on the locality plan attached, along with a site plan and photos.

Introduction

Council is in receipt of a Development Application to construct a boundary fence forward of the building line at a commercial premises within the West Ballina Enterprise Corridor. The property, which contains a commercial building and car sales yard, has an area of 1,404 m² which is Council approved for use as a vehicle sales and repair workshop.

The proposed fencing is not classified as Exempt Development as the property is affected by flood with the construction of the fence requiring approval from Council.

The vehicle sales and repair workshop was approved by Council under Development Application No. 1996/147.

The adjoining premises to the west is a seafood retail outlet known as "Northern Rivers Seafood" whose customers access the carpark by crossing the footpath reserve and a small corner part of the subject car yard property. As a consequence of this current vehicle access arrangement, the construction of the fence will restrict vehicle access to the seafood outlet.

The application has been referred to Council's Civil Services Group regarding vehicle access/egress issues with their comments included in this report (also included as an attachment).

This application would have been dealt with under delegated authority by Council staff, however three Councillors have signed a request for it to be dealt with at a Council meeting, which overrides the General Manager's delegations.

Reportable Political Donations

- Nil

Public Exhibition

The application was notified in writing to one affected neighbor (seafood outlet) with two written submissions being received. A copy of the submissions is attached.

The issues raised by the objectors relate to sharing a common driveway, off-street parking, street parking, the fence being inconsistent with Planning Objective “c” and Planning Control “i”, 4.7 Element, Chapter 6d of Council’s Development Control Plan (DCP) 2012.

Applicable Planning Instruments

Regarding the Ballina Local Environmental Plan (BLEP) 2012, the site is zoned B6 Enterprise Corridor where the proposed fence is permissible with consent.

The objectives of the zoning are to:

- a. *Facilitate a high level of landscape and urban amenity,*
- b. *Provide active and attractive street frontages,*
- c. *Provide a suitable interface between adjoining development, particularly residential lands,*
- d. *Activate street frontages and provide the opportunity for mixed uses and activities,*
- e. *Promote development of an appropriate scale and architectural detail,*
- f. *Provide for appropriate access and car parking,*
- g. *Encourage the renewal of under utilised sites in the West Ballina Enterprise Corridor, and*
- h. *Encourage development that is consistent with the desired future character and preferred land uses identified in each Precinct.*

Having regard to the abovementioned objectives, the proposed development generally has consideration for the criteria, with exception to the impact upon vehicle access to the adjoining seafood outlet.

The proposed fence provides an unobtrusive design.

With reference to the DCP 2012, Chapter 6d requires fencing to the street frontage to:-

- not be dominant built elements;
- not be undesirable;
- not be of solid sheet metal;
- not impact on the safe movement of pedestrians or vehicles.

The proposed fence generally meets the above objectives, however with regard to the seafood outlet the proposed fence will compromise the existing carparking and access arrangements.

Report

The development proposes to:

- Erect a metal tubular fence, being 4.0 metres in length with a height of 860 mm along the western boundary of the property.
- Relocate an existing boom gate, 6.0 metres in length with a height of 1.215 metres along the property boundary street frontage to River Street.

The proposed fence is intended to provide security for the car vehicle display area and the fence will also complete fencing of the street frontage to the business premises.

Regarding the adjoining seafood outlet, an investigation of Council's records indicates no easements were required to be created or conditions of development consent imposed regarding access to the seafood premises over a part of the subject adjoining property.

Council's Civil Services Group has advised they have no objections to the proposed fence but acknowledge the fence will restrict access to the seafood outlet from the east. There is, however, another existing access/egress point to the west of the property.

Civil Services also advise that if the owner of the adjoining property (seafood outlet) wishes to construct an additional driveway, approval may be granted under Section 138 of the Roads Act. Council's Civil Services acknowledges there may be some difficulties in constructing a new access point due to an existing drainage culvert within the street kerb.

Objectors' Comments

As stated, two written submissions were received as a result of the notification of the application.

One objector is the owner of the business (service station) located two properties west of the proposed site.

Issues raised include:-

- Sharing the existing western egress common driveway and accessing two business premises (i.e seafood outlet and service station) would be dangerous for traffic and pedestrians at the street frontage, should such access be used for both ingress and egress purposes
- The lack of available street parking immediately in front of neighbouring businesses
- The proposed fence being inconsistent with Council's DCP, Chapter 6d, 4.7 Element, Planning Objectives "c" and Planning Control "i".

The second objector is the adjoining property owner (seafood outlet) immediately to the west of the proposal who raised the following issues:-

- Sharing one common driveway access/egress point will predominately create traffic hazards between the seafood outlet and the service station

8.2 DA 2013/460 - Front Boundary Fencing, 478 River Street, Ballina

- The reduction of available on-site parking as well as impacts to available street parking will result in downstream impacts by increasing parking in front of other businesses in the locality. This may increase conflict between vehicles and pedestrians accessing the properties
- Inconsistency with Council's DCP, Chapter 6d, 4.7 Element-Fencing, Planning Objective "c" and Planning Control "i".

Response comments

Both objectors' concerns are similar and the following comments are provided:

Sharing a common driveway:

- The proposed fence will restrict access to the adjoining seafood retail outlet which will be left with one access/egress point, from the west, being the driveway shared with the service station. This access will have to serve as both an access and egress point should the fencing proceed.

As mentioned previously, there is no record of an easement being created across the applicant's property to enable access to the seafood outlet nor is there any development condition granting the use of the neighbouring land for access.

If the seafood outlet owners wish to construct an additional driveway access Civil Services have advised this is possible and indicated the owners may apply to Council with an application for assessment under Section 138 of the Roads Act.

Reduced availability of on-site and on-street parking

- Council's Civil Services has advised the current parking provided to the seafood outlet may not comply with the current Australian Standard. They also advise there are no enforcement measures available for Council to enforce the alteration of the parking to the seafood outlet to provide the required amount of parking and access.

DCP, Part4, 4.7 Element-Fencing, Planning Objective "c" and Planning Control "i."

- *Objective "c" states: Ensure that fencing does not impact on the safe movement of pedestrians or vehicles.*

Civil Services has advised the low height of the proposed fence will not affect the safe movement of traffic or pedestrians. It is acknowledged however, that the fencing will affect the movement of vehicles currently accessing the seafood outlet by obstructing this current access.

- *Control "i" states: Front fencing along the River Street frontage is undesirable and will be discouraged.*

The proposed fence will match the existing fence along the street frontage. The fence being low in height does not detract from the vehicles displayed behind the proposed fence and is not considered undesirable.

Conclusion

The applicant has proposed to construct a small section of boundary fence forward of the building line to match the existing fence along the River Street frontage and the western boundary between the seafood outlet and the car sales establishment.

The objectors' concerns with the proposed development are valid however as there are no easements or Council conditions restricting the fencing the application needs to be determined on merit.

The application appears to be an issue of entitlement for the car yard owner and the construction of fencing is generally permissible under our planning controls. It is further considered the owners of the adjoining seafood outlet have alternatives available and may have continuous access rights that could be asserted via their own civil action, considering the current access arrangement has been operating for many years.

Council's Civil Services Group advise that they have no issues with respect to the proposed fence. The fence is not considered to be an obtrusive, unattractive feature, and will not impact on the safe movement of pedestrians or vehicles.

Options

To REFUSE the application as the proposed development will restrict the current vehicle access arrangement to the seafood outlet from the east. This option is not recommended as the proposal is essentially a minor one relating to the operation and management of a private land holding that is in keeping with the development of the car sales premises and meets normal assessment criteria.

To APPROVE the application as the proposed fence generally complies with the BLEP 2012 and DCP 2012 objectives. This is the recommended option.

RECOMMENDATIONS

That Development Application No. 2013/460 be **APPROVED** subject to the application of Council's standard conditions.

Attachment(s)

1. Locality plan, Site plan and photos
2. Civil Services referral comments
3. Objectors letters

8.3 DA 2010/962 - Highway Service Centre - Section 96 Amendment

8.3 DA 2010/962 - Highway Service Centre - Section 96 Amendment

Applicant	Sj Connelly CCP Pty Limited (on behalf of Ballina HSC Pty Ltd)
Property	Lot 11 DP 1011575 (previously known as Lot 1 DP 238009) River Street (Old Pacific Highway) West Ballina
Proposal	Application under Section 96 (1A) of the EP&A Act to Modify Development Consent DA 2010/962 – Highway Service Centre
Effect of Planning Instrument	The land is zoned part RU2 under the provisions of the Ballina LEP 2012 and part 2(a) Living Area Zone under the provisions of the Ballina LEP 1987

Introduction

Council at its Ordinary Meeting of 19 December 2013, resolved in the following terms;

“That Council defer this matter so that Councillors can hold a briefing with BMT WBM and Council Staff.”

The Councillor briefing was held as a workshop on 3 February 2014 in the Council chambers.

Council's flooding consultants BMT WBM gave a comprehensive presentation relating to the West Ballina Flood Relief Optimisation Study. The workshop detailed to Councillors the following:

- why the original development proposal included modelling which determined the preliminary number of culverts (being 10) and sizing for the culverts (BMT WBM – Flood Impact Assessment for Lot 1 DP 238009 – January 2009);
- that subsequent modelling conducted in the study for this development site identified that two culverts were required to mitigate the effects of the proposed filling of Lot 1 DP 238009, which includes the Ballina Highway Service Centre (BHSC) site; and
- that further development within the flood plain, in addition to Lot 1 DP 238009, will require additional culverts.

Information

The original report, as attached was submitted to the Council Ordinary Meeting 19 December 2013 and is now relisted for the Council's consideration and determination unchanged.

The report's recommendation is reiterated as follows.

RECOMMENDATIONS

That the Application under S96 (1A) of the Environmental Planning and Assessment Act to amend the provisions of Conditions 2.1, 2.9, 3.4, 4.28 & 4.29, 10.10, 10.11 & 10.12 of DA 2010/962 in relation to the land filling, the finished floor levels and the reduction in the number of flood culverts be **APPROVED** subject to compliance with the specified amended conditions as set out below:

- 2.1 Development being carried out generally in accordance with the plans and associated documentation lodged by or on behalf of the applicant, including Drawing No.'s A04.01DA & A00.02DA Issue B Dated 1/3/11, A-A&G-06.01DA Issue A, A-B & C – 06.01DA Issue A, A-E&F – 06.01DA Issue A, A60.01DA Issue A Dated 2/11/2010 and Drawing No. 6151-001 revision A, drawing 6151-006 revision A, drawing 6151-007 revision A dated 18/03/11 prepared by Cardno Eppel Olsen, as modified by Cardno drawings "Floodway Culvert Schematic sketches B1009/23", sheet 7 Rev B, sheet 8 Rev C, sheet 9 Rev B & sheet 10 Rev B dated July 2013, BMT WBM Flood Impact Assessment Report dated January 2009 and associated document dated 13/09/10, BMT WBM report entitled "West Ballina Flood Relief Optimisation Study" dated 1st December 2013, Coffey Geotechnical Report & plans "Interim Geotechnical Design for preload works: Ballina Highway Service Centre dated 30 September 2010, and Landscape Plan prepared by Jackie Amos, except as modified by any condition in this consent, and by the reports/details & plans to be carried out in accordance with the deferred commencement conditions of this consent.
- 2.9 No site filling or associated works are to occur on proposed Lot 1 (the Highway Service Centre Site) until all works associated with the construction and establishment of the flood culverts under River Street (Off-site), the associated River Street works and the establishment of a construction access to the site, the floodway and the spine road culvert/bridge(On-site) have been completed in accordance with the design criteria as specified within the BMT WBM Flood Impact Assessment Report for Lot 1 DP 238009 dated January 2009, BMT WBM West Ballina Flood Relief Optimisation Study dated December 2013 and associated documents to the satisfaction of Council and NSW Department Primary Industries (Fisheries). Alternatively if the filling of the site is to be carried out in conjunction with the construction of the culverts, a Flood Gap Strategy Report is to be submitted to and approved by Council prior to the issue of the Construction Certificate for on-site works or the issue of the Section 138 Certificate for the off-site works.
- 3.4 The size of the floodway culverts under River Street (the 'Old' Pacific Highway) and the internal access road are to be constructed in accordance with Cardno drawings Floodway Culvert Schematic sketches B1009/23, sheet 7 Rev B, sheet 8 Rev C, sheet 9 Rev B & sheet 10 Rev B dated July 2013. Detailed construction plans are to be submitted to and approved by Council prior to issue of the Section 138 Roads Act approval.

- 4.28 The Highway Service Centre site west of the floodway (inclusive of the spine road) must be filled to a minimum level of RL 2.4 m AHD and the service station, underground fuel tank and fuel bowser areas shall have a minimum finished fill level of 2.7m AHD and a minimum finished floor level of RL 2.9m AHD except where floodway hydraulics and environmental hazards prevail. Masonry retaining walls and dish gutters shall be constructed, and wholly contained, within side and rear boundaries of the site, such that no stormwater is discharged from the site onto the adjoining properties. The adjoining properties shall be drained at the common boundary with the site via a concrete dish drain such that no water ponds on any neighbouring properties due to filling of the site. The stormwater drainage shall be discharged to Council's drainage system. Details are to be submitted to and approved by Council prior to the issue of the On-site Construction Certificate.
- 4.29 The portion of the allotment associated with the Highway Service Centre buildings, underground fuel tanks and fuel bowser area must be filled to a minimum level of RL 2.7m AHD. Details are to be submitted to and approved by the Principal Certifying Authority prior to the issue of the on-site Construction Certificate.
- 10.10 **Minimum fill and floor levels**
The whole allotment is to be filled to a minimum level of RL 2.4 m AHD and the Highway Service Centre buildings, underground fuel tanks and fuel bowser area shall have a minimum fill level of 2.7m AHD and a finished floor height of the building at RL 2.9 metres AHD. A Surveyor's Certificate verifying compliance with this requirement is to be submitted to the Principal Certifying Authority at completion of footings/slab formwork (prior to concrete pour) or completion of the timber floor.
- 10.11 All site filling shall be to a minimum fill level of RL 2.7 m AHD for the service station, underground fuel tank and fuel bowser portion of the development and shall be in compliance with the requirements of Level 1 geotechnical testing for:
AS 2870 – 1996 Residential Slabs and Footings Code
AS 3798 – 1996 Guidelines on Earthworks for Commercial and Residential Developments.
- 10.12 The finished floor level of buildings are to be constructed at a minimum RL of 2.9 m AHD. A Surveyor's Certificate verifying compliance with this height is to be submitted to the Principal Certifying Authority at completion of slab formwork stage, prior to concrete pouring, or upon completion of the timber floor prior to work proceeding beyond this stage. Where filling is utilised to raise the slab level and extends to the outside of the building, such filling is to be adequately retained and drained to the stormwater drainage system, to ensure stormwater is not directed onto adjoining properties.

Attachment(s)

1. Council Report - Highway Service Centre 19 December 2013
2. West Ballina Flood Relief Optimisation Study

8.4 Policy (Review) - Erosion and Sediment Control

8.4 Policy (Review) - Erosion and Sediment Control

Delivery Program Environmental and Public Health

Objective Determine whether Erosion and Sedimentation Policy E01 is to be updated or made redundant.

Background

In July 1992 Council adopted its Erosion and Sedimentation Control Policy E01. There was a need for it at that time as it was necessary to provide guidance to developers to minimise air and water pollution from improperly managed sites. Since 1992 there has been significant development of policy in this regard at regional and State level. Consequently the need for this policy has now been superseded as Council's requirements are progressively transferred into its Development Control Plans. References where required, are now made to Regional and State based material.

Key Issues

- Need for policy

Information

Erosion and sedimentation remains a significant issue. If not adequately controlled it gives rise to serious environmental degradation and economic loss. Policy E01 was originally developed to address these issues locally, however given that Regional and State based material is now suitable and consistent for the region, the Council's Policy has been overtaken and has not been in use for some time.

Prior to preparing this report a review was conducted into the adequacy of material now available regionally and from State bodies. Review was also made of our standard development consent conditions, Development Control Plan 2012, and the Council Web site to assess whether there would be any implications in removing Policy E01.

It was confirmed that Council's Development Control Plan 2012 contains adequate information and reference guidelines to address erosion and sediment control requirements for developments within the Shire.

Key documents now referenced are:

- Managing Urban Stormwater- Soils and Construction. Landcom, March 2004 known as the "Blue Book".
- Department of Conservation and Land Management Guidelines – Erosion and Sedimentation Control
- Northern Rivers Local Government Development Design and Construction Manuals.

It is proposed to ensure that links are provided to these references on our web site and maintain distribution of up to date information sheets summarizing key issues with development consents where appropriate.

Sustainability Considerations

- **Environment**
Inadequate measures to control sediment and erosion lead to significant environmental degradation, air and or water pollution and potential health affects on wildlife as well as impact on human uses.
- **Social**
Wind and water based erosion results in justified complaints about dust nuisance and turbidity in waters. All Councils are aware of such circumstances and attempt to minimize the potential by making and policing development consent conditions.
- **Economic**
The cost to rectify damage caused by erosion and sediment deposition can be significant and result in long term or intractable problems.

Legal / Resource / Financial Implications

The significance of erosion and sedimentation has led to significant research and the development of modern guidelines regionally and State-wide.

The withdrawal of the present policy with its outdated content and its replacement with the use of Regional and State based material referenced in the DCP 2012 strengthens our regulation of these issues. Producing and maintaining Shire based material, when there is suitable material available on a regional or State-wide basis is an unnecessary duplication.

Consultation

Consultation has occurred internally. Consultation beyond Council does not appear necessary as the alternative to having our own policy is to adopt already accepted State or Regional requirements via DCP 2012 that itself has been the subject of public consultation during its preparation.

Council progressively reviews all its internal policies every term of Council, with this policy review having been delayed due to the 2012 review of the DCP and other priority projects for the Environmental Health Section.

Options

1. Retain, update and rewrite Erosion and Sedimentation Policy E01

This option is not recommended as it is only duplicating information in the Council DCP and other agency publications.

2. Withdraw Policy E01 as its need has been superseded by DCP 2012 and referenced material.

This is the preferred option for the reasons outlined in this report.

RECOMMENDATION

That Council's Erosion and Sedimentation Policy E01 be withdrawn as the information in the policy has been superseded by other documentation such as the Council's Development Control Plan.

Attachment(s)

1. Erosion and Sediment Control Policy

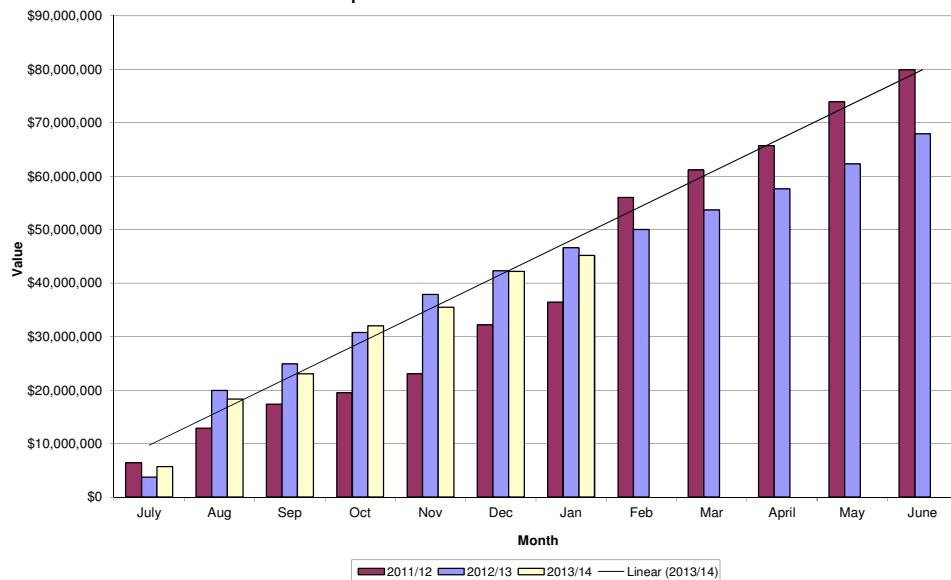
8.5 Development Consent Statistics - January 2014

8.5 Development Consent Statistics - January 2014

During the period of 1 January 2014 to 31 January 2014 the Development and Environmental Health Group issued Development Consents comprising of:

Number of Applications	Value of Work
25 Other Building Related	\$ 968,500
9 Dwelling/Duplexes/Residential Flat Buildings	\$ 2,045,000
0 General Developments	\$ 0
Total Value	\$ 3,013,500

The following chart details the cumulative consent figures for 2013/14 as compared to 2012/13 and 2011/12. A trend line has also been provided for 2013/14 to assist in the comparison.



RECOMMENDATION

That Council notes the contents of the report on development consent statistics for 1 January 2014 to 31 January 2014.

Attachment(s)

Nil

8.6 Development Applications - Works in Progress - February 2014

8.6 Development Applications - Works in Progress - February 2014

The following schedule sets out current development applications that have not yet been dealt with for the reasons cited:

Please note that duplex and dual occupancy applications are not included in this report.

DA No.	Date Rec'd	Applicant	Proposal	Status
2011/320	22/07/2011 (Application Amended 27/6/2013)	Ballina Shire Council	To change the method of extraction of an existing extractive industry "Ballina Airport Sandpit" from dry (excavation) to wet (dredging) and to change the end use of the pit from a landfill for dry/inert waste to the retention as a flooded pit as part of the rehabilitation works - (Ballina Airport Sandpit) Southern Cross Drive, Ballina	Being Assessed
2011/515	30/11/2011	Newton Denny Chapelle	Staged development - 5 x lot subdivision for future cluster housing development and construction of public road - No. 565-589 River Street, West Ballina	Awaiting Additional Information
2012/291	23/07/2012	Newton Denny Chapelle	To undertake a staged 47 Lot Community Title residential subdivision with lots ranging in size from 303m ² to 773m ² , associated road, earth and	Awaiting Additional Information

8.6 Development Applications - Works in Progress - February 2014

DA No.	Date Rec'd	Applicant	Proposal	Status
			infrastructure servicing works, creation of a public road and one 6.4 hectare Torrens Title residue lot - 565-589 River Street, West Ballina	
2013/194	3/06/2013	Ballina Shire Council	Lennox Head Shared Pathways - Lot 5 DP 241434, The Coast Road, Lennox Head	Awaiting Additional Information
2013/354	18/09/2013	Ardill Payne & Partners	Erection of Second Dwelling to form a Detached Dual Occupancy and Strata Title Subdivision (Stage 1), Vegetation Removal and associated works - 35 Bridge Drive, Wardell	Determination Pending
2013/381	02/10/2013	Planners North	To Demolish the Existing Sundowner Motel and Restaurant and to Erect and Strata Title a Multi-level Mixed Commercial and Residential Building with an Overall Height of Approximately 23 metres. The Development Comprises Commercial Premises at Ground Level Fronting River	Awaiting Additional Information

8.6 Development Applications - Works in Progress - February 2014

DA No.	Date Rec'd	Applicant	Proposal	Status
			Street and a Restaurant Fronting the River with 36 Residential Apartments above. The Proposal Seeks to Dedicate Land for Foreshore Public Access, Retain Two Existing Trees, Comprising One Norfolk Island Pine and One Pandanus and Incorporate Two Levels of Car Parking Within the Building - 274 River Street, Ballina	
2013/446	18/11/2013	Newton Denny Chapelle	To undertake a boundary adjustment subdivision, demolition of existing dwelling house, erection of residential accommodation comprising 20 multi dwelling housing units and associated earthworks, access driveway, services, tree removal and car parking. The development is to be undertaken in a staged manner - 209 & 195 Ballina Road, Alstonville	Awaiting Additional Information
2013/473	03/12/2013	Planners North	To establish two dwelling	Referred to Government

8.6 Development Applications - Works in Progress - February 2014

DA No.	Date Rec'd	Applicant	Proposal	Status
			house pads, one on each of Lots 2 and 3 DP 809785 with associated access and asset protection zones as a staged development application – 219 Sneesbys Lane, East Wardell	Departments
2013/482	05/12/2013	Newton Denny Chapelle	To erect an industrial building for the purposes of a warehouse and distribution centre operating 24 hours, seven days a week - 19 Piper Drive, Ballina	Determination Pending
2013/494	12/12/2013	Ardill Payne & Partners	To undertake a subdivision to create seven residential lots and two residue lots and associated works - Unara Parkway, Cumbalum	Determination Pending
2013/512	24/12/2013	PRG Architects	Erection and Strata Title Subdivision of a Two Storey Multi Dwelling Housing Development Comprising Three x Three Bedroom Units - 2 Megan Crescent, Lennox Head	Being Assessed
2014/12	20/01/2014	Ardill Payne & Partners	Alterations and additions to an existing foundry development including the	Being Assessed

8.6 Development Applications - Works in Progress - February 2014

DA No.	Date Rec'd	Applicant	Proposal	Status
			erection of a new building to house an existing heat treatment oven, the replacement of an existing silo and the installation of a mezzanine floor within an existing foundry building - 38-44 Piper Drive, Ballina	
2014/19	24/01/2014	Visionstream Pty Ltd	To erect a telecommunications (fixed wireless broadband) facility comprising a 30 metre high monopole tower with antennas, compound area, equipment and associated works – 55 Beacon Rd, Teven	On Exhibition

Regional Development (Determined by Joint Regional Planning Panel)

DA No.	Date Rec'd	Applicant	Proposal	Status
2012/334	17/08/2012	Ballina Shire Council	The construction of Hutley Drive connection to the Pacific Pines Estate via a round-about, connection to Elevation Estate & vegetation clearance in SEPP 14 affected area – North Creek Road, Lennox Head	Referred to Government Departments

8.6 Development Applications - Works in Progress - February 2014

2013/162	17/05/2013	Ardill Payne	Extractive Industry (Sand Quarry) with a total extractable resource amount of 610,000m ³ (in situ) - Lot 32 DP 1151612, Newrybar Swamp Road, Lennox Head	Being Assessed
2013/286	5/08/2013	Ballina Shire Council	Establishment and Operation of a Biochar and Waste-to-Energy Facility - 167 Southern Cross Drive, Ballina	Awaiting Additional Information

Major Development (Determined by Minister)

Major Project No./DA No.	Date Rec'd	Applicant	Proposal	Status
Nil				

RECOMMENDATION

That Council notes the contents of the report on the status of outstanding development applications for February 2014.

Attachment(s)

Nil

9.1 LEP Amendment Requests and Planning Proposals - Update

9. Strategic and Community Facilities Group Reports

9.1 LEP Amendment Requests and Planning Proposals - Update

Delivery Program Strategic Planning

Objective To advise Council of the status of the LEP amendment requests and planning proposals that are currently being processed.

Background

It is important that the Council remains informed in respect to requests to amend the Ballina Local Environmental Plan (LEP) and planning proposals that are currently under assessment. This report provides an update on those matters for the information of Councillors and the community.

Key Issues

- Status of the various rezoning LEP amendment requests

Information

Table one provides an overview of the LEP amendment requests and planning proposals currently being considered and processed by Council.

With respect to terminology used in this report, the term planning proposal refers to the documentation prepared to describe a request to amend the Ballina Local Environmental Plan.

Requests are typically referred to as planning proposals once Council has prepared the required planning proposal documentation and the amendment request has been endorsed as a matter that may progress to public exhibition by the NSW State Government's Gateway LEP Panel.

9.1 LEP Amendment Requests and Planning Proposals - Update

Table 1: Status of LEP amendment requests and planning proposals

Item	Name and Status	Summary and Notes	Completion Due
Amdt 090	Stewart Farm. (Stage 7 - JRPP)	<p>Proposal for the rezoning of land immediately south of the existing Headlands Estate at Skennars Head for urban purposes. The rezoning includes 35 ha of residential zoned land and a small neighbourhood scale commercial centre. The Northern Region Joint Regional Planning Panel (JRPP), at its meeting held on 3 October 2013, recommended that this matter be finalised.</p> <p>Council is awaiting notification of the completion of this amendment from the Department of Planning and Infrastructure (DP&I).</p>	25/11/2013 (JRPP)
Amdt 105	Cumalum Precinct A. (Stage 7)	<p>Proposal for the rezoning of Cumalum Precinct A (northward of the existing Ballina Heights Estate) for urban purposes. Also includes open space and environmental protection outcomes.</p> <p>The Council has resolved to proceed to finalise the planning proposal subject to the proponents agreeing to allow a suitable period of time for Council's s94 plans and DCP to be updated to reflect the expected infrastructure and design outcomes for the area.</p> <p>The proponents have agreed to a suitable time period via a deed of agreement. Council has requested that the DP&I finalise the rezoning.</p>	19/04/2014
Amdt 105	Cumalum Precinct B. (Stage 7)	<p>Proposal for the rezoning of Cumalum Precinct B (southward of Ross Lane) for urban purposes. Proposal includes a village centre (commercial area), open space and environmental protection outcomes in addition to a substantial residential area.</p> <p>The Council has resolved to proceed to request finalisation of this amendment by the Department of Planning and Infrastructure (DP&I) once the voluntary planning agreement applicable to the proposal is registered to the titles of the relevant land parcels.</p> <p>Council has requested that the DP&I finalise the rezoning for those parcels of land subject to the VPA where the VPA has been registered to the title of the land (and for those land parcels not subject to the VPA).</p>	22/11/2013

9.1 LEP Amendment Requests and Planning Proposals - Update

Item	Name and Status	Summary and Notes	Completion Due
12/002	Robb Street, Alstonville. Complete (Discontinued)	Proposal for the rezoning of land adjacent to the Russellton Industrial Estate for industrial purposes to enable expansion of the Duraplas manufactured tank business. The Council resolved to discontinue the planning proposal. The DP&I agreed to discontinue the proposal in November 2013.	Complete
12/006	Special Events (Exempt Development) (Stage 4)	Proposal for the inclusion of provisions in the LEP to enable special events to be carried out as exempt development in certain circumstances (i.e. no development consent required). Council has prepared material to address concerns raised by the NSW Rural Fire Service in relation to bushfire management and is awaiting a response.	22/09/2014
13/001	Subdivision Provisions. Complete	Proposal for the inclusion of provisions in the LEP to facilitate boundary adjustment subdivision, creation of residual lots, split-zoned lots and lots for environmental protection purposes in particular circumstances. Implementation of provisions relating to boundary adjustments and residual lots arising from urban development is complete. These provisions were implemented as Amendment No.6 to the Ballina LEP on 31 January 2014. The provisions relating to creation of environmental protection zones were not included as the State Government's E zone review is not complete.	Complete
13/003	Tara Downs, Lennox Head. (Stage 6)	Proposal for the application of a residential zone over two allotments in Tara Downs Estate. Proposal also seeks to enable subdivision of the subject land parcels. This matter is the subject of a separate report elsewhere in this business agenda.	23/03/2014
13/004	Crane Street (Fire Brigade property), Ballina. (Stage 7)	Proposal for the application of a commercial zone to a thin strip of land within the Ballina Fire Brigade property to rectify a zoning anomaly. Council has requested that the DP&I proceed to finalise the amendment.	08/03/2014
13/005	Southern Cross Industrial Estate Expansion, Ballina. (Stage 4)	Proposal for the rezoning of land northward of the existing Southern Cross Industrial Estate to enable a mixture of business and industrial land uses. The proponent (Council) is currently preparing technical material for assessment.	30/07/2014

9.1 LEP Amendment Requests and Planning Proposals - Update

Item	Name and Status	Summary and Notes	Completion Due
13/006	Mt Moriah Subdivision, Plateau Drive, Wollongbar. (Stage 7)	Proposal for the rezoning of land to apply a low density residential zone to match the intended housing outcomes associated with an approved subdivision. Council has requested that the DP&I proceed to finalise the amendment.	19/02/2014
13/007	Bagotville Quarry – Land Reclassification. (Stage 6)	Proposal to reclassify the Council-owned Bagotville quarry as operational land for the purpose of the Local Government Act. This matter is the subject of a separate report elsewhere in this business agenda.	13/06/2014
13/008	Reclassification – Council Owned Waterways. (Stage 6)	Proposal to reclassify the Banyanda Lake and Ballina Quays Canals as operational land for the purpose of the Local Government Act. Public Hearing held in December 2013 and submissions being reviewed.	13/06/2014
13/009	General Amendments 1. (Stage 6)	Amendment to reinforce Council's intent in relation to DCP and exempt development provisions, correct a minor mapping error and update flood mapping. This matter is the subject of a separate report elsewhere in this business agenda.	08/08/2014
13/010	Building Height Allowance Provision. (Stage 6)	Amendment to reinforce Council's intent in relation to the application of building height standards. This matter is the subject of a separate report elsewhere in this business agenda.	21/05/2014
13/011	Ballina Heights Stage 7a. (Stage 6)	Proposal for the rezoning of land to apply a low density residential zone to match the intended housing outcomes associated with an approved subdivision. This matter is the subject of a separate report elsewhere in this business agenda	19/09/2014
#	Wollongbar Open Space. (Stage 2)	Proposal to change the distribution of open space and residential land use zones over Council-owned land in the Wollongbar Urban Expansion Area. Additional information has been requested from the proponent.	#
#	Bletchingly Street, Wollongbar. (Stage 1)	Proposal for the rezoning of land to apply a medium density residential zone to an existing low density zoned area at the eastern end of Bletchingly Street in Wollongbar. Additional information has been requested from the proponent.	#
#	Reservoir Hill Site, Lennox Head. (Stage 2)	Proposal for the rezoning of land to apply a residential zone to the land known as the Reservoir Hill site in Lennox Head. The Council has resolved to prepare a planning proposal, subject to address of several issues. Planning proposal is currently being compiled.	#

9.1 LEP Amendment Requests and Planning Proposals - Update

Item	Name and Status	Summary and Notes	Completion Due
#	Teven Road, West Ballina. (Stage 1)	Proposal to enable the establishment of freight transport facilities adjacent to Teven Road on the western side of the Ballina Bypass. This matter is the subject of a separate report elsewhere in this business agenda.	#
#	Burns Point Ferry Road, West Ballina (Ballina Waterways). (Stage 1)	Proposal for the rezoning of land adjacent to Burns Point Ferry Road and River Street to enable a mixture of employment and residential land uses. The proposal includes implementation of a biobanking scheme over part of the land. Council resolved to progress the assessment of this proposal in January 2014. Council is awaiting additional information regarding biobanking, site ecology and environmental zone application to enable further assessment and preparation of a planning proposal.	#
#	Camden lane, Ballina. (Stage 1)	Proposal to amend the LEP to extend the application of the R2 Low Density Residential zone over areas currently zoned W1 Natural Waterways. Information submitted by the proponent is currently being assessed.	#
#	Reclassification – Compton Drive, Ballina (Stage 2).	Proposal to reclassify land opposite Shaws Bay on Compton Drive as operational land for the purpose of the Local Government Act. Pending action. Intent is to combine with another reclassification for resource efficiency given the requirement for a public hearing as part of reclassification matters.	#

LEP Amendment Request/Planning Proposal Processing Stages

1. Initial Concept - Proponent submits initial amendment concept for review and reporting to the Council.
2. Planning Proposal - Preparation of a planning proposal for Council's consideration (if the initial concept is supported by the Council).
3. Gateway Determination - DP&I determination as to whether the planning proposal may proceed (if the Council resolves to submit the planning proposal for determination).
4. Study Preparation - Relevant technical information to enable complete assessment compiled and considered. This step may also involve pre-exhibition public authority consultation.
5. Community consultation - Planning proposal and associated technical assessment material exhibited for public comment.
- 5a. Public Hearing - Public Hearing held, where required.
6. Submissions Assessment and Council Decision - Reporting of community consultation outcomes and Council decision regarding finalisation of the planning proposal.
7. Finalisation - DP&I finalisation (or Council finalisation under delegation) of the LEP amendment based on the planning proposal. Note: the Minister for Planning and Infrastructure may finalise, alter or terminate the amendment.

Denotes proposal number and due date subject to Gateway determination.

The completion due date is a date for completion determined by the Department of Planning and Infrastructure.

Sustainability Considerations

- **Environment**
Environmental, social and economic considerations form part of the assessment of all planning proposals and LEP amendments.
- **Social**
As above
- **Economic**
As above

Legal / Resource / Financial Implications

The works program is being undertaken within existing resources or on a fee for service basis for specific proposals.

Consultation

This report is provided for the information of the community.

Options

The report is for noting only.

RECOMMENDATION

That Council notes the contents of this report concerning the status and approach regarding the current Local Environmental Plan amendment requests and planning proposals that are being processed.

Attachment(s)

Nil

9.2 LEP Amendment Request - Teven Road Transport Facility

9.2 LEP Amendment Request - Teven Road Transport Facility

Delivery Program Strategic Planning

Objective To provide an overview of a proposal for an LEP amendment that would enable transport and logistic landuses on certain land at West Ballina and seek direction on the further processing of the request.

Background

The Council, at its Ordinary Meeting held on 24 October 2013, considered a request to amend the Ballina Local Environmental Plan 2012 (Ballina LEP 2012) from Newton Denny Chapelle on behalf of several landowners with holdings between Teven Road and the Ballina Bypass in West Ballina.

The request sought an amendment to the Ballina LEP 2012 to enable transport and logistics land uses to be undertaken on the respective properties, subject to development consent being obtained.

A copy of the submission from Newton Denny Chapelle is contained in Attachment One.

In relation to this matter, Council resolved as follows [Minute No. 241013/4]:

- 1. That the Council defer its decision concerning the request from Newton Denny Chapelle to amend the Ballina Local Environmental Plan 2012 to enable freight and logistics land uses on land located between Teven Road and the Ballina Bypass at West Ballina, pending the outcomes of item two below.*
- 2. That Council obtain independent advice in relation to the current and projected need for, and preferred location of, freight and logistics land uses in Ballina Shire.*

The land parcels the subject of the Ballina LEP 2012 amendment request are:

- Lot 3 DP 749680 (Date)
- Lot 2 DP 749680 (Boyes)
- Lot 5 DP 1031875 (Lynks Pty Ltd)
- Lot 229 DP 1121079 (Lynks Pty Ltd)
- Lot 228 DP 1121079 (Teven Park Pty Ltd)
- Lot 227 DP 1121079 (Zeallake Pty Ltd)
- Lot 12 DP 1011575 (Montina Pty Ltd)

A map showing the location of the listed land parcels is contained in the information submitted by Newton Denny Chapelle at Attachment One.

The information submitted by Newton Denny Chapelle also includes an overview of the current uses of the subject land parcels.

The future use of the land located between Teven Road and the Ballina Bypass was considered by the Council during the preparation of the Ballina LEP 2012.

9.2 LEP Amendment Request - Teven Road Transport Facility

Council resolved to apply an RU2 Rural Landscape zone in that locality and this is the zone that presently applies to the subject land. The RU2 zone enables a variety of rural land uses, some of which require prior development consent.

The LEP amendment request does not seek to change the prevailing land use zone, but rather proposes the inclusion of “freight transport facility” and “warehouse or distribution centre” as permitted land uses on the specified land parcels (through use of the Additional Permitted Uses Schedule in the LEP).

This would have the effect of creating a defined precinct of RU2 zoned land where freight and logistics type land uses would be permitted with development consent.

The purpose of this report is to provide further information in accordance with the Council’s October 2013 decision. Further, to seek Council’s direction on whether it now considers it appropriate for a planning proposal to be prepared.

Key Issues

- Processing of LEP amendment request and preparation of a planning proposal
- Appropriateness of specifying particular land uses as permitted on certain parcels of land
- Need for additional areas for freight and logistics land uses
- Expansion of urban land uses west of the Ballina Bypass

Information

Attachment Two contains a report which examines the current and projected need for, and preferred location of, freight and logistics land uses in Ballina Shire. The report was able to be prepared in-house and contains independent advice from The Australian Logistics Council and Roads and Maritime Services. The report was also peer reviewed by local planning consultant Mike Svikis. Mr Svikis is also the current chairperson of the Northern NSW Branch of the Planning Institute of Australia (PIA).

Staff investigated engagement of a consultant or “expert” to prepare an analysis report. However, third party involvement of this type by a suitably qualified organization could not be obtained within the available financial resources. As a result staff prepared an analysis of key issues and potential sites and engaged a peer reviewer to provide additional expertise and independent assessment. As outlined above, the analysis also included consultation with relevant parties.

Following an analysis of relevant Government policy documents dealing with transport and road freight logistics matters it became evident that there was no definitive way to determine the quantum of demand for road freight logistic facilities on a local government area basis. Demand for such land is primarily driven by broader state and national locational considerations and industry growth factors.

The availability of suitable land in adjoining local government areas may also influence what demand for land is likely to exist in Ballina Shire.

9.2 LEP Amendment Request - Teven Road Transport Facility

The above situation is very different to the demand for retail and bulky goods land which can be estimated through modelling by examining variables such as population, income and spending patterns.

Significant information is, however, available in relation to freight movement. This information suggests that by 2031 freight moved in NSW is estimated to double. In information contained within the 2012 *Draft NSW Freight and Port Strategy*, prepared by Transport for NSW, it was estimated that in 2011 the freight and logistics industry contributed \$58 billion (13.8%) to the NSW Gross State Product with approximately 14% of the NSW workforce being employed in logistics.

Existing IN1 General Industrial sites within Ballina Shire were examined for suitability for road freight logistics purposes using a site evaluation tool. The IN1 General industrial zone is the only existing zone in the Ballina LEP 2012 that permits, with consent, *freight transport facilities, warehouse or distribution centres*. The tool was then used to also evaluate the suitability of the Teven Road properties.

Evaluation of the suitability of existing appropriately zoned industrial sites is required by the Far North Coast Regional Strategy prior to rezoning sites that do not currently permit such land uses.

The table below provides a summary of the results obtained from the use of the site evaluation tool. The table includes evaluation of the Teven Road properties which are the subject of the LEP amendment proposal (See site One).

Table 1: Summary of site evaluation results

Site	Score	Suitability	Comments
One - Teven Road, West Ballina	42 (70%)	Fair	Requires rezoning, significant filling up to 3 metres may be required on some lots. Some lots already filled. Teven Road at RL 1.4m AHD - below RL2.7m AHD 1:100 year flood level. (If site were already appropriately zoned then suitability ranking would have been Good.)
Two - Russellton, Alstonville	44 (73%)	Good	Topography and limited land supply issues would hamper development of this site for large scale road freight logistic uses.
Three - Smith Drive, West Ballina	48 (80%)	Good	Access to Pacific Highway via Smith Drive may require upgrade. Extensive filling required up to RL 2.3 AHD - previously approved to be filled to RL 1.9 AHD. Limited land supply will hamper future expansion.
Four - Southern Cross Drive near Airport, Ballina	32 (53%)	Low	Size of sites, regional accessibility and fragmented land ownership issues are primary constraints.
Five - Southern Cross Drive Industrial and Business Park, Ballina	38 (63%)	Fair	Regional accessibility constraints due to distant highway access.
Six - Clark Street Industrial Estate Ballina	31 (52%)	Low	Lack of vacant land, fragmented ownership and regional accessibility are main constraints.

9.2 LEP Amendment Request - Teven Road Transport Facility

The evaluation found that there are numerous sites available within Ballina Shire where transport and logistic land uses are permitted. However, when evaluated, the majority of these sites, such as those located within the Southern Cross Industrial Estate, received “low” suitability rankings. This was primarily related to distance to highway access, fragmented ownership and small vacant land parcels.

The Russellton Industrial Estate, at Alstonville, was found to have “good” level of suitability using the evaluation tool criteria due primarily to its Bruxner Highway proximity. Restricted land supply and the topography of vacant land are limiting factors. In addition, heavy vehicles accessing sites within this estate, which contains primarily small scale industrial development, is considered to be a key disadvantage of this site.

The Smith Drive Industrial Estate at West Ballina also received a “good” evaluation ranking. Suitable vacant appropriately zoned land is available, however such land is constrained by flooding and would require extensive filling. Filling of land on what has been known as the “Homeworld” site at Smith Drive has been considered and approved previously by the Council (DA2007/71 approved 13/12/2007).

The proposed Teven Road site received a “fair” evaluation ranking. The fact that it is currently not appropriately zoned reduced its suitability score. Had it been appropriately zoned it would have received a “good” evaluation ranking. Flooding and site filling requirements are the major constraints impacting on the land.

It is suggested that Ballina Shire may be well placed to take advantage of the projected growth in the logistics industry over the next 20 year period if suitable sites were available. The most highly valued sites, based on the analysis undertaken, are those in close proximity to direct highway access. The Smith Drive and Teven Road sites are considered to be the most suitable sites given that they are in relatively close proximity to two major highways.

The designation of Casino and Kyogle for industrial and residential growth in the Far North Coast Regional Strategy also reinforces the value of sites near to the Pacific / Bruxner Highway interchange at Ballina to service these areas.

A case to support the proposed LEP amendment in relation to the Teven Road site could therefore be made subject to the proponents demonstrating to the Council’s satisfaction (and State agencies) that they have the capacity to adequately assess and address key issues, particularly flooding and traffic management.

In respect to the flooding issue, additional investigative modelling work is required to establish the consequences of raising the approximate 17 hectare Teven Road site to the 1:100 year flood level of RL 2.7AHD. If it can be shown that the land can be filled to this level without creating unsatisfactory flood related impacts on other properties in the floodplain then this concern may be alleviated. The alternative to achieving the nominated fill level may be for the proponents to demonstrate why, in the particular circumstances of a future development proposal, the Council’s adopted policies should be set aside.

9.2 LEP Amendment Request - Teven Road Transport Facility

Council will recall that it previously did not support a proposal for a Masters bulky goods retail use at a site in close proximity to the Teven Road site at West Ballina. The Masters site may however be differentiated from the Teven road site in so far as that site was vacant land whereas the Teven Road site already contains a variety of "industrial" type uses. In addition, following retail modelling, more suitable sites were found for bulky goods retail uses within the established Ballina industrial estate.

Consolidation of bulky goods uses within the established Ballina urban area provides certain locational advantages; whereas in the case of logistics uses it is preferable that such uses be located outside established urban areas. This is because of the associated frequent heavy traffic impacts.

The NSW Roads and Maritime Services (RMS) has highlighted a need for an examination of traffic issues associated with the proposed logistics centre land uses. This is to ensure that there is adequate capacity for traffic at the Teven Road interchange and intersection performance is not unduly compromised.

If the Council elects to progress to the preparation of a planning proposal, it is recommended that further work be undertaken by the proponent to demonstrate that flooding and traffic impacts are acceptable or can be suitably managed and mitigated.

Sustainability Considerations

- **Environment**
To enable the LEP amendment request to proceed, environmental considerations such as flood impact should be assessed in further detail.
- **Social**
Subject to the qualifications within this report, the allocation of land suited to future logistics centre-type land uses activates the potential to deliver significant employment opportunities to the shire and region
- **Economic**
The proposed LEP amendment has the potential to provide a significant economic stimulus in the shire.

Legal / Resource / Financial Implications

There are no specific legal implications associated with this proposed LEP amendment at this time.

The matters arising from this report can be attended to within existing resources.

In the event that the Council wishes to advance this proposal the proponent will be required to meet various processing costs in accordance with Council's adopted schedule of fees and charges, as well as providing the necessary additional technical information, as indicated above. It is conceivable that other issues may arise which will require detailed examination, however the two key matters identified at this time are flooding and traffic management.

9.2 LEP Amendment Request - Teven Road Transport Facility

Progress of this matter can be accommodated within the Strategic and Community Facilities Group work program.

Consultation

During the preparation of the site evaluation report consultation was undertaken with the Australian Logistic Council and RMS. This was done in an endeavour to secure independent advice and improve Council's understanding of what this industry entails and its relevance to our region.

The Australian Logistic Council (ALC) is the peak body for the freight logistics industry in Australia. It has advised that it supports the proposal to permit the establishment of a freight and logistics hub at West Ballina due to its strategic location at the junction of the Pacific and Bruxner Highways. This is a broad-based response, and does not have particular regard for the particular properties in question.

The RMS has advised that any consideration of logistics activities along Teven Road would have to examine potential traffic impacts. These impacts include traffic interaction between the Teven Road intersection with the Bruxner Highway and the interchange with the Pacific Highway. In this respect the RMS has indicated that a detailed traffic study should be undertaken. Various issues of relevance to the traffic study have been detailed.

The advice provided by the ALC and RMS is contained within Attachment Two (Annexures 4 and 7).

Additional agency and community engagement may be required to be undertaken if this proposal is advanced by way of a planning proposal.

Options

1. Initiate a planning proposal.

Council may proceed to prepare a planning proposal suitable for Gateway determination. By initiating the planning proposal, Council would be signalling its in-principle support for the broad concept proposed, subject to the outcomes of detailed site assessment and community/agency engagement.

Having regard for the information obtained since the Council's initial consideration of this enquiry in October last year, and for the matters raised in this report, the preparation of a planning proposal that specifically enables freight transport and logistics land uses on the subject lots through use of the additional permitted uses schedule in the LEP may have a degree of merit. It is suggested that a higher level of confidence might be obtained through flood modelling of the impacts associated with filling the sites as well as an examination of traffic related impacts.

Due to the costs associated with flood modelling, and the determination of traffic impacts, it is considered reasonable that Council endorse the preparation of a planning proposal prior to the proponent being requested to undertake such work. Subject to the submission of information which establishes that flooding and traffic impacts are satisfactory or can be adequately mitigated, a planning proposal would then be prepared.

9.2 LEP Amendment Request - Teven Road Transport Facility

In the absence of additional information to address the key issues identified in this report, it is difficult to fully assess the potential impacts of the proposed LEP amendment.

The above approach is recommended. Although additional information is required to competently assess the suitability of the site for the proposed uses, option one is the recommended approach on the basis that the required information would be provided by the proponent to inform the planning proposal.

Notwithstanding the above, it is also open to the Council to proceed to the preparation of a planning proposal and incorporate consideration of the key issues (i.e. flooding and traffic) into a later phase of the amendment process.

2. Defer consideration of the LEP amendment request.

The Council may defer consideration of the LEP amendment request pending the proponent establishing the impacts of flooding and traffic associated with the proposal.

This approach is not recommended as it will result in the proponent incurring significant costs without formal indication of the Council's position regarding the concept underpinning the proposal.

3. Decline to initiate the LEP amendment request.

It is open to Council to decline the requested LEP amendment. Endorsement of this option would mean that no further action would be taken by Council with respect to the processing of the request.

This course of action is not recommended as the work already undertaken has established that there may well be increasing demand for sites suitable for use by the freight and logistics industry. In addition, the proposed site is suitably located near the junction of two major highways and therefore has certain strategic locational advantages over other sites that are more appropriately zoned at present.

The main site-related issues concern flooding and traffic impacts and whether these can be satisfactorily resolved. It is considered reasonable that the proponent be given an opportunity to examine these issues (as well as any other matters that might arise as more information about the land becomes known – eg geotechnical constraints). If these key issues are able to be suitably resolved then a planning proposal could reasonably be prepared.

RECOMMENDATIONS

1. That Council endorses the preparation of a planning proposal which proposes the insertion of freight transport facilities, warehouse or distribution centre land uses as additional permitted uses within Schedule 1 of Ballina LEP 2012, in relation to Lots 2 and 3 DP 749680, Lot 5 and 12 DP 1031875, Lots 227, 228 and 229 DP1121079 and Lot 12 DP 1011575, Teven Road, West Ballina.
2. That the proponent be requested to supply flood modelling information which details the impact of filling the subject lots to the 1:100 year flood level of RL 2.7 AHD, and a detailed traffic study which examines the issues specified by the RMS. Further, that additional technical studies be requested of the proponent in the event that Council staff form a view that additional environmental constraints may materially restrict the use of the land for the nominated purposes. This information is to be provided to advance the preparation of the planning proposal.
3. That the Council give further consideration to the planning proposal upon the submission of information referred to in point two above.

Attachment(s)

1. Attachment One - Submission from Newton Denny Chapelle
2. Attachment Two - Report Site Selection Investigation - Freight Transport Facilities, Warehousing and Distribution Centres

9.3 Planning Proposal 13/003 - 31 and 32 Tara Downs, Lennox Head

9.3 Planning Proposal 13/003 - 31 and 32 Tara Downs, Lennox Head

Delivery Program Strategic Planning

Objective To present options for the Council with regard to progressing planning proposal 13/003 relating to the rezoning of the subject land from RU1 Primary Production to R2 Low Density Residential zone.

Background

Council received a request for the rezoning of Lots 31 and 32 DP 837448, being 31 and 32 Tara Downs, Lennox Head, on 14 November 2012. The request was submitted by the landowners, being Ms T Chambers and Mr B and Mrs J Stephenson. The proposed amendment involves the application of a low density residential zone over the two properties. The landowners were also seeking a change to Council's subdivision standards to enable subdivision of the land.

The subject land is identified in Appendix 1 of the planning proposal (Attachment One). Lot 31 has a site area of 2,303m². Lot 32 has a site area of 2,888m². The subject lots are located at the northern end of Tara Downs on the eastern side of North Creek Road. The lots are separated by a six metre wide battleaxe handle servicing a larger rural lot at the rear that is also a right of carriageway for the subject lots. Each lot currently contains a single dwelling accessed from this adjoining right of carriageway.

Under the Ballina Local Environmental Plan (LEP) 2012 the subject land is zoned RU1 Primary Production (Appendix 1 of the planning proposal). Previously, under the Ballina LEP 1987, the subject land was zoned 1(b) Rural (Secondary Agricultural Land) zone (Appendix 1 of the planning proposal).

Ms Chambers had previously made two submissions seeking the Council's support for the land to be rezoned for residential uses during the public exhibition periods for the Ballina LEP 2012.

Council considered the subject planning proposal at its Ordinary Meeting held on 23 May 2013, resolving [Minute 230513/11] as follows:

1. *That Council endorses the application of an R2 Low Density Residential zone as the basis for a planning proposal relating to Lots 31 and 32 DP 837448, being 31 and 32 Tara Downs, Lennox Head.*
2. *That the subdivision potential and associated minimum lot size for subdivision for Lots 31 and 32 DP 837448 be determined following assessment of additional technical information to be supplied by the respective property owners.*
3. *That Council submit the planning proposal relating to Lots 31 and 32 DP 837448 to the NSW Department of Planning & Infrastructure for review and Gateway determination.*

9.3 Planning Proposal 13/003 - 31 and 32 Tara Downs, Lennox Head

4. *That upon an affirmative Gateway determination being received from the Department of Planning & Infrastructure, Council staff carry out the procedural steps associated with the progress of the planning proposal, including requesting additional information and public exhibition.*
5. *That a further report be submitted to the Council in relation to this matter following mandatory community consultation.*

The NSW Department of Planning and Infrastructure (DP&I) issued Gateway determination on 14 June 2013. The Gateway determination required consultation to be undertaken with the NSW Rural Fire Service (RFS) and provided for a 9 month time frame for the completion of the LEP. In addition, the DP&I delegated the Minister's plan making functions under section 59 to Council.

The applicants' consultants, Ardill Payne and Partners, submitted the requested additional information under cover of a letter dated 10 October 2013. The information submitted included a proposed subdivision plan (additional two lots proposed), driveway location plan and plan showing building envelopes and future asset protection zones for bushfire management.

Plans showing the proposed subdivision and driveway location are contained within Appendix 3 of the planning proposal (Attachment One).

The RFS advised Council by letter dated 26 November 2013 that it raised no objection to the planning proposal proceeding to public exhibition. Additional advice was provided that Council did not need to consult further with the RFS with respect to this planning proposal. The advice from the RFS is contained within Appendix 5 of the planning proposal (Attachment One).

The planning proposal was exhibited from 4 December to 20 December 2013. No submissions were received in response to the public exhibition.

The NSW Office of Environment & Heritage (OEH) was invited to provide comment on the planning proposal and the ecological assessment submitted by the applicants' consultant. In response, advice was provided that the OEH has no objection to the rezoning and lot size amendments. The advice from the OEH is contained within Appendix 6 of the planning proposal (Attachment One).

The purpose of this report is to provide Council with options for progressing the subject planning proposal.

Key Issues

- Suitability of a residential zone in the subject circumstances.
- Minimum lot size for each land parcel.

Information

The RU1 Primary Production zone which currently applies to the subject site has a minimum allotment size of 40ha. Lots 31 and 32 have respective site areas of 2303m² and 2888m². These lots are well below the minimum lot size for RU1 zoned land and are not considered suitable for substantial agricultural use, even with consolidation.

The applicants' representatives have submitted detailed information which supports the rezoning of the lots for low density residential use. Details of the information submitted and the conclusion reached after assessment appears below:

Ecological Assessment

The comments provided by OEH give an appropriate summary of the ecological assessment and the conclusions reached. The OEH comments are reproduced below:

- The ecological assessment is thorough and well written.
- The identified threatened flora will not be impacted by the development footprint and is subject to appropriate protective measures.
- There is evidence that these species may have been planted in the area in the past.
- Although not mandated in the Planning Proposal, the part 5A test of significance conclusions relating to the impact on threatened fauna appear to be reasonable.
- The proposed dwelling sites occur largely on cleared land with limited vegetation removal of non threatened flora being needed for access purposes.
- The land affected by the 100m SEPP 26 buffer is already landscaped, does not hold any littoral rainforest and remains outside the development envelope.
- The clearing required for Bushfire Asset Protection Zones will not require the removal of rainforest or other native vegetation.
- Wildlife corridor values will not be affected and the land is not identified in the OEH Key Habitat and Corridors Study as being part of any subregional or regional corridor.
- Exotic vegetation is to be removed and native vegetation used to rehabilitate the SEPP 26 buffer and along the drainage line by way of consent conditions.
- The land does not appear to be flood prone or of significance to the Aboriginal community.
- The subdivision size is consistent with neighbouring properties and current DP&I and Council planning strategies.
- The site and proposal have been independently assessed by Council's environmental scientist and found to be environmentally acceptable.

Bushfire Threat Assessment

The subject site is identified as being bushfire prone and as a consequence a Bushfire Threat Assessment report was required to be prepared. The report prepared by Bushfire Certifiers concluded that the proposed development will be compliant with all aspects of *Planning for Bushfire Protection 2006*, based on recommendations contained within the report.

The recommendations contained within the Bushfire Threat Assessment report include the creation of Asset Protection Zones, underground electricity supply and the location of a fire hydrant directly adjacent to the existing allotments. The implementation of the recommendations is a matter for any subsequent development application process.

A copy of the Bushfire Threat Assessment report was forwarded to the RFS who raised no objection to the planning proposal proceeding to public exhibition and required no additional consultation. Comments were also provided which will be of relevance to a future development application process.

Contamination Assessment – Preliminary SEPP 55 Investigation

The investigation included consideration of site history and the taking and analysis of soil samples. A total of eight soil samples were taken and subjected to laboratory analysis for metals and organochlorides (OCs).

The laboratory analysis found that the metal concentrations observed (chromium and manganese) were commensurate with natural background concentrations typical of red basaltic soil types found in this area.

No notable levels of OCs were observed in the test samples.

The report concluded that the site is suitable for the proposed residential land use.

The contamination assessment report was reviewed by Council's Manager Public and Environmental Health who concluded that, based on the information provided, a detailed site investigation is not required.

Preliminary Stormwater and Development Engineering Assessment

The submitted information was assessed by Council's Development Engineer. The Development Engineer has provided advice which includes the following matters of relevance:

- The servicing of the site can be achieved easily from the right of carriageway. Vehicles can enter and exit the lots in a forward direction.
- There are no major geotechnical constraints that require consideration with respect to this proposal.
- An easement is required to be established over a partially piped watercourse that takes water from North Creek Road and routes it through the site.
- Sewer can be provided by a gravity system connected to the existing lines for lots 31 and 32.
- There is water available in Tara Downs cul-de-sac.

9.3 Planning Proposal 13/003 - 31 and 32 Tara Downs, Lennox Head

The assessment of environmental and engineering matters has concluded that the site is suitable for low density residential purposes and can accommodate 800m² minimum lot sizes. The size of the four lots, that would be created after rezoning and subdivision, has been nominated as Lot 1 – 1128m², Lot 2 – 1174m², Lot 3 – 955m² and Lot 4 - 1932m².

Further examination of traffic and servicing issues is expected as part of any future development application process.

Planning Context

The planning proposal is considered to be consistent with the Far North Coast Regional Strategy. In this respect the land is located within the existing urban footprint despite its rural zoning.

The planning proposal is also considered to be consistent with the Ballina Shire Growth Management Strategy 2012 (GMS) and the Lennox Head Structure Plan (LHSP). The GMS does not nominate the land for any specific purpose and the LHSP identifies the land as being located within an existing developed area.

Sustainability Considerations

- **Environment**

The subject land is adjacent to and contains mature established vegetation. The significance of this vegetation has been considered in an ecological assessment. The proposed rezoning is not expected to have any significant environmental impacts. Protective and management measures will be considered further as part of a development application process.

- **Social**

The proposed zoning does not raise any significant social implications as it relates to existing lots within an approved subdivision, surrounded by low density residential housing.

- **Economic**

There are no significant economic implications currently identified in relation to the proposed zoning.

Legal / Resource / Financial Implications

The approach recommended in this report is consistent with Council's legal responsibilities as a local planning authority. The matters arising from this report can be attended to within existing resources.

Consultation

The DP & I Gateway determination required consultation with the NSW Rural Fire Service (RFS). The RFS did not raise any objections to the planning proposal proceeding. A copy of the RFS response is provided in Appendix 5 of the planning proposal.

9.3 Planning Proposal 13/003 - 31 and 32 Tara Downs, Lennox Head

The planning proposal was publicly exhibited, in accordance with the Gateway determination. No submissions were received during the public exhibition phase of the planning proposal.

Options

1. That Council progress to finalisation of the planning proposal; or
2. That Council discontinue or defer the planning proposal.

Option one is the preferred and logical course of action on the basis that the detailed information submitted in support of the application and including ecological assessment, bushfire threat assessment, land contamination and preliminary subdivision plans have confirmed that the land is suitable for low density residential use.

Due to the relatively minor nature of the proposal and its consistency with the planning context of adjoining residential zoned land, it is recommended that the planning proposal be finalised. The proposal would be finalised on the basis of the planning proposal documentation contained in Attachment One.

If Council proceeds with option one, it should be noted that the DP&I has issued authority for the Council to exercise plan-making delegations in finalising the LEP amendment. This means Council would liaise directly with Parliamentary Counsel to finalise the drafting of the amendment for implementation.

Although there are some minor resourcing implications for Council (more staff time in processing), it is recommended that Council exercise its delegation in this instance due to the nature of the proposal and that it provides an opportunity for Council to continue to trial the delegation based system with minimal risks.

The primary disadvantage of the planning proposal not proceeding is that land that has been assessed as suitable for low density residential use, and which is consistent with relevant key strategic land use planning documents, would not be rezoned. It would then retain its RU1 Primary Production zone which, in this case, is considered inappropriate on the basis of the studies that have been completed in relation to this planning proposal.

RECOMMENDATIONS

1. That Council endorses the application of an R2 Low Density Residential zone and associated minimum lot standard for subdivision of 800m² over Lots 31 and 32 DP 837448, Tara Downs, Lennox Head.
2. That Council proceed to finalise and implement Planning Proposal BSCPP 13/003, directly in liaison with Parliamentary Counsel.

Attachment(s)

1. Attachment One - Planning Proposal (Final)

9.4 Planning Proposal 13/009 - General Amendments

9.4 Planning Proposal 13/009 - General Amendments

Delivery Program Strategic Planning

Objective To present options in relation to progressing planning proposal BSCPP 13/009 relating to various minor amendments to the Ballina Local Environmental Plan 2012

Background

The Council, at its Ordinary Meeting held on 26 September 2013, considered a draft planning proposal in relation to several identified minor errors and anomalies in the *Ballina Local Environmental Plan 2012* (the BLEP 2012). With respect to this matter the Council resolved [Minute No. 260913/13] as follows:

- 1. That Council submit the planning proposal relating to the amendment of various clauses in Council's Standard Instrument Local Environmental Plan (as contained in Attachment One) to the NSW Department of Planning & Infrastructure for review and Gateway determination.*
- 2. That upon an affirmative Gateway determination being received from the Department of Planning & Infrastructure, Council staff will carry out the procedural steps associated with the progress of the planning proposal, including public exhibition.*
- 3. That the matter be reported back for further consideration by the Council following the mandatory public exhibition period.*

The Department of Planning & Infrastructure (DoP&I) issued a Gateway determination allowing the planning proposal to proceed on 1 November 2013, a copy of which is provided in Appendix A of the attached planning proposal.

In accordance with the Gateway determination, the planning proposal was placed on public exhibition from 13 November 2013 to 13 December 2013. One submission was received in response to the exhibition.

The purpose of this report is to provide the Council with options for progression of the subject planning proposal.

Key Issues

- Correction of minor discrepancies and update of flood mapping.
- Progress of the LEP amendment.

Information

This planning proposal (BSCPP13/009) involves amending the BLEP 2012 in the following ways:

- Amend clause 6.3 of the BLEP 2012 in regard to the exceptions to the requirements for the preparation of a development control plan (DCP) for urban release areas to clarify the application of the provision.
- To correct an error in the minimum lot size mapping for land at West Ballina subject to an 800m² minimum lot size standard, rather than the exhibited and resolved 600m² minimum.
- To correct inconsistencies within clause 3.1 Schedule 2 – Exempt Development – subclauses 9, 11, 12 regarding specific wording to reflect the intent of these subclauses.
- To facilitate the provision of updated flood mapping in conjunction with clause 7.3 Flood Planning in accordance with Council's current flood study outcomes as adopted in the Ballina Shire Development Control Plan 2012 (DCP).

Sustainability Considerations

- **Environment**

The proposed provisions seek to undertake minor adjustments to the BLEP 2012 as made by the Minister for Planning. These adjustments do not adversely impact upon any matters relating to environmental sustainability or outcomes.

- **Social**

The proposed amendments will promote flexibility and clarity in regard to the wording of the relevant provisions, including planned urban growth outcomes, flooding and exempt development. The changes aim to ensure consistency in application of Council's adopted policy and make the planning instrument more "user-friendly".

- **Economic**

The proposed amendments seek to provide consistency between the LEP instrument drafted and exhibited for public comment. The amendment will remove the mapping errors that have the potential to have a detrimental economic impact on several lots in West Ballina. The amendments also seek to enhance flexibility and clarity to support positive economic outcomes.

The planning proposal involves updating of the flood mapping utilised within the LEP to match Council's adopted DCP. This involves identification of additional properties as being subject to the flood planning provisions of the LEP. However, it should be noted that this is consistent with an existing policy position of the Council and published flood mapping in the DCP.

Legal / Resource / Financial Implications

The amendments that are the subject of the planning proposal are of a minor nature as they correct various anomalies, provide for improved clarity in use of certain provisions and support consistent application of existing policy. As such, the finalisation of the amendments does not present a significant resource burden.

Consultation

Consultation in relation to the subject planning proposal has been undertaken in accordance with the requirements of the Gateway determination issued for the proposal. The planning proposal was placed on public exhibition from 13 November 2013 to 13 December 2013.

In accordance with the Gateway determination, the proposal was forwarded to the NSW Office of Environment and Heritage (OEH) for review and comment, particularly in relation to the proposed changes to flood mapping. The OEH has issued a response dated 10 December 2013 indicating its support for the proposed changes. A copy of the OEH response is included in Attachment 2.

One public submission was received in response to the public exhibition of the proposal. A copy of this submission is included in Attachment 3. This submission has raised several concerns in relation to land identified on the draft flood mapping affecting land in the Chickiba area at East Ballina.

As detailed previously, the reason for the amendment to the LEP is to ensure the LEP flood provisions are consistent with those adopted in Council's DCP. In effect, the proposed amended LEP flood provisions already apply to the subject land under the provisions of the DCP. This amendment, therefore, seeks to ensure a consistent regulatory approach across both the LEP and DCP.

Further to the above, the submission also raises concern in relation to inconsistencies between the proposed mapping and the Ballina Floodplain Risk Management Study as exhibited by Council in 2012. In this regard it should be noted that while the Council adopted the Floodplain Risk Management Study at its Ordinary Meeting held on 23 August 2012, it also resolved at that meeting to undertake further work in the preparation of a draft Floodplain Risk Management Plan and associated development control plan provisions. As such, the outcomes of the 2012 Floodplain Risk Management Study will not be incorporated into the LEP and DCP until the completion of those items identified above.

The submission also raises issues of significance in relation to flood impacts and drainage constraints in the Chickiba area. These matters have been referred to Council's Civil Services Group for further review. While these issues are important, they are not considered relevant to ensuring consistency between the LEP and DCP.

Further, it is evident that Council's flood study data and the associated identification of properties as being nominated as flood prone raises a variety of issues for property owners including property values and insurance costs and availability. Whilst these are significant issues for consideration, they are matters for future consideration in the formulation of Council's floodplain management policy and associated modelling. With respect to flooding, Council's planning instruments reflect, rather than create, the outcomes of the technical flood studies Council undertakes.

Options

1. That Council progress to finalisation of the planning proposal, or
2. That Council discontinue the planning proposal, or
3. That Council defer the planning proposal.

Option one is the preferred course of action on the basis that the proposed amendments comprise error corrections and clarification of provisions to ensure the proper functioning of Council's LEP. These general amendments can be considered as "housekeeping" and provide for consistency in the LEP with previous decisions of the Council and with community expectations.

Due to the relatively minor nature of the proposal it is recommended that the planning proposal be finalised. The proposal would be finalised on the basis of the planning proposal documentation contained in Attachment 1 (the planning proposal incorporates minor amendments relating to the outcomes of the consultation phase and to finalise the documentation). Council may amend the planning proposal further prior to finalisation.

If Council proceeds with option one, it should be noted that the DoP&I has issued authority for the Council to exercise plan-making delegations in finalising the LEP amendment. This means Council would liaise directly with Parliamentary Counsel to finalise the drafting of the amendment for implementation.

Alternatively, the Council may elect to discontinue or defer the matter pending further information. Although the submission received raises concerns about the extent to which property is impacted by flood mapping, the flood mapping element of the amendment aims to provide for consistency between the LEP and DCP. It does not change the existing adopted policy that identifies areas subject to flooding under the DCP. Flood mapping may change as a result of further analysis and decisions associated with the floodplain management planning process and any such changes would flow on to Council's planning instruments in due course. Given this, and the nature of the other proposed amendments, discontinuation or deferral is not recommended.

RECOMMENDATIONS

1. That Council endorses the following amendments in relation to the BLEP 2012 (as outlined in the planning proposal contained in Attachment 1):
 - Amendment to clause 6.3 of the BLEP 2012 to clarify the exceptions to the requirements for the preparation of a development control plan (DCP) for urban release areas.
 - Amendment to the Lot Size Map in relation to land at West Ballina to apply a 600m² minimum lot size standard to land currently subject to an 800m² standard.
 - Amendment to clause 3.1 Schedule 2 – Exempt Development – subclauses 9, 11, 12 to clarify the intent of these subclauses.
 - Amendment to the flood mapping associated with clause 7.3 Flood Planning to reflect the provisions of the Ballina Shire Development Control Plan 2012.
2. That Council proceed to finalise and implement Planning Proposal BSCPP 13/009, relating to various minor amendments to the BLEP 2012, directly in liaison with Parliamentary Counsel.

Attachment(s)

1. Planning Proposal - BSCPP 13/009 - General Amendments (1)
2. Submission - NSW Office of Environment & Heritage
3. Submission - P Dwyer & H Carpenter

9.5 Planning Proposal 13/010 - Building Height Allowance Provision

9.5 Planning Proposal 13/010 - Building Height Allowance Provision

Delivery Program Strategic Planning

Objective To present options for the Council with respect to progression of planning proposal 13/010 related to the modification of Clause 4.3A Exceptions to height of buildings under the Ballina Local Environmental Plan 2012.

Background

Clause 4.3A of the Ballina Local Environmental Plan 2012 (BLEP 2012), as made by the Minister for Planning, has been found to be at variance with the Council-endorsed provision. This may result in building heights within the shire greater than envisaged when the clause was initially drafted and exhibited for community feedback.

A planning proposal was prepared which provides options for the redrafting of the building height allowance provisions so as to remove the ambiguities evident in clause 4.3A of BLEP 2012.

Council considered the subject planning proposal at its Ordinary Meeting held on 14 October 2013, resolving [Minute 241013/13] as follows:

- 1. That Council submit the planning proposal relating to the modification or repeal of Clause 4.3A Exceptions to height of buildings under the Ballina Local Environmental Plan 2012 (as contained in Attachment One) to the NSW Department of Planning & Infrastructure for review and Gateway determination.*
- 2. That upon an affirmative Gateway determination being received from the Department of Planning & Infrastructure, Council staff will carry out the procedural steps associated with the progress of the planning proposal, including public exhibition.*
- 3. That this matter be reported back for further consideration by the Council following the mandatory public exhibition period.*

The NSW Department of Planning and Infrastructure (DP&I) issued Gateway determination on 14 November 2013. The Gateway determination specified a minimum 14 day public exhibition period and required that the LEP be completed within a 6 month timeframe. Consultation with public authorities was not required.

The planning proposal was exhibited from 18 December 2013 until 24 January 2014. One submission has been received which suggests an alternative approach to the redrafting of clause 4.3A of BLEP 2012 than contained within the planning proposal.

The purpose of this report is to provide Council with options for progressing the subject planning proposal.

Key Issues

- Inconsistency between Council's endorsed building height allowance provision and the content of the final BLEP 2012.
- Potential for the Council's intended building height standards to be impacted.

Information

Clause 4.3A of BLEP 2012 provides as follows:

4.3A Exceptions to height of buildings

- (1) *The objective of this clause is to align building height and flood planning provisions and provide for a consistent point of reference for the measurement of building heights in flood prone areas.*
- (2) *This clause applies to land identified as "Minimum fill level" on the Building Height Allowance Map.*
- (3) *The height of a building on land to which this clause applies is not to exceed the maximum height shown for that land on the Height of Buildings Map plus the minimum fill level shown for that land on the Building Height Allowance Map.*

Clause 4.3A(3) as contained in BLEP 2012 is considered to be ambiguous and capable of interpretation so as not to achieve Council's intended policy objective regarding building height and filling within the floodplain.

The policy objective is to provide for a building height concession for buildings erected upon flood prone land equivalent to that required to fill the land to the 1:100 ARI flood level.

Clause 4.3A(3) has been interpreted to permit the erection of buildings having a height equivalent to that shown on the *Height of Buildings Map* plus the minimum fill level shown on the *Building Height Allowance Map*. This being irrespective of existing ground levels or whether any filling was proposed.

The planning proposal recently exhibited documented two options by which the ambiguity within clause 4.3A(3) could be addressed.

The first option involved deleting clause 4.3A in its entirety and addressing height variations due to filling via Ballina Shire Development Control Plan 2012 (BSDCP 2012). This option was however not favoured as it would have necessitated building heights being varied using clause 4.6 *Exceptions to development standards* contained within BLEP 2012.

The use of clause 4.6 to vary building height standards by more than 10% would require reporting of applications to Council. Reporting such applications would create delays to the development assessment process not currently experienced.

The second and preferred option proposed a redrafting of clause 4.3A(2) and (3) as well as an amendment to the legend contained within the *Building Height Allowance Map*. The preferred option has the following elements:

1. Referencing the Australian Height Datum (AHD) within clause 4.3A(2). This would clarify that only filling to the nominated AHD level is permitted.

9.5 Planning Proposal 13/010 - Building Height Allowance Provision

The nominated AHD level is also equivalent to the 1:100 ARI flood level; and

2. Redrafting of clause 4.3A(3) so as to clarify that the maximum height of a building on land subject to the fill height concession provisions is to be measured from the top of the AHD level as specified on the *Building Height Allowance Map*.
3. Amendment of the *Building Height Allowance Map* legend so as to insert a reference to AHD.

The preferred option is detailed in the planning proposal (Attachment One) and proposes that clause 4.3A (2) and (3) be redrafted, as follows, to achieve elements 1 and 2 above:

- (2) *This clause applies to land identified as "Minimum level AHD (Australian Height Datum)" on the Building Height Allowance Map.*
- (3) *The maximum height of a building on land to which this clause applies is to be measured from the top of the minimum AHD level permitted for that land as shown on the Building Height Allowance Map.*

Sustainability Considerations

- **Environment**

Council has established a building height standard in the BLEP 2012 that significantly influences the nature and form of the built environment and its relationship with surrounding natural areas. The proposed LEP amendment seeks to reinforce the integrity of the intended standards.

- **Social**

As above

- **Economic**

In addition to the above, building height influences land economics and the potential for site development. As outlined above, the proposed amendment seeks to reinforce the integrity of Council's intended building height standards.

Legal / Resource / Financial Implications

There are no significant resourcing or financial implications associated with the proposed amendment. The processing of the amendment can be accommodated within the work program of the Strategic and Community Facilities Group.

The processing of the amendment does not involve specific legal implications beyond compliance with the *Environmental Planning and Assessment Act*. However, there may be implications associated with the processing of development applications lodged with Council before the amendment is completed.

9.5 Planning Proposal 13/010 - Building Height Allowance Provision

A draft LEP amendment that is or has been the subject of public consultation must be considered in the assessment process. The proposed amendments may therefore influence the determination of development applications. Staff is aware of at least one application presently being processed by Council where the proponent proposes an interpretation of the building height allowance provision that differs from the Council's original policy intent.

Consultation

Consultation with public authorities was not undertaken nor was it required by the Gateway determination.

The planning proposal was publically exhibited, in accordance with the Gateway determination from 18 December 2013 until 24 January 2014.

In response to the public exhibition one submission was received which provided suggestions for an alternative approach to the determination of the additional height proposed to be allowed for buildings on flood prone land (Attachment Two).

A summary of the matters raised in the submission is provided below:

Planners North, Stephen Connelly, provides the following comments and suggestion:

- The clause as currently drafted is very much at odds with the intent of the clause as described in the planning proposal.
- Clause 4.3A should not be abandoned but work in harmony with Council's DCP (which it does not do) but also with the provisions of s733 of the *Local Government Act 1993* and the associated *Floodplain Development Manual 2005 (FDM 2005)*.
- Proposes that the terms '*flood prone land*' and '*flood planning level*' be inserted into clause 4.3A(2) and be given the same meaning as they have in the FDM 2005.
- Proposes that clause 4.3A(3) be redrafted so as to provide that the height of a building on flood prone land is not to exceed the maximum height shown for that land on the *Height of Buildings Map* as measured from ground level (existing) or the flood planning level, whichever is the greater.
- The suggested approach would see the removal of the *Building Height Allowance Map* from BLEP 2012. It would allow Council to manage the flood planning levels without the need for flood planning levels to be gazetted as part of BLEP 2012.

Comments:

The suggested approach in terms of referencing flood prone land and flood planning levels as defined in the FDM 2005 has been discussed with officers of the Department of Planning and Infrastructure (DP&I). This was done as the DP&I has not traditionally supported external documents being referenced within LEPs.

9.5 Planning Proposal 13/010 - Building Height Allowance Provision

The advice received from DP&I officers was that they considered the referencing of the FDM 2005 within clause 4.3A possible as the FDM 2005 had already been referenced elsewhere within the BLEP 2012 (clause 7.3(4)). However the suggested adoption of the term “*flood planning level*” as defined in the FDM 2005 was questioned as it would conflict with the definition of the term *land at or below the flood planning level* contained within clause 7.3(5) of BLEP 2012.

The practical consequences of what is proposed in the submission would be that proposed buildings, within areas shown on the *Flood Planning Map*, and granted the height concession shown on the *Building Height Allowance Map*, would gain an additional 0.5 metre in maximum permitted height.

The additional height is obtained as a result of the manner in which the flood planning level is defined. The definition contained within the FDM makes provision for a freeboard above the 1:100 ARI flood. The freeboard applicable to land located within the Ballina Floodplain, as shown on Maps 1 and 2 which form a part of Ballina DCP 2012 – Chapter 2B – Floodplain Management, is 0.5 metres.

Council’s policy position to date has been to grant a height concession equivalent to that required to fill land to the 1:100 ARI flood level. Unfortunately the final form of clause 4.3A is currently ambiguous due to legal drafting. In addition, the *Building Height Allowance Map* failed to incorporate a reference to Australian Height Datum (AHD) when referring to minimum fill levels. Adopting the approach proposed in the submission may increase building heights as well as remove the link between the height concession and filling of land.

The objective of the planning proposal is to correct ambiguities within BLEP 2012 and was not to seek changes to Council’s policy position with respect to filling and height concessions within the floodplain. These matters require more detailed consideration and consultation than has been undertaken.

It is suggested that the matters raised in the submission and the degree of merit associated with what is proposed be more appropriately considered in the context of the review of Chapter 2B – Floodplain Management of Ballina DCP 2012. For this reason, and for the reasons previously outlined in this report, what is proposed in the submission is not supported at this time.

Options

1. That Council refer the planning proposal to the NSW Department of Planning and Infrastructure for finalisation in accordance with the exhibited preferred building height allowance provisions, or
2. That Council amend the planning proposal prior to submission to the NSW Department of Planning and Infrastructure for finalisation, or
3. That Council discontinue the planning proposal.

Option 1 is the preferred option. The adoption of this option would result in clauses 4.3A(2) and (3) of BLEP 2012, and the legend contained within the *Building Height Allowance Map*, being amended as outlined in this report and the planning proposal (Attachment One).

9.5 Planning Proposal 13/010 - Building Height Allowance Provision

Option 2 is not supported at this time. To amend the planning proposal as suggested in the submission would result in a significant change to Council's policy position related to filling within the floodplain and the associated height concessions permitted. This policy position was established following two periods of comprehensive community engagement in preparing the current local environmental plan.

The planning proposal could however be amended to reference the flood planning level within clause 4.3A(2) of BLEP 2012. To do so would, however, increase the available height concession by the amount of the freeboard. This not what was intended, nor is it supported.

Option 3 is not supported as it would result in clause 4.3A of BLEP 2012 remaining unchanged. The ambiguity that is considered to currently exist would then not be able to be resolved.

Whilst staff believe it is appropriate to immediately proceed to finalise the planning proposal on the basis that it is seeking to remove ambiguity within the planning instrument, the Council may choose to hold a further briefing before determining the matter.

If Council proceeds with option one, it should be noted that the DP&I has issued authority for the Council to exercise plan-making delegations in finalising the LEP amendment. This means Council would liaise directly with Parliamentary Counsel to finalise the drafting of the amendment for implementation.

Although there are some minor resourcing implications for Council (more staff time in processing), it is recommended that Council exercise its delegation in this instance. Directly liaising with Parliamentary Counsel in the drafting of the LEP will ensure, as far as possible, that Council's intended objectives for redrafting clause 4.3A are achieved. Therefore a recommendation to exercise delegation is made in this instance.

RECOMMENDATIONS

1. That Council endorses the amendment of clause 4.3A of the Ballina Local Environmental Plan 2012 and the legend contained within the Building Height Allowance Map as documented within Planning Proposal BSCPP 13/010.
2. That Council proceed to finalise and implement Planning Proposal BSCPP 13/010, directly in liaison with Parliamentary Counsel.

Attachment(s)

1. Attachment One - Planning Proposal (Final)
2. Attachment Two - Submission

9.6 Planning Proposal 13/011 - Ballina Heights Estate Stage 7a

9.6 Planning Proposal 13/011 - Ballina Heights Estate Stage 7a

Delivery Program Strategic Planning

Objective To present options for the progressing of Planning Proposal BSCPP 13/011 relating to Stage 7a of the Ballina Heights Estate at Cumbalum.

Background

BSCPP 13/011 relates to 30 recently registered lots comprising Stage 7a of the Ballina Heights Estate. These lots are described as Lots 330 – 359 DP 1189179 and are located off O'Rourke Street, Cullen Court and Walsh Place, Cumbalum. The subject land is illustrated in Figure 1 of the planning proposal included in Attachment 1.

The proposed amendment to the BLEP 2012 was considered by the Council at its Ordinary Meeting held on 28 November 2013 where it was resolved [Minute No. 281113/11]:

- 1. That the Council endorses the application of the R2 Low Density Residential zone to 28 lots and the R3 Medium Density Residential zone to two "duplex" lots consistent with the approved subdivision plan for Stage 7a of the Ballina Heights Estate as the basis for a planning proposal (as shown in the site plan contained in attachment 1).*
- 2. That the Council authorises the preparation and submission of a planning proposal relating to the identified residential lots comprising Stage 7a of the Ballina Heights Estate to the NSW Department of Planning and Infrastructure for review and Gateway determination.*
- 3. That upon an affirmative Gateway determination being received from the Department of Planning & Infrastructure, the procedural steps associated with progression of the planning proposal, including public exhibition, be undertaken.*
- 4. That a further report be presented to the Council in relation to this matter following the mandatory community consultation.*

Following the above resolution, the planning proposal was forwarded to the Department of Planning and Infrastructure (DP&I) for Gateway determination. The Gateway determination, issued on 12 December 2013, authorised Council to proceed conditionally with the proposal and undertake community consultation. Further, the Gateway determination authorised Council to exercise delegation to finalise the LEP amendment, should it be resolved to proceed with the planning proposal following public exhibition. A copy of the Gateway determination, including the authorisation to exercise delegation, is included in Attachment 1.

The planning proposal was publicly exhibited, in accordance with the Gateway determination for a minimum period of 14 days from 8 January to 24 January 2014. Two submissions were received as detailed in this report.

9.6 Planning Proposal 13/011 - Ballina Heights Estate Stage 7a

The purpose of this report is to provide the Council with options for progression of the subject planning proposal to finalisation.

Key Issues

- Application of appropriate residential zoning to the subject land
- Consistency of zoning with development consent for the land

Information

The planning proposal seeks to acknowledge the existing development consent for the subdivision of the land, by the application of appropriate residential zonings under the relevant planning instrument..

The subject land is currently zoned part B2 Local Centre, part R2 Low Density Residential and part R3 Medium Density Residential under the *Ballina Local Environmental Plan 2012* (BLEP 2012). The planning proposal seeks to amend the BLEP 2012 to apply the R2 Low Density Residential zone to the entirety of the site with the exception of two lots which are proposed to be retained as zoned R3 Medium Density Residential.

The requested amended zonings for the subject land reflect the landowner's preferred development outcomes for the site as requested by the proponent and considered by the Council at its Ordinary Meeting held on 28 November 2013. The amended zonings are also in accordance with the subdivision approval granted by Council following its determination of Development Application 2003/413 (DA 2003/413). The proposal will result in amendments to the Land Zoning Map to reflect the above changes.

The above rezoning will necessitate revision to the BLEP's Floor Space Ratio Map, Height of Buildings Map and Lot Size Map. This is due to the removal of the B2 Local Centre zone from the subject land and the application of consistent development controls with respect to the R2 and R3 zones. The proposed changes are detailed in the planning proposal contained in Attachment 1.

Although the subject lots were approved by Council in DA 2003/413 on 3 June 2010 (via a modification under section 96 of the *Environmental Planning and Assessment Act 1979*), they have only recently been registered (in DP 1189179 on 8 November 2013). The need for the planning proposal has arisen due to a request to amend the BLEP 2012 to reflect the intended development outcomes associated with a subdivision approval for the land. The approved lots were not assessed in relation to zoning as part of the preparation of the BLEP 2012 as they were not created at the time the plan was prepared.

Sustainability Considerations

- **Environment**

The rezoning of the land is, under the circumstances, a minor matter and as such it is not likely to have any significant implications from an environmental, social or economic perspective. The rezoning is consistent with the Council's strategic planning intent, and with the development consent that the Council has previously granted over the land.

- **Social**

As above.

- **Economic**

As above.

Legal / Resource / Financial Implications

The approach recommended in this report is consistent with Council's legal responsibilities as a local planning authority. The matters arising from this report have been attended to within existing resources.

Consultation

The planning proposal was exhibited for community comment from 8 January to 24 January 2014. Two submissions were received in response to the public exhibition and are included in Attachment 2.

Each of the submissions raise concerns relating the proposal to retain the R3 Medium Density Residential zone over two of the subject lots. More specifically, concern is raised in the submissions in relation to additional permitted residential uses in the R3 zone such as residential flat buildings.

The reason for the retention of the R3 zone is to enable dual occupancy development on the subject lots. While a greater range of residential forms are permissible in the R3 zone, there are limitations applicable to multiple dwelling development on the subject lots. Chapter 4 of Council's development control plan (DCP) provides guidance and controls for residential development. In relation to medium density development, the DCP provides minimum lot sizes for various forms of residential development.

The two lots proposed to be zoned R3 Medium Density Residential under this proposal have an area of 910.4m² (Lot 350) and 855.5m² (Lot 358). Under the current controls in DCP Chapter 4, residential flat buildings and other residential building forms containing 3 or more dwellings require a minimum land area of 1000m². As such, under Council's current development standards, the maximum development potential for the subject lots (without granting a variation to the minimum lot area standard) is dual occupancy development.

Options

1. That Council progress to finalisation of the planning proposal; or
2. That Council discontinue or defer the planning proposal.

Option one is the preferred course of action on the basis that it is consistent with planning context and development history of the land. The rezoning will ensure consistency with previous decisions of Council in relation to the subdivision of the subject land, and with community expectations.

Due to the relatively minor nature of the proposal and its consistency with the planning context of the land, it is recommended that the planning proposal be finalised.

The proposal would be finalised on the basis of the planning proposal documentation contained in Attachment 1 (the planning proposal incorporates minor amendments relating to the outcomes of the consultation phase and to finalise the documentation). Council may amend the planning proposal further prior to finalisation.

If Council proceeds with option one, it should be noted that the DP&I has issued authority for the Council to exercise plan-making delegations in finalising the LEP amendment. This means Council would liaise directly with Parliamentary Counsel to finalise the drafting of the amendment for implementation.

RECOMMENDATIONS

1. That Council endorses the rezoning of the identified lots in DP 1189179 to R2 Low Density Residential (28 lots) and R3 Medium Density Residential (2 lots) consistent with the approved subdivision plan for Stage 7a of the Ballina Heights Estate (as detailed in the planning proposal contained in Attachment 1).
2. That Council endorses adjustments to the floor space ratio, height of buildings and minimum lot size standards associated with the amended zoning under item 1 (as detailed in the planning proposal contained in Attachment 1).
3. That Council proceed to finalise and implement Planning Proposal BSCPP 13/011, relating to Stage 7a of the Ballina Heights Estate, Cumbalum, directly in liaison with Parliamentary Counsel.

Attachment(s)

1. BSCPP 13/011 - Planning Proposal (Final)
2. BSCPP 13/011 - Submissions

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

Delivery Program Strategic Planning

Objective To present options to Council with regard to progressing planning proposal 13/007 relating to the reclassification of the subject land from community land to operational land.

Background

On 18 December 2012, the Council's Commercial Services Committee considered a report in relation to a proposal to reclassify Council-owned land identified as Lot 5 DP 843369 (Lot 5) located on Old Bagotville Road, Wardell.

The Commercial Services Committee recommended that Council prepare a planning proposal for the reclassification of the land from community land to operational land in accordance with the requirements of the *Local Government Act 1993* (LG Act). The Minutes of this Commercial Services Committee meeting were adopted by the Council at its Ordinary Meeting held on 20 December 2012 [Minute No. 201212/36].

The Council subsequently considered a planning proposal relating to the proposed land reclassification at its Ordinary meeting held on 22 August 2013, resolving [Minute No.220813/14] as follows:

1. *That Council submits the planning proposal for the reclassification of Lot 5 DP 843369, Old Bagotville Road, Wardell from community land to operational land to the Department of Planning and Infrastructure for review and Gateway determination.*
2. *That upon affirmative Gateway determination being received from the Department of Planning and Infrastructure, the procedural steps associated with progression of the planning proposal, including public exhibition and the holding of a public hearing, be undertaken.*
3. *That a further report be presented to the Council in relation to this matter following the mandatory community consultation.*

The Department of Planning and Infrastructure (DP&I) issued Gateway determination on 6 September 2013.

The Gateway determination required a minimum 28 day community consultation period, provided for a six month timeframe for the LEP to be completed and did not require consultation with any public authorities. The six month time period was subsequently extended by an additional three months until 13 June 2014.

The LG Act requires that a public hearing be held as part of the process of reclassifying community land to operational land. The public hearing was held on 11 December 2013.

It was independently chaired by a local planning consultant, Mike Svikis.

Key Issues

- Reclassification of public land
- Appropriateness of an operational land classification
- Progress of LEP amendment

Information

The LG Act requires the classification of all Council-owned land as either community land or operational land.

Community land consists typically of parks and open space areas which are retained and managed for the general use of the community.

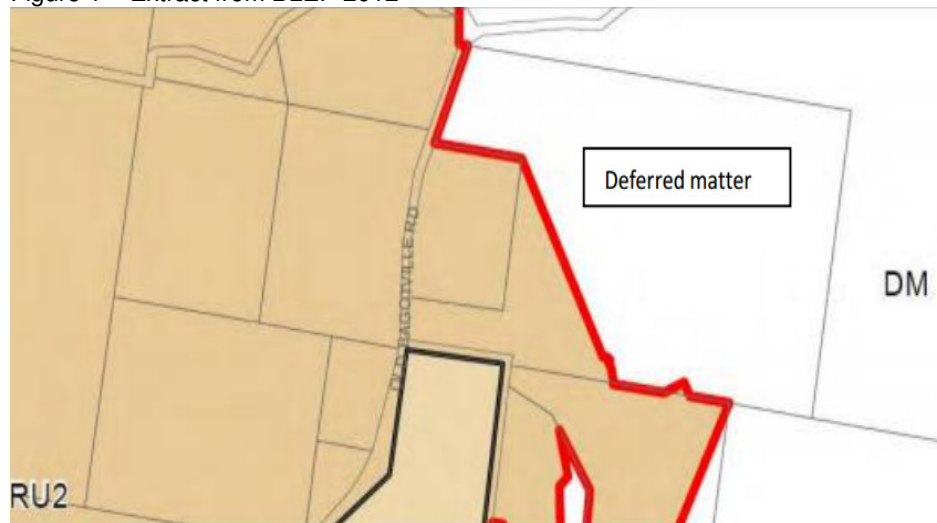
Operational land is land typically either held by Council as a temporary asset or as an investment, or land which facilitates Council carrying out its functions.

Part of Lot 5 is zoned RU2 Rural Landscape under the provisions of the *Ballina Local Environmental Plan 2012* (BLEP 2012) with the remainder of the site being “deferred matter”. This land is identified as “deferred matter” under the BLEP 2012 due to the proposed application of the E2 Environmental Protection Zone to the land under this plan.

Council is awaiting the outcomes of the Ministerial review of the application of environmental zones within the planning instruments of some Far North Coast councils.

The figure below shows the zoning of Lot 5 under BLEP 2012 and the area designated as “deferred matter”.

Figure 1 – Extract from BLEP 2012

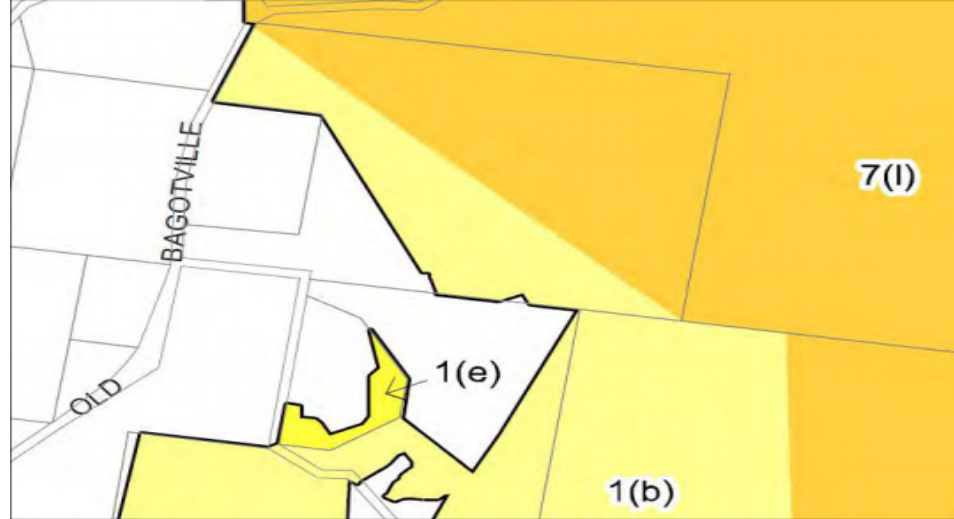


The *Ballina Local Environmental Plan 1987* (BLEP 1987) applies to the area identified as “deferred matter”. This area is zoned part 1(b) – Rural (Secondary Agricultural Land) and part 7(l) – Environmental Protection (Habitat).

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

The following figure shows the zoning of Lot 5 under BLEP 1987.

Figure 2 – Extract from BLEP 1987



Lot 5 was acquired by Council in 1996 for its potential as an extractive resource and future landfill site. The land was acquired by negotiation after auction. For this reason Council was unable to comply with the legislative requirements applicable at the time in relation to the classification of the land as operational land. As such, the land was classified as community land in accordance with the provisions of the LG Act.

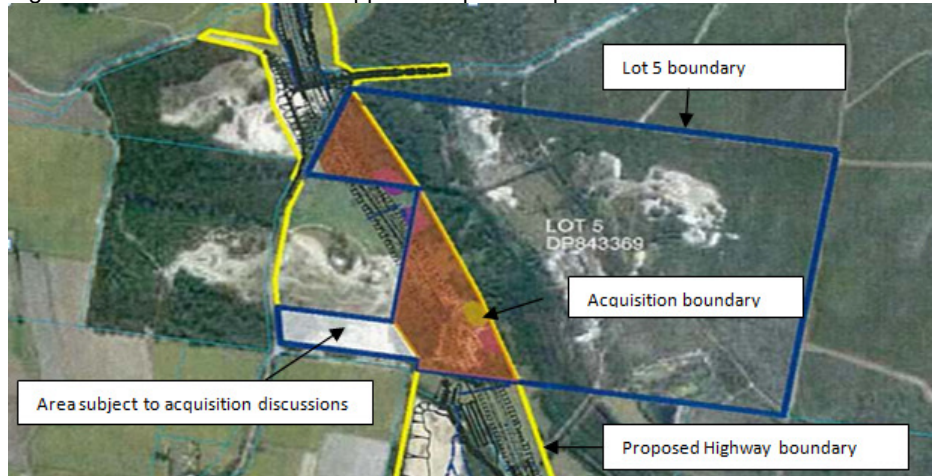
Lot 5 has an area of 50.53 hectares and was at one time used for quarrying purposes, being sand and hard rock extraction. Extraction areas have over time been naturally rehabilitated and now contain a number of areas of standing water which provide a water source for local wildlife and appear also to be used by an adjoining quarry.

Lot 5 contains vegetation communities which have been designated as having high conservation value in the Ballina Shire Growth Management Plan. In a submission from local wildlife ecologist, David Milledge (Attachment One), he advises that the vegetation communities within Lot 5 provide habitats for a range of threatened fauna species listed as vulnerable under the NSW Threatened Species Conservation Act 1995. These species include the Wallum Froglet, Wallum Sedge Frog, Long-nosed Potoroo and various bat and bird species.

The preferred route of the Pacific Highway Upgrade (Woodburn-Ballina section) traverses the western-most section of Lot 5. Information provided by the Roads and Maritime Services (RMS) in November 2013 indicates that an area of 6.99 hectares of Lot 5 is proposed to be acquired, with an additional severed area of 1.19 hectares being subject to discussion with the land owner (Attachment Two). The residue area after acquisition, located to the east of the proposed highway, would have an area of 43.54 hectares.

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

Figure 3 - Extract from RMS supplied acquisition plan



The residue of Lot 5 adjoins, along its eastern boundary, the Ngunya Jargoon Indigenous Protection Area (IPA). The IPA is managed by the Jali Local Aboriginal Land Council in recognition of the land's significant natural and cultural values. Management of the IPA is funded Federally through the Environmental Programs Branch of the Department of Prime Minister and Cabinet. A detailed plan of management applies to the IPA (Attachment Three).

Sustainability Considerations

- **Environment**

The proposed reclassification will not in itself have any direct environmental consequences. It may, however, facilitate the use of the land for various other purposes, as determined by Council. The potential consequences of the sale of the land or its environmental attributes cannot at this time be accurately quantified as no decisions concerning future use (beyond the use of part of the land for the Pacific Highway upgrade) have been made.

- **Social**

Through the community consultation process relating to this matter, it has been determined that the predominant eastern part of the subject land has importance to the local Aboriginal community in terms of their management of the adjoining IPA. The land provides habitat connection and a water source. The land has, however, not been designated for any specific community purposes and to that extent reclassification is not expected to result in any adverse social consequences.

- **Economic**

The subject land was acquired by Council in 1996 with the desire/intention of undertaking commercial activities (quarrying) and/or providing important community infrastructure (waste management facility). Reclassification of the land to operational land may provide Council with additional flexibility when considering future uses and/or the sale of the land. To that extent reclassification of the land to operational land may increase the economic returns potentially available to the community.

Legal / Resource / Financial Implications

The approach recommended in this report is consistent with Council's legal responsibilities as a local planning authority. The matters arising from this report can be attended to within existing resources.

Consultation

Public Exhibition

The planning proposal was publicly exhibited, in accordance with the Gateway determination, from 2 October 2013 to 4 November 2013 to achieve compliance with the required minimum 28 day period. In response to the public exhibition three submissions were received which raise objections and concerns with the proposed reclassification (Attachment One).

A summary of the matters raised in the submissions is provided below:

David Milledge, local wildlife ecologist, objects to the proposed reclassification on the following grounds:

- *Exceptionally high biodiversity value of the land and its strategic location adjoining Ngunya Jargoan Indigenous Protection Area.*
- *Failure of the planning process - issues not addressed in planning proposal.*
- *Range of threatened fauna species recorded on the site or in similar habitats– Wallum Froglet and Wallum Sedge Frog, Long –nosed Potoroo, Eastern Blossom-bat, Grey – headed Flying – fox. Additional habitats suitable for the Pale-vented Bush-hen, Red-backed Button –quail, Ground Parrot, Grass Owl and several microchiropteran bat species occur in Lot 5.*
- *Eastern section of Lot 5 provides habitat connectivity with the IPA.*
- *Proposed reclassification implies that the entire lot is suitable for commercial development.*
- *Council should have undertaken a Threatened Species Assessment and also referred the proposal to the Commonwealth Government under the EPBC Act 1999.*
- *Council would be in a much better position to negotiate a balanced outcome with the RMS if land remains classified as community land.*

Comment:

The ecological issues raised in the submission are not disputed. There has, however, been no failure in the planning process due to a threatened species assessment not being undertaken or due to the matter not being referred to the Commonwealth Government under the EPBC Act 1999.

It is considered that there is no legal requirement for the above matters to be undertaken in the context of a land reclassification proposal motivated primarily by the proposed sale of the land to the RMS. The planning proposal has been amended to make reference to the IPA which is additional information obtained as a result of the community consultation process.

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

The Hon. Jan Barham MLC, objects to the proposed reclassification on the following grounds:

- *Land has significant biodiversity value.*
- *Land adjoins the Ngunya Jargoona IPA.*
- *The planning process for the reclassification has failed to take the above matters into account.*
- *Maintains that the proposed reclassification will have an adverse impact on the threatened species through the disruption of critical habitat.*
- *Claims that Council should have undertaken a Threatened Species Assessment and also referred the proposal to the Commonwealth Government under the EPBC Act 1999.*

Comment:

The objections raised have been previously addressed in consideration of the issues raised by David Milledge.

Jali Local Aboriginal Land Council, Cullimurra Woia, Acting CEO, raises the following concerns:

- *Impacts to the adjacent lands directly affect the values of the IPA, provide a risk to important habitat, to local Aboriginal sites and cultural complexes, and break up the important connectivity with surrounding land.*
- *Reclassifying community held land directly adjacent to the IPA to a zoning which allows the potential sale and development does not enhance this important asset of the region.*
- *It diminishes the IPA through allowing potential sale and development. Would lead to destruction of habitat and lead to destruction of the only viable population of the Long-nosed Potoroo in coastal NENSW.*
- *It diminishes the IPA through removing important wildlife corridors.*
- *It diminishes the IPA through removal of a buffer between the IPA, cane farms and quarries to the west.*
- *It diminishes the value of the IPA and the primary cultural and natural reasons for which it was declared.*
- *Jali LALC invites Council to discuss potential management arrangement for the land utilising the existing green team.*

Comment:

The concerns of the Jali LALC question the appropriateness of an operational land classification applying to the whole of Lot 5. Reclassifying the land to operational will not, in itself, lead to the adverse environmental consequences detailed in the submission. These impacts may arise if the land were to be developed in a manner inconsistent with its environmental qualities.

It is suggested this scenario is highly unlikely given zoning, the extent of environmental constraints and the prevailing legislative context.

It is also noted that a change in classification does not trigger or infer a change of zoning of the land under any environmental planning instrument. The zoning of Lot 5 is described and illustrated earlier in this report.

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

The only change that may arise will be as a consequence of the Minister's determination of the current review into the application of environmental protection zones in the Council's plan. No prediction is made about this.

External Agency Consultation

The Gateway determination did not require any formal consultation with public authorities. The NSW Roads and Maritime Services (RMS), Office of Environment and Heritage (OEH), Department of Primary Industries – Office of Water and NSW Trade and Investment - Resources and Energy were however invited to provide comments. A summary of the submissions received appears below.

The submissions received are contained within the planning proposal (Attachment Four, Appendix D).

Roads and Maritime Services (RMS) has advised that:

- *It has no objection to the proposed reclassification.*
- *Part of the land is affected by the upgrade of the Pacific Highway and will be subject to part acquisition.*

The Office of Environment and Heritage (OEH) has advised that:

- *The reclassification will not alter the current zoning provisions existing over the land.*
- *The proposed reclassification will enable Council to exercise options with regard to the sale, lease or other dealings with the land by Roads and Maritime Services for the purpose of the Pacific Highway upgrade project.*
- *The reclassification of land may lead to more appropriate long term management outcomes in keeping with the values of the land, both for environmental protection and commercial purposes.*

The Department of Primary Industries – Office of Water has advised that:

- *It is not concerned with Council's plans to reclassify the land, however would like the opportunity to review any future rezoning proposals for the site or development applications associated with the two quarries on the site.*
- *Indicates that the Office of Water was aware of a number of wetlands on this site.*

The Department of Trade and Investment – Resource and Energy – Mineral Resources Branch (MRB) has advised that:

- *MRB supports the planning proposal to reclassify the subject site as operational land to allow the potential utilisation of the in-situ construction material resource for the Pacific Highway upgrade works*
- *MRB notes that Petroleum Exploration Licence (PEL) 445 held by Dart Energy (Bruxner) Pty Ltd exists over a broad regional area that includes the subject site.*

Comment:

The comments made by the public agencies detailed above have not raised issues which have direct impacts on the reclassification of all or part of Lot 5 from community to operational land.

The information obtained from the RMS in respect to proposed acquisition boundaries has, however, been of value in proposing an alternative operational land boundary.

The advice from the MRB regarding the existence of a Petroleum Exploration Licence over the subject site does not have any impact on the land classification issue.

Public Hearing

In accordance with the requirements of the LG Act, relating to the reclassification of community land to operational land, a public hearing was required to be held. The public hearing was held on 11 December 2013 in the Richmond Room in Ballina. Three persons made oral submissions, the details of which are contained within the Chairperson's Report (Attachment Five). The Chairperson's Report also contains information from the public hearing for the reclassification of Council land at Ballina Quays Canals and Banyanda Lake. This will be the subject of a future report to Council.

The recommendations made by the Public Hearing Chairperson were as follows:

- 1. Council should retain as Community land all that part of Lot 5 that is currently designated as "deferred matter" under LEP 2012. The balance of Lot 5 that is zoned RU2 under LEP 2012 should be reclassified as Operational land. When the environmental zones have been finalized under LEP 2012 and lot 5 zoned according to its environmental characteristics; and when Council has considered whether it wants to manage Lot 5 in the long-term or pass it onto a land management group (such as the managers of the adjacent IPA), then the matter of its classification can be revisited as a way of facilitating its transfer (either all of it or part of it) to an appropriate land manager, if this is Council's preferred position.*
- 2. If Council considers splitting Lot 5 into two classifications is not practical then all of lot 5 should be retained as Community land until such time as the environmental protection zones have been finalized in LEP 2012 and lot 5 is zoned according to its environmental characteristics. This should ensure that the ecological values and Aboriginal cultural heritage values (potentially) of lot 5 are not compromised by a future owner. When Council has considered whether it wants to manage Lot 5 in the long-term or pass it onto a land management group (such as the managers of the adjacent IPA), then the matter of its classification can be revisited as a way of facilitating its transfer (either all of it or part of it) to an appropriate land manager, if this is Council's preferred position.*

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

The recommended approach to finalising the reclassification planning proposal provides for a part operational and part community land classification over Lot 5. The proposed operational land reclassification boundary follows the RMS proposed land acquisition boundary and includes the land designated as “subject to acquisition discussions”.

The north western corner of Lot 5 is a “deferred matter” under Ballina LEP 2012. This area was part of the land subject to the proposed E2 Environmental Conservation zone. Whilst the Chairperson’s recommendation 1 proposes that all of the “deferred matter” land retain a community land classification, this is not considered desirable given the land proposed to be acquired by the RMS includes the north western corner of Lot 5.

Internal Consultation

Feedback was also sought from Council’s Commercial Services Unit (CSU) in respect to this matter and the subsequent recommendation. The advice from CSU is that they do not support a part reclassification as recommended as it could significantly reduce the value of any compensation provided by the RMS, based on a legal case between Liverpool City Council and the RTA (2004) (NSWLEC 543).

CSU also advise that reclassification to operational does not, in itself, impact on any ecological or environmental concerns as ultimately it is a matter for Council to determine how it manages the land. It may well be more prudent for Council to reclassify the entire property to operational while the negotiations with the RMS are taking place and once those negotiations are completed Council can promptly reclassify the remaining land back to community.

Options

1. That Council refer the planning proposal to the NSW Department of Planning and Infrastructure for finalisation as exhibited, or
2. That Council amend the planning proposal prior to submission to the NSW Department of Planning and Infrastructure for finalisation, or
3. That Council recommend that the planning proposal be discontinued.

In respect to option one, whilst it is the case that Council originally purchased Lot 5 for commercial and/or infrastructure purposes the zonings currently applicable, and/or proposed, severely limit the commercial use of a substantial portion of Lot 5. In addition, the high conservation value of vegetation located on Lot 5, as well as the lot’s critical habitat potential for threatened species, and its proximity to the IPA all impact significantly on its future development potential.

The proponent’s (Council’s) motivation for seeking an operational land classification was partly related to maximising the financial return to the community resulting from the acquisition of part or all of lot 5 by the RMS. The RMS has now indicated that only part of the land (6.99ha) is proposed to be acquired. An additional severed area (1.19ha) is subject to acquisition discussions and the bulk of Lot 5 (42.35ha) is not designated for acquisition.

In the circumstances outlined above, and from a land use planning perspective, an operational land classification over the whole of Lot 5 is not recommended.

9.7 Land Reclassification - Lot 5 DP 843369, Old Bagotville Road

In respect to option two, the planning proposal could be amended as recommended in the public hearing report so that the deferred matter retains its current community land classification and that part of the land currently zoned RU2 Rural Landscape is reclassified as operational land.

Alternatively, the planning proposal could be amended so that the area indicated on the RMS plan for acquisition and discussion for acquisition is classified as operational land. The balance of Lot 5 would then retain its current community land classification. This alternative is preferred because it aligns the land classification boundary with the proposed RMS acquisition boundary.

Option three has some merit but is not recommended as it does not assist Council in optimising its financial returns from the RMS proposed land acquisition.

In this respect, Council's initial land acquisition objectives should be considered and the value of that part of the land proposed to be acquired maximised.

RECOMMENDATIONS

1. That Council endorses a part operational and part community land classification for Lot 5 DP 843369 Old Bagotville Road, Wardell.
2. That Council amend the planning proposal (BSCPP 13/007) such that the extent of the operational land classification applicable to Lot 5 DP 843369 is limited to that part of the lot proposed to be acquired by and subject to acquisition discussion with the NSW Roads and Maritime Services, as shown on the RMS Property Acquisition Sketch dated 28 October 2013.
3. That the necessary documentation be compiled and forwarded to the Department of Planning and Infrastructure to enable the Minister to finalise the planning proposal (BSCPP 13/007).

Attachment(s)

1. Attachment One - Public Submissions
2. Attachment Two - RMS Property Acquisition Sketch
3. Attachment Three - Ngunya Jargoona IPA
4. Attachment Four - Planning Proposal 13-007 (Final)
5. Attachment Five - Public Hearing Chairpersons Report

9.8 Ballina - Major Regional Centre Strategy

9.8 Ballina - Major Regional Centre Strategy

Delivery Program Strategic Planning

Objective To provide an overview of the Ballina Major Regional Centre Strategy project as funded by the NSW Department of Planning and Infrastructure.

Background

In February 2013, Council lodged an application for grant funding under the Department of Planning and Infrastructure's (DoP&I) Planning Reform Fund (Round 8). The grant proposal sought funds to support a comprehensive strategic plan for the town of Ballina as a regional centre as identified in the State Government's Far North Coast Regional Strategy.

The project concept, being to examine the planning framework for Ballina in detail, stems from the recently concluded comprehensive Local Environmental Plan (LEP) renewal program. As part of the LEP renewal program, Council resolved in May 2011 to review the development potential of Ballina Island following completion of the Council's Climate Action Strategy. This strategy was endorsed by Council in December 2011. The proposed project is also consistent with several strategic actions identified within Council's adopted Ballina Shire Growth Management Strategy (2012).

Council has recently been advised by the DoP&I that it has been successful in obtaining a \$200,000 grant from the Planning Reform Fund for the proposed project, being the Ballina Major Regional Centre Strategy. Staff have been liaising with the Department to finalise the arrangements for the grant and have completed an initial project plan in consultation with Departmental staff.

The purpose of this report is to confirm the project details with Council and to provide an overview of the planned approach for the delivery of the project.

Key Issues

- Strategic planning benefits for Ballina
- Approach to delivery of Ballina Major Regional Centre Strategy.

Information

The State Government's Far North Coast Regional Strategy (FNCRS) identifies Ballina as a developing major regional centre. The project involves the preparation of a strategy to advance and consolidate Ballina as a regional centre and thereby support the implementation of the FNCRS. The project will focus on the localities of Ballina, East Ballina and West Ballina.

The project seeks to deliver a strategy document that provides long term direction with respect to housing, economic development, recreation and open space, environmental management, healthy living and infrastructure, and urban design.

9.8 Ballina - Major Regional Centre Strategy

These key aspects of the strategy will be based on specific studies that examine significant issues including residential development standards, affordable housing, the Ballina Town Centre, employment areas, environmental considerations, ageing population, urban design and public spaces.

The strategy will be founded on engagement with the community, key stakeholder organisations and government agencies. The strategy will provide a basis for planning and policy decisions to advance and reinforce Ballina as a major regional centre. Given this, and the community engagement that will underpin the strategy development process, the strategy is intended to form the basis for the establishment of policy and planning provisions for Ballina in a manner consistent with the strategic planning approach advocated by the NSW Government through the current planning reforms.

In summary, key elements currently identified for the delivery of the project include the following:

- Both broad scale and targeted community engagement initiatives
- Community and Government agency reference groups
- An internal governance group
- A peer review process
- Preparation of a variety of underpinning studies that provide a platform for the overall strategy document; and
- Preparation of the Ballina major regional centre strategy document.

The project is expected to formally commence in March 2014 (subject to provision of the funding from the DoP&I) and is scheduled to occur over a period of 20 months, concluding in October 2015.

Sustainability Considerations

- **Environment**
The development of a strategy for Ballina is intended to address a variety of environmental, social and economic considerations to assist the Council in the development of local planning policy. Key issues in this regard are expected to emerge as the project progresses and community engagement initiatives are undertaken.
- **Social**
As above.
- **Economic**
As above.

Legal / Resource / Financial Implications

In addition to the \$200,000 committed by the Department, Council will need to contribute \$50,000 derived from savings in the allocated costs associated with the delivery of the LEP renewal program. This funding will be expended on specialist technical consultancies needed to complete the project.

9.8 Ballina - Major Regional Centre Strategy

The project will be managed within existing staff resources with consultants engaged, as required.

There are no legal implications associated with the commencement of the project.

Consultation

The project is intended to draw on the key principles associated with the current planning reforms in relation to strategic planning. That is, the project involves establishment of a strategic plan based on community and stakeholder input which in turn, will provide a basis for the Council's consideration of future local policy and planning provisions.

A variety of community engagement initiatives will be undertaken over the duration of the project, as referred to above.

A program of reporting and briefings will also be established for Councillors to enable the provision of direction, input and information sharing during the project, in a manner not dissimilar to the shared sessions during the preparation of the new LEP.

Options

Council has the option of proceeding or not proceeding with the project. The project provides the opportunity for Council to consider and address many, if not all, of the key strategic planning considerations for the future planning of Ballina. The funding provided has created an excellent opportunity for this work to be undertaken over the next 20 months, at minimal cost for Council and on this basis the recommendation is for Council to approve the advancement of this work.

The budget adjustments required for this grant are also included in the recommendations that follow. The Council contribution to the project will be funded from within the existing Strategic Planning budget.

RECOMMENDATION

1. That the Council notes the information contained in this report in relation to the Ballina Major Regional Centre Strategy project and provides its approval for the project to proceed.
2. That Council approves the inclusion of the following grant contributions and matching expenditure in the Long Term Financial Plan for this project

Year	2013/14	2014/15	2015/16
Grant	60,000	120,000	20,000
Expense	60,000	120,000	20,000

Attachment(s)

Nil

9.9 Developer Contributions - Secondary Dwellings

9.9 Developer Contributions - Secondary Dwellings

Delivery Program Strategic Planning

Objective To review developer charges and contributions (s64 and s94) for Secondary Dwellings

Background

The development of 'granny-flats', defined as 'secondary dwellings' under *Ballina Local Environmental Plan 2012* (BLEP 2012), presents a number of potentially positive outcomes, including the following:

- Increasing the range of residential development types available to accommodate the changing (and aging) demographics of the shire - currently a high proportion of the shire's dwelling stock comprises detached houses comprising 3 or more bedrooms;
- Increasing the availability of 'affordable housing' suitable for single persons or couples without children;
- Providing additional income to households where the secondary dwelling is rented;
- Providing financial support for elderly residents to 'age in place' by renting out either the secondary dwelling or the primary residence;
- Potential for releasing 'under-occupied' dwellings by providing opportunities for residents to move into the secondary dwelling and rent out the primary dwelling to a larger household; and
- Providing opportunities for inter-generational care, in instances where family members are able to move into the primary dwelling and provide residential care to elderly relatives.

Currently, development for the purpose of a secondary dwelling may be undertaken as complying development on certain residential zoned land, in accordance with the *State Environmental Planning Policy Affordable Rental Housing 2009* (Affordable Housing SEPP), subject to meeting the following requirements:

- Complying development under the General Housing Code (*State Environmental Planning Policy (Exempt and Complying Development) 2008*) is permitted on the land;
- There is only one house and secondary dwelling on the lot;
- The combined total floor area of the house and the secondary dwelling complies with the floor space area controls in the (council's) local environment plan;
- The maximum floor area of the secondary dwelling is no greater than:
 - 60 square metres; or
 - The maximum floor area prescribed by the council in its local environmental plan;
- The lot containing the secondary dwelling cannot be subdivided;

9.9 Developer Contributions - Secondary Dwellings

- The secondary dwelling meets planning controls such as building height and setbacks, floor space ratios, and open space in the (council's) local environmental plan and/or the complying development provisions in the Affordable Rental Housing SEPP.
- The secondary dwelling meets the requirements of the Building Code of Australia.

Further, the effect of the Affordable Housing SEPP is that there are no requirements to provide any additional parking for the secondary dwelling. A NSW Government Fact Sheet, defining and detailing the development incentives provided by the Affordable Housing SEPP with regard to secondary dwellings/granny flats is provided as Attachment One.

There remains however, a concern that the requirement for landowners to pay development contributions (under s94 of the Environmental Planning & Assessment Act 1979 and s64 of the Local Government Act 1993) presents a significant disincentive to this form of development. By way of illustration, a standard (one bedroom) secondary dwelling in Ballina would be subject to development contributions as outlined in the following table.

Table1: Estimated Developer Contributions and Charges – One Bedroom Secondary Dwelling

Contribution	Rate per contribution Unit	Total Contribution Units Payable	TOTAL COST
Ballina Island Local Parks	\$224.00	0.4815	\$107.86
Ballina District Parks	\$901.00	0.4815	\$433.83
Ballina Playing Fields	\$1,174.00	0.4815	\$565.28
Regional Open Space Facilities	\$866.00	0.4815	\$416.98
Open Space Administration	\$34.00	0.4815	\$16.37
Ballina District Community Facilities	\$1,708.00	0.4815	\$822.40
Regional Community Facilities - Amend 1	\$3,870.00	0.4815	\$1,863.41
Community Facilities Administration	\$71.00	0.4815	\$34.19
Ballina Island Roads 2010	\$10,874.00	0.6047	\$6,575.51
Roads Administration 2010	\$165.00	0.6047	\$99.78
Ballina Island Sewerage (DSP Area B)	\$7,474.00	0.34	\$2,541.16
Ballina Island Water (DSP Area B)	\$3,450.00	0.34	\$1,173.00
Rous Water 2009	\$8,861.00	0.34	\$3,012.74
Car Parking Contribution Applicable	Nil	Nil	Nil
TOTAL			\$17,662.50

9.9 Developer Contributions - Secondary Dwellings

As indicated above, the imposition of current development contributions/charges typically presents an additional cost in the order of \$18,000, above design and construction costs associated with the development of secondary dwellings. The purpose of this report is to invite the Council to consider whether the contributions/charges currently levied for secondary dwellings are in the broader public interest, given the potential benefits associated with such development.

Key Issues

- Affordable housing / variety in housing stock.
- Infrastructure delivery.
- Developer contribution levies and charges.

Information

Eligibility criteria

If Council is supportive of the position to not levy contributions for secondary dwellings then criteria upon which to base such a position should be determined.

Council's existing developer service / contribution plans (s64 & s94) contain provisions that would enable Council to exempt certain development from applicable contribution requirements. Exemptions can be granted where, in the opinion of Council, certain development does not increase the demand for community infrastructure, public facilities and services.

It is arguable that smaller "granny flat" type secondary dwellings would not have a significant impact on the demand for community infrastructure, public facilities and services. Therefore criteria aimed at ensuring that secondary dwellings remained small in size would be appropriate.

The following criteria are suggested as appropriate for the purpose of granting contribution exemptions for secondary dwellings:

- The total floor area of the secondary dwelling (excluding any area used for car parking) is restricted to a maximum of 60m².
- The floor space ratio (that is, the combined floor areas of the two dwellings as a proportion of the site area) of the principal and secondary dwelling does not to exceed 0.5:1.
- Compliance with all other requirements relating to secondary dwellings contained within the Affordable Rental Housing SEPP.
- A maximum of 2 bedrooms are contained within the secondary dwelling and 5 bedrooms, 3 water closets and two laundries on the total site.

The above requirements limit the size of secondary dwellings and as a consequence the number of persons that they may accommodate. This in turn limits their impact on existing community facilities and services.

9.9 Developer Contributions - Secondary Dwellings

The 5 bedroom limit has been nominated as it was considered by Council's Development Engineers that limiting the number of bedrooms, to a maximum of 5 per site, increased the likelihood that there would be no increased sewer flows or water demand from such sites. This approach is also consistent with the policy position adopted by Byron Shire Council.

Following discussions with Rous Water, as the local water supply authority, agreement was reached that water demand arising from the construction of a secondary residence would not necessarily increase if certain criteria were applied to the total site. The agreed criteria comprise 5 bedrooms, 3 water closets and 2 laundries as a site limit for the primary and secondary dwellings.

The agreed assessment position reached with Rous Water enables the Rous Water Bulk Water Supply contribution not to be applied for secondary dwellings that meet the nominated criteria. This is a positive example of Rous Water and Ballina Shire Council Engineering staff collaborating to jointly develop assessment criteria.

Secondary dwellings which comply with the above criteria cannot be subdivided. Subdivision of secondary dwellings is not permitted by clause 24 of the Affordable Rental Housing SEPP. There are also limitations on the subdivision of secondary dwellings contained within the BLEP 2012.

Notwithstanding the prohibition on the subdivision of secondary dwellings, it is important to note that subdivision of a lot which would otherwise meet Council's minimum lot size standards would remain possible in specific circumstances. If a subdivision of land involving a secondary dwelling was to occur, the existing secondary dwelling would need to be defined as another form of housing. This is because the subdivision would cause the secondary dwelling to no longer be on the same lot as the principle residence.

It is noted that the inability to create separate titles for the primary and secondary dwellings may be a barrier for some people to undertake this style of development. In this regard, having to mortgage the entire property to obtain finance for the erection of the secondary dwelling may prove difficult or problematic. Nevertheless, at least at this point in time, the broader community benefits potentially delivered by this type of accommodation are seen to override this issue.

In cases of a land subdivision, developer contributions and charges would be imposed as conditions of any consent granted. Therefore any waiving of developer contributions for secondary dwellings is unlikely to impact Council's ability to levy contributions in the event that a land subdivision is possible.

It is considered that a case exists for Council to relax its charges and contribution requirements so as to encourage secondary dwellings that comply with the above criteria, at least for a trial time period. This may provide for the advantageous outcome of greater housing choice within Ballina Shire.

Secondary dwelling approvals within Ballina Shire

The Affordable Housing SEPP was introduced by the State Government in July 2009. Since that time there have been very few secondary dwellings approved within Ballina Shire.

9.9 Developer Contributions - Secondary Dwellings

An examination of development consents granted in the period 1 July 2012 to 30 June 2013 found only one application that could potentially be classified as a secondary dwelling / granny flat. This consent was for a detached secondary dwelling located on Ballina Island.

During the period 1 July 2012 to 30 June 2013 there were no complying development certificates issued for secondary dwellings in Ballina Shire.

Calculation of contributions

The levying of development charges / contributions by local councils is a function of:

- Section 94 of the *Environmental Planning and Assessment Act 1979* – for the provision and maintenance of roads, open space and community facilities infrastructure; and
- Section 64 of the *Local Government Act 1993* – for the provision of drinking water and sewerage infrastructure and the requirements of the *Water Supply Authorities Act 2000*.

The calculation of the charge or contribution amount payable is typically based on “equivalent tenements”. The contributions payable are adjusted for residential development on a per unit scale between one bedroom to three bedroom homes. As a consequence, the method of calculating development contributions already takes into account the lower rate of infrastructure demand that is attributable to smaller homes.

In the case of homes containing more than 3 bedrooms the guidelines, issued by the Water Directorate and upon which equivalent tenement calculations are based, do not provide for an increase in equivalent tenements for such homes.

Total contributions and charges payable typically range from approximately \$18,000 to \$40,000 depending on whether the home has one, two or three or more bedrooms.

Current Ballina Shire contribution plans (s94 and s64) do not provide specific contribution or charge exemptions for secondary dwellings. These plans however, provide discretion for Council to make a determination as to whether contributions will be required in specific circumstances.

Ballina Contribution Plan 2008, and the Roads Contribution Plan 2010 both provide for exemptions for any development, which in the opinion of Council, will not increase demand for the categories of public facilities and services or community infrastructure addressed by these plans.

Council’s Water Supply and Sewerage Development Services Plans also appear to provide discretion in the application of conditions requiring payment of contributions.

Council could therefore determine, by specific resolution, that secondary dwellings be exempt from the contribution requirements contained within Council’s s94 and s64 plans. This would have the effect of waiving s94 and s64 contributions/charges for secondary dwellings where specified criteria are met.

9.9 Developer Contributions - Secondary Dwellings

In the case of the Rous Water Development Servicing Plan for Bulk Water Supply (Rous Water DSP) no exemption provisions apply unless the proponent is a non-profit or charitable organisation. Council currently acts as an agent for Rous Water in the determination and collection of charges under this plan.

Council is responsible for determining the charges applicable under the Rous Water DSP through the equivalent tenement (ET) calculation. The Water Directorate guidelines do not nominate specific ETs applicable to secondary dwellings. If secondary dwellings were to be treated as part of a dwelling, as opposed to a self contained flat, then no charges would be applicable.

The above approach was discussed with Rous Water officers and agreement reached that where the number of bedrooms on a site in total is 5 or less, and no more than 3 water closets and 2 laundries are provided, then there would be no increase in ETs. In such circumstances there would then be no bulk water charges applied to the secondary dwelling proposal.

Comparisons with surrounding LGAs

The table below provides information relating to the practice adopted by some other councils within the region with respect to contributions for secondary dwellings:

Table 2: Overview of Selected Contributions Policy for Secondary Dwellings – North Coast LGAs

Council	Contributions levied?	Comments
Tweed	No	<p>Tweed DCP 2008 (Chapter A1 – Part A) indicates that secondary dwellings are exempt from payment of section 94 and section 64 contributions. Verbal confirmation has been obtained from a senior planning officer which indicates that contributions are not levied, in accordance with the DCP provisions.</p> <p>Secondary dwellings are subject to the following principal controls:</p> <ul style="list-style-type: none">• Site area must be greater than 450m²• Subdivision not permitted• Must not exceed a total floor area of 60m² or 20% of the total floor area of the principal dwelling whichever is the greater.

9.9 Developer Contributions - Secondary Dwellings

Council	Contributions levied?	Comments
Byron	No	<p>Byron Shire Council resolved on 14/4/2011 not to charge section 94 or 64 contributions subject to:</p> <ul style="list-style-type: none"> • Dwelling size not exceeding 60m² • Whole site FSR not to exceed 0.5:1 • 25% of site must be covered by absorbent material • Overall number of bedrooms on a site not to exceed 5 • Applicants must accept a condition that the development not be used for tourist accommodation. <p>Byron Contribution Plan 2012, applicable from 1 January 2013, incorporated the above provisions.</p> <p>The reasons for the exemption are stated as:</p> <ul style="list-style-type: none"> • Maintaining the flexibility for local residents to extend their homes to accommodate their existing family without undue financial hardship; and • Supporting the potential for the provision of small-scale local affordable housing for elderly relatives and older children in the form of secondary dwellings.
Richmond Valley	Yes for section 64	<p>Council has not had any applications for secondary dwellings. They have in place a section 94A plan which would not permit contributions to be levied for development with an estimated cost of less than \$100,000 or for affordable housing.</p> <p>Section 64 charges are applicable. However there is discretion available for the General Manager to review these subject to an application.</p>
Lismore	Yes	<p>Council resolved in April 2013 to investigate options to expedite a review of the s94 and s64 contribution / charge plans. The review will consider the recommendations in the adopted Housing Strategy with respect to dual occupancy development and affordable housing. These recommendations related to reducing or delaying the payment of contributions. No decisions have yet been made in respect to this matter by Lismore City Council.</p>

In order to estimate the potential impact of a contribution waiver on development activity, development consents granted by Byron Shire Council were examined, for the period 2010 to 24 October 2013; this being the period immediately prior, during and after the introduction of the contribution waiver by Byron Shire Council. The approximate number of secondary dwellings approved is indicated in the table below:

9.9 Developer Contributions - Secondary Dwellings

Table 3: Secondary dwellings approved by Byron Shire Council

Period	Number approved
2010	7
8 months after resolution on 14/4/2011	34
2012	53
2013 to 24 October	35

Typical charges and contributions imposed by Byron Shire Council prior to April 2011 were approximately \$22,000 for a two bedroom secondary dwelling. It is also noted that immediately after that Council's resolution a significant number of secondary dwelling approvals related to the conversion of existing "studios", as opposed to the erection of new buildings.

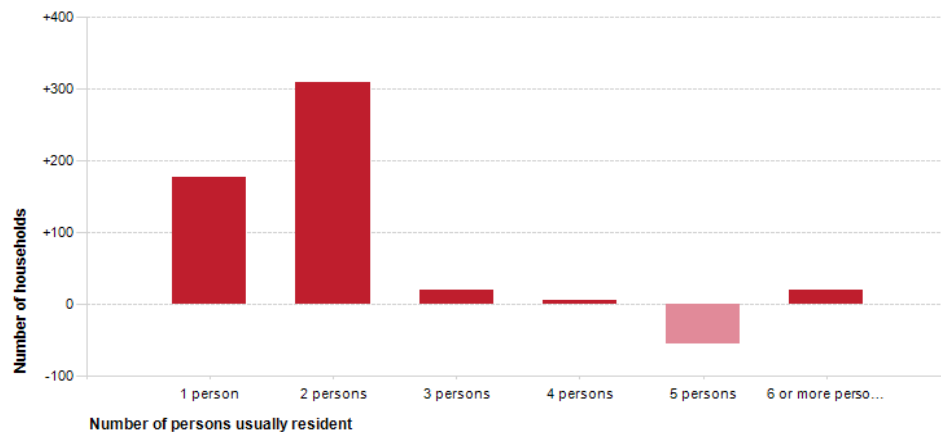
Ballina Shire demographic considerations

In the period 2006 to 2011 the Ballina Shire population (Estimated Resident Population or ERP) increased from 39,537 to 40,747, an increase of 1,210 persons or 3.1%. In the same period the total number of dwellings increased from 17,139 to 18,074, an increase of 935 or 5.5%.

The fact that dwelling numbers are increasing faster than population is an indicator of decreasing household size. The average household size reduced from 2.39 persons to 2.35 persons during the period 2006 to 2011. The graph below shows the changes taking place to household size in the period 2006 to 2011.

Change in household size, 2006 to 2011

Ballina Shire



Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.



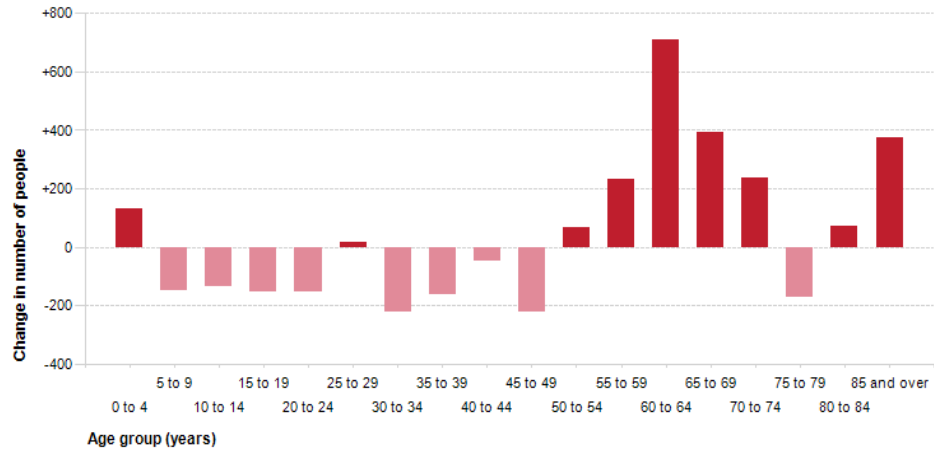
While it is the case that the average household size is falling it is also apparent from an examination of available development approval data that there are few small dwellings (less than 3 bedrooms) being approved.

The Ballina Shire population is also becoming older. The graph below shows that the most significant changes in the population age structure were generally confined to the over 50 year age category.

9.9 Developer Contributions - Secondary Dwellings

Change in five year age structure, 2006 to 2011

Ballina Shire



Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2011 (Usual residence data)
Compiled and presented in profile.id by .id, the population experts.



Infrastructure and cost considerations

Having considered the demographic characteristics of the shire, including an aging population and declining occupancy rates per dwelling, there appears to be a case for suggesting that secondary dwellings may assist to make better use of existing infrastructure. In so doing, the overall infrastructure costs to Council may also be positively impacted by reducing demand for new facilities in less established areas.

In an environment of low current secondary dwelling approvals it is considered that there will be minimal “loss of income”. This is because there are few consents granted which generate developer contributions and charges related to this type of development.

The issue is more one of whether a policy change involving waiving of contributions will give rise to a future unfunded demand for facilities and services. Engineering advice is that the available evidence does not support such a conclusion. In any case, due to anticipated modest take up, a waiver of contributions could be trialled for a period of time and reviewed to determine the extent of any impacts on existing infrastructure and services.

The implementation of a policy to exempt certain secondary dwellings from the payment of contributions (s94 & s64) could be achieved by Council resolution. Contribution plans would then be subsequently amended in accordance with plan review processes in due course.

In considering such a policy it is prudent to assess whether an increase in demand for services could result in increased costs being incurred by Council in the future.

9.9 Developer Contributions - Secondary Dwellings

Council's Civil Services Group advises that the increase in demand on infrastructure from secondary dwellings is expected to be negligible. Byron Shire Council engineering staff have indicated that there has not been an increase in flows to the waste water treatment facilities attributable to the increase in secondary dwelling approvals.

Given that there is a declining occupancy rate per dwelling in the Ballina Shire it is anticipated that Ballina Shire will be similar to Byron Shire and will not observe an increase in service demand attributable to the potential increase in secondary dwelling approvals. Implementing a reduction in developer contributions, including a suitable review period, would give Council the ability to monitor catchment flows and make adjustments to the policy if necessary.

Amenity considerations

An increase in the occurrence of secondary dwellings may have amenity implications that are of concern in relation to properties that adjoin sites proposed for secondary dwellings. In considering this, it is important to note that a change to contributions policy does not change the existing permissibility of secondary dwellings across the shire. Rather, the policy change more facilities or encourages this form of housing, for the reasons set out above.

Potential impacts can be managed through the development assessment process through the application of existing planning provisions that seek to manage residential amenity related issues. Council could also consider further design standards if this is seen to be warranted.

Amenity is a key issue that requires monitoring and as such, a trial period associated with any contributions policy change is prudent in relation to this matter.

Sustainability Considerations

- **Environment**

Adopting policy initiatives which facilitate people building secondary dwellings may have a range of positive environmental benefits. It uses fewer resources in the building of new homes and creates new smaller homes which use less energy. It also frees up larger dwellings for use by larger families, assisting to match housing stock with occupancy. Alternatively, it supports the conversion of existing large dwellings into a house and secondary dwelling (flat) which again has overall positive environmental benefits.

- **Social**

The ability to live with family and friends in a self contained living space has positive social benefits. It supports relatives staying connected and part of the family unit. In the case of affordable rental accommodation, secondary dwellings assist people to stay within an area they may otherwise be forced to leave or provides access to housing choice for existing residents.

- **Economic**

Secondary dwellings may provide a source of income to property owners and improve availability of rental housing stock. This is seen as a positive as it assists with affordability of housing.

A policy initiative to encourage secondary dwellings may also stimulate housing construction activities around this type of dwelling.

Legal / Resource / Financial Implications

As outlined above, the available evidence indicates that few secondary dwellings are being approved in Ballina Shire. Therefore there is minimal real “loss of income” associated with waiving Council’s currently required contributions. In terms of demand for new infrastructure, such as water and sewerage, the available evidence does not indicate that an increased demand will result from secondary dwellings by applying the size limiting criteria previously referred to in this report.

The approach recommended in this report is consistent with Council’s legal responsibilities as a local planning authority. The matters arising from this report can be attended to within existing resources.

Consultation

Any change in Council’s policy position should be communicated through local media and information placed on Council’s web site. This would include an information sheet which explains any changes made.

Alternatively, consultation with the community could take place to obtain feedback on the available options prior to Council making a decision in respect to this proposal. From staff’s perspective, this is not warranted.

Options

1. Maintain current contributions approach.

This option reinforces the rationale underpinning the imposition of contributions, being that new housing increases demand for facilities and services. The consequences arising from this option are that it will most likely maintain the low number of secondary dwellings being approved and will therefore not enhance housing affordability. It may also encourage the unauthorised construction of below standard or unauthorised accommodation. Consequently this option is not recommended.

2. Waive s94 and s64 contributions set by Council for a limited time period.

This option will most likely result in an increase in applications for new secondary dwellings and also for conversion of existing buildings. It is anticipated that a pool of more affordable housing units may be created which does not currently exist within Ballina Shire. In addition, by maintaining site occupancy rates, it may make better use of infrastructure within established areas.

9.9 Developer Contributions - Secondary Dwellings

On the basis of the analysis undertaken, there is considered to be a low risk that such a policy change will result in unfunded demand for facilities and services. However, risk associated with the creation of unfunded demand for facilities and services is mitigated to a large degree by nominating a limited period after which the policy would be reviewed. Two years is proposed as an appropriate trial period to gauge the effectiveness and impacts of the policy.

Option two is the recommended approach.

3. Waive s94 and s64 contributions set by Council in established residential areas, such as Ballina Island, Lennox Head and Alstonville, being those areas with better access to community and commercial facilities.

This option would ensure that secondary dwellings are only encouraged by the proposed policy initiative in the most accessible areas close to employment centres and with less car dependency.

This option may also be applied for a fixed time period similar to option two. It is suggested that there is insufficient evidence available to warrant a restricted application of the policy in its initial application. Consequently, this approach is not recommended.

4. Reduce s94 and s64 contributions.

This approach involves setting a reduced contribution rate rather than implementing a full waiver.

This option has the advantage of still preserving the existing rationale behind the imposition of current contributions. It also enables specific contribution components to be reduced or removed while preserving other contributions. For example the roads component may be removed and the community facilities contribution maintained. Alternatively, a percentage reduction in all or some contributions may be nominated.

This option may also be applied for a limited time period similar to Option 2.

There is, however, considerable uncertainty as to what level of further contribution discounting would be necessary to trigger a reasonable policy response in the provision of secondary dwellings. For this reason this option is not recommended.

5. Defer consideration of which option to pursue.

If Council is of the view that it requires additional information upon which to base its decision, a decision on the policy can be deferred pending a briefing. Council may also elect to seek wider feedback from the broader community before establishing its position.

This option is not recommended unless the Council remains uncertain about the merits of the policy change and the associated outcomes, being to encourage construction of secondary dwellings.

RECOMMENDATIONS

1. That Council waive developer contributions for secondary dwellings for an initial period of two years where:
 - The total floor area of the secondary dwelling (excluding any area used for car parking) is restricted to a maximum of 60m².
 - The floor space ratio of the principal and secondary dwelling does not to exceed 0.5:1.
 - A maximum of 2 bedrooms are contained within the secondary dwelling and 5 bedrooms 3 water closets and 2 laundries on the total site.
 - Compliance is achieved with all other requirements relating to secondary dwellings contained within the Affordable Rental Housing SEPP.
2. That the waiving of developer contributions and charges for secondary dwellings be in relation to contributions and charges contained within Ballina Shire Contributions Plan 2008, Roads Contribution Plan 2010, Water Supply Servicing Plan 2004 and Sewerage Infrastructure Development Servicing Plan 2004.
3. The assessment criteria agreed with Rous Water for the calculation of equivalent tenements applicable to secondary dwellings be implemented for charges applicable under the Rous Water Development Servicing Plan – Bulk Supply Services.
4. That this policy change be incorporated into Council's developer contribution plans and servicing plans when they are next revised.
5. That public notice be given of this policy change and an information sheet be prepared to explain the changes.

Attachment(s)

1. Fact Sheet - Secondary Dwellings

9.10 Destination Management Plan - Draft

9.10 Destination Management Plan - Draft

Delivery Program Tourism

Objective To invite the Council's consideration of the draft Ballina Shire Destination Management Plan, and to authorise the public exhibition of the document.

Background

As identified in the Council's current Delivery Program and Operational Plan, the preparation and implementation of a Destination Management Plan (DMP) for the Ballina Shire is a program action for the Tourism Section in 2013/14.

This action has been identified as both the State and Federal Government tourism agencies have outlined that a DMP will be a key requirement in accessing any future financial assistance.

This report provides an outline of the process undertaken to develop a draft DMP for Ballina Shire and seeks endorsement from the Council for the public exhibition of the draft *Ballina Coast & Hinterland Destination Management Plan 2014 - 2020*. A copy of the draft plan has been provided to Councillors under separate cover.

It is important to recognize this DMP will continue to evolve over time, and what is endorsed in 2014 may not be the same in future years given the changing nature of tourism agencies, government initiatives and policy directives.

Key Issues

- Matching community/stakeholder expectations and wishes with resources
- Engagement of stakeholders to carry the draft DMP forward
- Public exhibition of the draft DMP

Information

The NSW Government developed the *NSW 2021: A Plan to Make NSW Number One* to focus on rebuilding the NSW economy, improving infrastructure and making NSW a world-class destination. Growth in the visitor economy has been identified by the Government as a component necessary to achieve the goals outlined in the *NSW 2021* plan.

The NSW Government's target is to double overnight visitor expenditure by 2020. To achieve that, a Visitor Economy Taskforce was established. Its response was the release of the Industry Action Plan for the Visitor Economy, which includes the implementation of a new Destination Management Planning system for NSW, as well as the Regional Visitor Economy Funding (RVEF) program.

9.10 Destination Management Plan - Draft

In simple terms, a DMP is a business plan for building and managing the visitor economy in a destination.

In July 2013, Ballina Shire Council engaged TEAM Tourism Consulting to undertake step one of the Destination Management Plan process, to provide Council with a comprehensive product audit of the Ballina Shire. The findings are included as an attachment to the DMP.

From the product audit work, a draft DMP was prepared to align with the NSW Government's requirements. This document captures and presents the information, learnings and actions identified through the destination management process.

Five key objectives are identified as themes of work to achieve the aim of the Plan, which is to ultimately double overnight visitor expenditure in the Ballina Shire to \$300million by 2020. These objectives include:

1. Strengthen the management and coordination of the shire's tourism sector
2. Review and collectively develop the marketing of Ballina Shire
3. Promote product development
4. Invest in infrastructure
5. Investment attraction (conferences, festivals and events)

A multiple number of actions and activities are outlined under each objective, with a priority ranking and nomination of organizations primarily responsible for implementation.

To further the work, and to enable some of the actions to be carried forward, particularly the marketing of Ballina Shire, Council has recently submitted a funding application to the State Government's Regional Visitor Economy Fund (RVEF) in January 2014.

Sustainability Considerations

- **Environment**
The plan will recognize and promote the shire's key environmental attributes.
- **Social**
Visitor services provide substantial direct and indirect employment opportunities for residents of Ballina Shire and the region.
- **Economic**
The DMP recognises the significant contribution the visitor economy makes to the shire's economy. The plan seeks to increase engagement with stakeholders, and encourages increased investment in the tourism industry.

Legal / Resource / Financial Implications

It is important to recognize there are a number of stakeholders nominated in the Plan for the carriage of key actions. Opportunities or projects identified in the DMP, once nominated for action, will be integrated into Council's delivery programs and operational plans over time. Funding and resource provision in relation to these activities would therefore be considered in the context of the Council's broader budgetary process.

Consultation

Council invited industry stakeholders to participate in workshops held in December 2013. Stakeholders were also invited to participate by undertaking an online survey which was distributed to over 500 stakeholders by way of direct email. Regrettably, participation in both the workshops and the online survey was poor.

The draft DMP was also distributed to a number of industry stakeholders for feedback in January, prior to the presentation of this report.

It is noted that the public exhibition of the draft document will provide another opportunity for feedback from those having an interest in the tourism sector, as well as from the broader community.

Options

1. Council may decide not to endorse the draft DMP for public exhibition and cease the project. Based on the stakeholder consultation to date and requirement of the NSW Government, this option is not recommended. It is also likely that his course of action would substantially hamper Council's ability to attract future funding to benefit the shire's tourism sector.
2. Council may elect to finalise the draft plan without going to public exhibition. This option is not recommended, as wider community feedback on the draft DMP before implementation is highly desirable.
3. Council may elect to exhibit the draft plan with changes. Further opportunities for changing the draft plan can be considered once submissions gathered through the public exhibition period have been reviewed and as such, this option is not recommended. If however the Council is inclined to modify the draft document, a Councillor briefing session can be arranged to capture respective views.
4. Council may endorse the attached draft DMP for public exhibition (subject to final formatting and minor typographic adjustments). Given the limited number of stakeholder responses to date, this option is recommended as it provides opportunity for community feedback.

RECOMMENDATION

That Council endorses the draft destination management plan *Ballina Coast & Hinterland Destination Management Plan 2014 - 2020* for public exhibition and that this matter be reported to the Council again at the conclusion of the exhibition period.

Attachment(s)

1. Ballina Coast & Hinterland Destination Management Plan 2014 - 2020
(Under separate cover)

9.11 Australia Day - Review

9.11 Australia Day - Review

Delivery Program Tourism

Objective To review the Australia Day Awards Program following the successful staging of the 2014 event.

Background

Council's Australia Day celebrations were held on Sunday 26 January 2014 at the Lennox Head Cultural and Community Centre. The celebrations included a citizenship and awards ceremony and an outdoor market. The event was well supported with estimates suggesting over 500 people attended the official ceremony.

The Australia Day Award Program was well received, with a record number of nominations. There were seven categories in total for nomination, with 29 nominations.

The purpose of this report is to review the Australia Day Awards Program including eligibility for nomination, the number of award categories and the nomination period.

Key Issues

- Award Categories
- Award Eligibility
- Nomination Time frame

Information

In February 2013 the Council reviewed the Australia Day award categories and resolved as follows:

1. That Council amends the current Sports Person of the Year award to Sports Award, to open it up to an individual or team that has excelled in their chosen sport.
2. That Council supports the category of Arts/Cultural being trialled in the 2014 Ballina Shire Australia Day awards
3. That Council supports an increase in the age of the Young Citizen of the Year to 30 years
4. That Council support the category of Senior Citizen of the Year (over 60 years of age) to be trialled in the 2014 Ballina Shire Australia Day awards.

These changes resulted in the following categories for nomination in the 2014 Australia Day awards program:

- Young Citizen of the Year (30 years or under)
- Senior Citizen of the Year (60 years or over)
- Citizen of the Year
- Arts/Cultural Award
- Sports Award
- Volunteer of the Year
- Community Event of the Year

9.11 Australia Day - Review

Nominations opened on Monday 21 October and closed Sunday 22 December 2013.

Council wrote to all community groups, schools and sporting organisations inviting them to nominate, as well as to be a part of the program of activities via a community expression of interest.

The following numbers of nominations were received in each category:

Categories	Number of nominations received
Young Citizen of the Year	0
Senior Citizen of the Year	11
Citizen of the Year	3
Arts/Cultural Award	2
Sports Award	1
Volunteer of the Year	8
Community Event of the Year	4

The table shows a high number of entries in both the Senior Citizen of the Year and Volunteer of the Year categories and a reduced number of entries in the remaining categories. There were also multiple individuals that were nominated in more than one category.

The lack of nominations across a number of categories provides further opportunity to review the categories. It may be considered prudent to reduce the number of categories to encourage a competitive number of nominations in each.

The Senior Citizen of the Year and Arts/Cultural categories were trialed in 2014. Whilst the highest number of nominations was received in the Senior Citizen of the Year category, it could be an option to merge this with Citizen of the Year, due to the reduced number of nominations in that field.

The Arts/Cultural award received minimal nominations, therefore Council may well wish to discontinue this category. Achievements in the arts and cultural sectors can be encouraged and recognised through nominations in the other general categories.

In terms of category eligibility, the 2014 Australia Day Awards Program had at least three instances where one person was nominated across multiple categories. This makes it difficult logistically at the Awards Ceremony and it can also make the selection of award winners difficult. One option could be to change the eligibility so that an individual may only be nominated in one category.

In an attempt to increase the number of nominations received, it is recommended to extend the nomination period from April to December. This will enable applications to be lodged over an extended period of time, providing greater opportunities for individuals and organisations to prepare and lodge proposals.

The traditional nomination period of October to December is quite close to the holiday season, which can be a difficult time for members of the community to prepare applications.

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
The Australia Day Awards and associated activities are an excellent way of bringing the shire community together and promoting social cohesion. It is also a means of recognizing the wonderful contribution so many of our residents make toward the betterment of our shire and its citizens.
- **Economic**
Not Applicable

Legal / Resource / Financial Implications

The Australia Day Awards and associated activities are coordinated, promoted and delivered within the resources provided by the Council, and through the enthusiasm and commitment of diligent members of staff.

Consultation

The Australia Day Awards are subject to consultation by feedback from community members through the expression of interest process.

Options

Categories

1. One option is to leave the award categories unchanged in 2015 and trialled for one more year. The 2015 Australia Day Award categories would then be as follows:
 - Young Citizen of the Year (30 years or under)
 - Senior Citizen of the Year (60 years or over)
 - Citizen of the Year
 - Arts/Cultural Award
 - Sports Award
 - Volunteer of the Year
 - Community Event of the Year

Retention of these categories would provide the Council with one more year of evidence to determine whether the category range/mix is appropriate.

2. To reduce the number of categories in the 2015 awards program to include (for example):
 - Citizen of the Year (no age limit)
 - Volunteer of the Year
 - Sports Award
 - Community Event of the Year

9.11 Australia Day - Review

Clearly, this group of categories could be changed at the discretion of the Council, as there is no “best fit”. For example, this group would see the discontinuation of the Arts/Culture category, yet it attracted more nominations last year than the Sports category. Similarly, the Council has previously sought to apply the Young Citizen category to encourage and recognize the commitment of young people to get involved in the shire community.

Eligibility

An option is to change the eligibility criteria to state that a nominee can only be nominated in one category. This would ensure individuals are considered in the most appropriate category for their outstanding service and/or achievements.

The downside to this is that typically a person nominated for Citizen of the Year has provided a significant amount of volunteer time and would most likely be a strong candidate for Volunteer of the Year. This may make it difficult for nominators to work out which category to nominate a person.

3. This discussion then leads to another possibility where there is not actually a Citizen of the Year category but Council actually selects the Citizen of the Year from all the candidates for the categories. For example the categories could be as follows:

- Young Citizen of the Year (18 years or under)
- Senior Citizen of the Year (60 years or over)
- Sports Award
- Arts/Cultural Award
- Volunteer of the Year
- Community Event of the Year

Council would then select an overall citizen of the year. This would ensure the Citizen of the Year (which is typically considered to be the highest profile award) goes to the most deserving recipient from all the nominees.

Nomination Period

It is considered desirable to open the awards nominations in, say, April to provide an opportunity for individuals and/or organisations to prepare submissions over an extended period for lodgment with Council.

Overall it is difficult to make a recommendation on the category options available and the preference is for this matter to be delegated to a Councillor briefing to allow the various options to be discussed. The agreed position at that briefing could then be implemented under delegated authority by the General Manager. Point one endorses this approach.

Point two confirms the extended nomination time, which is considered appropriate as it allows people to nominate at any time. Council would then encourage nominations throughout the year through our weekly advertising and Community Connect.

RECOMMENDATIONS

1. That Council delegates to the General Manager the authority to convene a Councillor briefing to determine the number of categories and nomination processes for the Australia Day Awards for 2015.
2. That the period for the Australia Day Award nominations commence in April each year (or earlier if possible), concluding in December. The purpose of the extended period is to provide increased opportunities for nominations and for promotion of the awards.

Attachment(s)

Nil

10.1 Use of Council Seal

10. General Manager's Group Reports

10.1 Use of Council Seal

RECOMMENDATIONS

That Council affix the Common Seal to the following documents.

US14/02	<p>Deed of indemnity between Ballina Shire Council and Trent Shane Currey and Bridgett Kay Currey for property known as Lot 5 DP 719072, No. 7 Lovegroves Lane, Uralba.</p> <p>A charge in favour of Ballina Shire Council over Lot 5 DP 719072, No. 7 Lovegroves Lane, Uralba showing the new purchaser as the charger.</p> <p>A discharge of charge for the previous owner of Lot 5 DP 719072, No. 7 Lovegroves Lane, Uralba.</p> <p>Explanation: As part of a development consent for a dwelling some thirty years ago, a condition of consent was that the current owner indemnify Council against all or any claims arising by reasons of flooding on the abovementioned property. This indemnity was to be binding on all purchasers of the property requiring them to enter into a similar Deed of Indemnity.</p>
US 14/03	<p>Deed of Consent and Assignment of Lease for Lot 1 DP 1045699, Ballina Byron Gateway Airport from DP Kirwan to Orion Aviation Pty Ltd</p> <p>Explanation: DP Kirwan has requested consent to assign their current lease to Orion Aviation Pty Ltd for Lot 1 DP 1045699.</p>

Attachment(s)

Nil

10.2 Investment Summary - January 2014

10.2 Investment Summary - January 2014

Delivery Program Governance and Finance

Objective To provide Council and the community with details of how Council's surplus funds are invested.

Background

In accordance with the Local Government Financial Regulations, the responsible accounting officer of a council must provide a monthly report (setting out all money Council has invested), to be presented at the ordinary meeting of Council, immediately following the end of the respective month. This report has been prepared for the month of January 2014.

Key Issues

- Investment return and compliance with Investment Policy

Information

Council's investments are all in accordance with the Act and the Regulations. The investments breached Council's investment policy on 30 January 2014, when \$3 million was redeemed back to our bank account to cover creditor payments. The breach was in respect of the Heritage Bank portfolio, rated BBB+, which had 10.3% of the total portfolio when a maximum of 10% of the portfolio is allowed. This breach was corrected when the next Heritage Bank investment became due on 10 February 2014. Breaches can sometimes occur when investments fall due and the total value of the portfolio is subsequently reduced.

The balance of investments as at 31 January 2014 was \$67,801,000. This represents a decrease from December of \$5,037,000. Council's investments as at 31 January are at an average (weighted) rate of 3.81% which is 1.19% above the 90 Day Bank Bill Index of 2.62%. The balance of the cheque account at the Commonwealth Bank, Ballina as at 31 January 2014, was \$1,327,150. The majority of the approximately \$68 million of investments held by Council are restricted by legislation (external) and Council (internal) uses for the following purposes:

Reserve Name	Internal/External Restriction	% of Portfolio*
Water Fund (incl developer contributions)	External	12
Wastewater Fund (incl developer contributions)	External	34
Section 94 Developer Contributions	External	6
Bonds and Deposits	External	1
Other External Restrictions	External	16
Land Development	Internal	8
Employee Leave Entitlements	Internal	2
Carry Forward Works	Internal	12
Miscellaneous Internal Reserves	Internal	8
Unrestricted		1
Total		100%

* Based on reserves held as at 30 June 2013

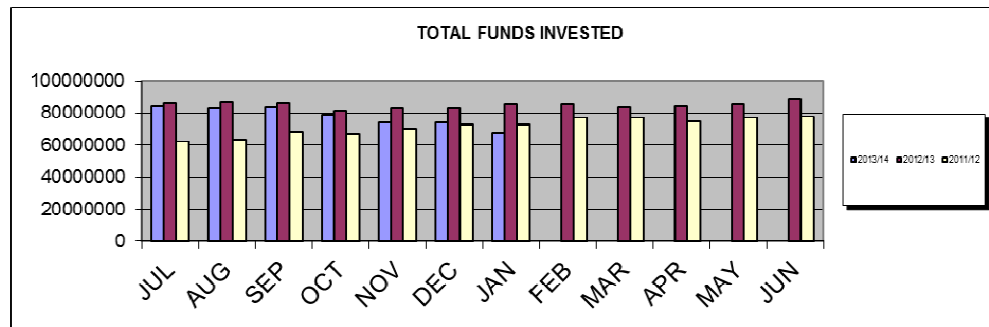
10.2 Investment Summary - January 2014

As mentioned last month, TCorp (New South Wales Treasury Corporation) is now providing a monthly economic commentary specifically for the Local Government sector. Typically an excerpt of this commentary has been included as part of the information section of this report however TCorp has advised that their preference is that we include the entire report. Hence the whole Tcorp report has been included as an attachment to this report.

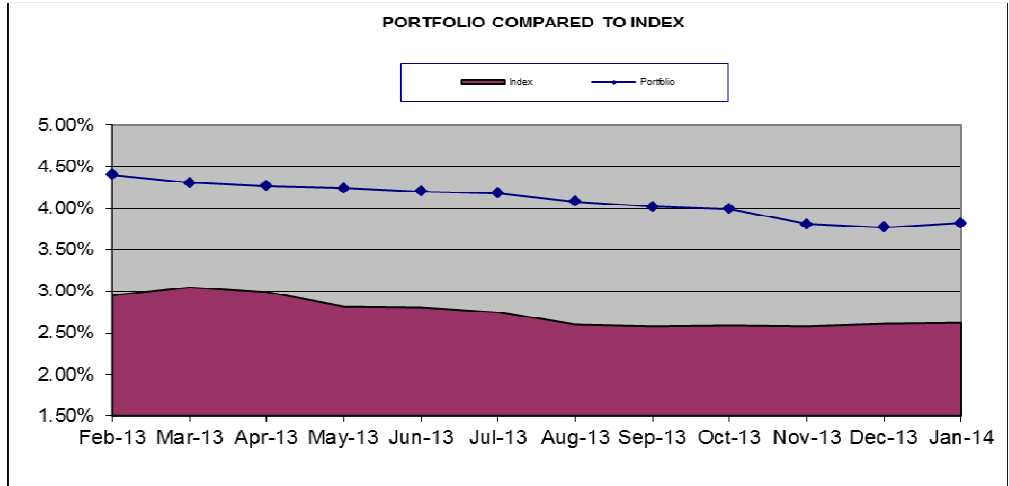
A. Summary of investments by institution

Funds Invested With	ADI Rating	Previous Month (\$'000)	Current Month (\$'000)	Quota %	% of Total	Total
Grandfathered Investments						
Deutsche Bank	A+	4,000	0	0	0.0	
Goldman Sachs	AA-	1,000	1,000	0	1.5	
National Australia Bank	AA-	1,788	1,788	0	2.6	
National Wealth M'tment Holding	A	2,000	2,000	0	2.9	7%
Rated Institutions						
AMP Bank	A+	2,000	6,000	20	8.8	
Bank of Queensland	BBB+	5,000	5,000	10	7.4	
Commonwealth Bank of Aust	AA-	3,050	2,013	20	3.0	
Defence Bank Ltd	BBB+	1,000	1,000	10	1.5	
Greater Building Society	BBB	2,000	2,000	10	2.9	
Heritage Bank	BBB+	7,000	7,000	10	10.3	
Illawarra Mutual Bld Soc	BBB	2,000	2,000	10	2.9	
ING Bank Ltd	A	14,000	13,000	20	19.2	
Members Equity Bank	BBB	6,000	6,000	10	8.8	
National Australia Bank	AA-	10,000	9,000	20	13.3	
Newcastle Perm Bld Society	BBB+	2,000	2,000	10	2.9	
Rural Bank Ltd	A-	2,000	0	10	0.0	
Suncorp Metway Bank	A+	7,000	7,000	20	10.3	
Westpac Banking Corporation	AA-	1,000	1,000	20	1.5	93%
Unrated ADI's				\$1m	0.0	
Total		72,838	67,801			100%

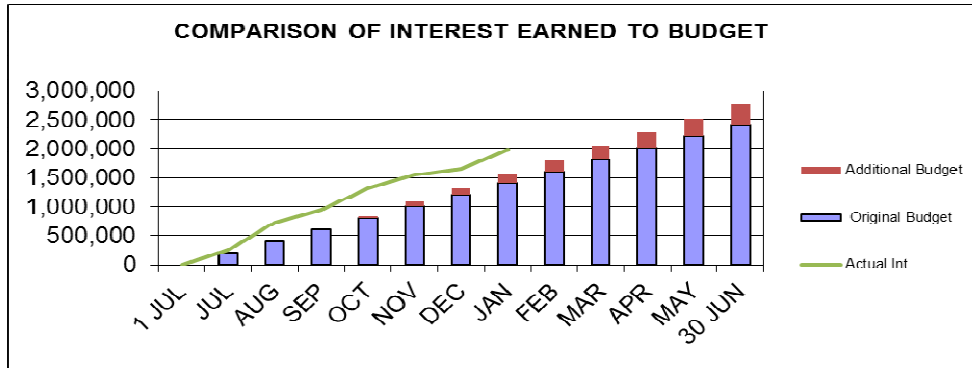
B. Monthly Comparison of Total Funds Invested



C. Comparison of Portfolio Investment Rate to 90 Day BBSW



D. Progressive Total of Interest Earned to Budget



10.2 Investment Summary - January 2014

E. Investments held as at 31 January 2014

PURCH DATE	ISSUER	TYPE	RATE	FINAL MATURITY DATE	PURCH VALUE \$'000	FAIR VALUE \$'000
20/09/04	National Australia Bank (ASX Listed)	FRN	3.83%	Perpetual	1,788	1,333
12/04/06	Goldman Sachs	FRN	3.14%	12/04/16	1,000	991
16/06/06	National Wealth M'ment Holdings	FRN	3.22%	16/06/16	2,000	1,917
	at call Commonwealth Bank Of Australia	FND	2.45%	at call	20	20
24/01/12	ING Bank Ltd	FRTD	4.57%	24/01/17	1,000	1,000
06/02/12	Westpac Bank	FRN	4.24%	06/02/17	1,000	1,037
25/01/13	Commonwealth Bank Of Australia	TD	4.36%	25/01/18	1,993	2,017
07/05/13	Heritage Bank	TD	4.30%	07/05/14	3,000	3,000
20/05/13	Defence Bank	TD	4.45%	20/05/14	1,000	1,000
05/06/13	National Australia Bank	FRTD	3.86%	05/06/15	2,000	2,000
07/06/13	Greater Bld Society	FRN	4.04%	07/06/16	2,000	1,999
30/07/13	ING Bank Ltd	FRTD	4.08%	30/07/14	2,000	2,000
12/08/13	ING Bank Ltd	TD	3.94%	10/02/14	2,000	2,000
12/08/13	Heritage Bank	TD	4.10%	10/02/14	2,000	2,000
19/08/13	Members Equity Bank	TD	3.95%	17/02/14	2,000	2,000
02/09/13	Suncorp-Metway Bank	TD	3.85%	03/03/14	3,000	3,000
05/09/13	Suncorp-Metway Bank	TD	3.75%	04/03/14	2,000	2,000
16/09/13	ING Bank Ltd	TD	3.71%	17/03/14	1,000	1,000
16/09/13	ING Bank Ltd	TD	3.72%	14/04/14	3,000	3,000
28/10/13	Heritage Bank	TD	3.65%	25/02/14	1,000	1,000
29/10/13	National Australia Bank	TD	3.67%	26/02/14	2,000	2,000
29/10/13	Illawarra Mutual Bld Society	TD	3.50%	28/04/14	2,000	2,000
31/10/13	Heritage Bank	TD	3.80%	31/10/14	1,000	1,000
01/11/13	National Australia Bank	TD	3.70%	30/01/14	2,000	2,000
06/11/13	Bank of Queensland	TD	3.80%	06/05/14	1,000	1,000
06/11/13	Newcastle Permanent Bld Society	TD	3.60%	04/02/14	2,000	2,000
13/11/13	National Australia Bank	TD	3.75%	13/05/14	1,000	1,000
22/05/13	Bank of Queensland	TD	3.80%	22/05/14	3,000	3,000
25/11/13	Suncorp-Metway Bank	TD	3.65%	25/05/14	2,000	2,000
26/11/13	Bank of Queensland	TD	3.80%	27/05/14	1,000	1,000
26/11/13	ING Bank Ltd	TD	3.81%	26/05/14	1,000	1,000
23/12/13	AMP Bank	TD	3.90%	23/06/14	2,000	2,000
23/12/13	Members Equity Bank	TD	3.70%	24/03/14	3,000	3,000
13/01/14	National Australia Bank	TD	3.65%	14/04/14	2,000	2,000
14/01/14	Members Equity Bank	TD	3.70%	14/05/14	1,000	1,000
20/01/14	ING Bank Ltd	TD	3.61%	21/07/14	2,000	2,000
24/01/14	AMP Bank	TD	3.80%	23/07/14	2,000	2,000
24/01/14	AMP Bank	TD	3.80%	23/01/15	2,000	2,000
30/01/14	ING Bank Ltd	TD	3.60%	29/07/14	1,000	1,000
Totals					67,801	67,314
FND = Managed Fund		FRN = Floating Rate Note				
TD = Term Deposit		FRTD = Floating Rate Term Deposit				

RECOMMENDATION

That Council notes the record of banking and investments for January 2014.

Attachment(s)

1. TCorp Economic Commentary January 2014

10.3 Community Donations

10.3 Community Donations

Delivery Program Governance

Objective To invite Council to consider additional donation requests.

Background

Council approved a large number of donations at the July 2013 Ordinary Meeting for the 2013/14 financial year. Since that time additional requests have been received and generally applicants are advised to reapply next financial year to allow Council to assess all applications at the one time. However the donations policy does allow applications to be submitted to Council where there may be exceptional circumstances.

The applications referred to in this report are deemed to represent exceptional circumstances and copies of the requests are attached.

Key Issues

- Nature of request
- Community benefit
- Funding available

Information

Details of the new requests are as follows:

Australian Representation – Mrs Jan Saul

Jan Saul, a Ballina resident (also Council employee) has been selected to represent Australia as a member of the Australian Masters team to attend The Hockey World Cup in Rotterdam in June 2014.

The players are responsible for the payment of flights, accommodation, coaching/physio staff, turf fees and uniforms. The estimated cost is \$5,000.

Council has a separate policy for Australian representation (titled - Donations - Australian Representation) which states that Council may provide a \$400 (indexed by CPI each year – approximately \$420 in current dollars) contribution for applicants representing Australia overseas.

This application meets the criteria of that policy.

Wardell Recreation Ground Trust

The Wardell Recreation Ground Trust is requesting a donation of 30 Lilly Pilly trees from Council. Nursery staff advise the commercial cost of 30 tube stock would be approximately \$60.

10.3 Community Donations

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
Deliver significant economic/community benefits to the Ballina Shire.
- **Economic**
Not Applicable

Legal / Resource / Financial Implications

The current status of the donations budgets for 2013/14 is as follows:

Items	Budget	Allocated	Balance
Donations (General)	65,000	62,567	2,433
Donations (Halls)	40,000	40,854	(854)
Donations (DA Fees)	4,000	600	3,400
Net Amount Available			4,979

Consultation

The annual donations program is subject to formal public exhibition and generally Council attempts to ensure that all donations are considered at the same time to ensure there is equity in the allocation process. There has been no specific consultation in respect of these applications.

Options

The options are to approve or decline the requests. Typically the recommendation is for Councillors to determine approval or refusal, however as the first application meets the criteria of the Australia Representation policy and as the second involves the planting of trees on land held by a community trust, where Council already provides on-going maintenance, the recommendation is to approve both applications.

RECOMMENDATIONS

1. That Council approves the Australian representation donation (approximately \$420) to Jan Saul to assist with costs associated with her selection in the Masters Hockey World Cup.
2. That Council approves the donation request (approximately \$60) to the Wardell Recreation Ground Trust for 30 tube stock of Lilly Pilly trees.

Attachment(s)

1. Letter of Request - Jan Saul
2. Letter of Request - Wardell Recreation Ground Trust

10.4 Council Meeting Recordings

10.4 Council Meeting Recordings

Delivery Program Information Services

Objective To respond to a Council resolution seeking options for improved public accessibility to Council meeting recordings.

Background

Council resolved at the January 2014 Ordinary meeting to receive a report on the cost effectiveness of uploading the Council meeting recordings to the internet instead of indefinite DVD storage. As background to this Council resolved in October 2008 as follows:

1. *That in the spirit of open and accountable governance the Code of Meeting Practice be amended to allow full recordings of all Council meetings, excluding deputations, public question time and confidential session.*
2. *Further, that the recordings of Ordinary meetings in open council be available to ratepayers, residents and any others for viewing at the Council only.*
3. *Recordings of meetings are used for verifying the accuracy of minutes.*
4. *Appropriate signage is displayed.*

Since that date, all Ordinary and Extraordinary meetings have been recorded with the recordings stored both on a server and on CD. Copies are also available for sale to the public at a fee as fixed in the Fees and Charges.

This report now examines more contemporary options.

Key Issues

- Compliance with statutory record-keeping requirements
- Cost benefit of long term storage options of recordings online
- Quality of existing recordings

Information

Recording of meetings has been undertaken since 2008, with the recordings made available to members of the public on CD for a fee as recommended in the Fees and Charges (currently \$16).

The system installed to manage both the audio and visual recording components is an analog system and provides an economical means of providing accessibility to the meetings, albeit after the meeting has been held. These recordings are currently stored indefinitely on Council servers in addition to being stored on CD and an average meeting produces a file in the order of 450 megabytes in size.

10.4 Council Meeting Recordings

The costs associated with the server storage of these recordings are negligible, with a \$170, two terabyte enterprise hard disk drive capable of storing approximately 4,000 meeting recordings.

An issue that may require future consideration is the quality of the current analog recordings. It is average at best, and certainly not in line with contemporary expectations, however the cost associated with updating the system to a higher standard needs to be balanced against the demand for the recordings.

Currently Council receives no more than 15 requests per year for the recordings. There is no statutory obligation to have the system in place.

Given that upgrading the current analog recording system to digital would require the replacement of the majority of components of the existing system (only the ceiling speakers would be retained), any cost associated with the upgrade to a digital system would be difficult to justify based on current demand. The anticipated cost for an appropriate upgrade could vary from \$20,000 to \$30,000.

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
Accessibility to meeting recordings may meet
- **Economic**
Recordings come at an associated cost.

Legal / Resource / Financial Implications

Because the initial Council resolution in October 2008 stated that recordings of Council meetings are to be retained to verify the accuracy of minutes, under the State Records Act 1998-2005 General Retention and Disposal Authority: Local Government Records (GA39) there is no statutory requirement to retain recordings past the date on which the meeting minutes to which the recording pertains are confirmed.

Consultation

Some consultation has been undertaken with other councils and providers of meeting recording systems.

Options

In respect to improved recordings Council has the option of allocating funds for this work. This could be an item considered as part of the 2014/15 budget considerations if Councillors consider it to be a high enough priority.

In respect to storage there are two options for the storage and public access of the recordings of Council meetings, namely:

10.4 Council Meeting Recordings

1. Maintain existing regime of storing recordings on internal servers and burning same on to CD media for sale as requested. This option requires no change to existing processes and is cost effective in terms of storage. There is a processing cost associated with burning the CDs and this can be labour intensive if multiple requests are received. Whether or not it reduces accessibility for people who may be interested in listening to the meeting is the concern with the current process.
2. Upload recordings to the internet and make available online at no charge to the consumer. This option offers the best solution for a combination of long term storage and availability of content to the public. Council's website infrastructure is not suited to the storage and streaming of large video files, whereas there are many internet service providers offering appropriate video streaming services with capacity far in excess of what is required by Council, at very reasonable rates. However there are other alternatives and by way of example, Vimeo.com offers advertisement-free streaming with no limits on file storage and a weekly upload limit of 5 gigabytes, for US\$60 per year. This is a viable option and the recommendation is to proceed with this proposal.

The benefit of this option is that Council can then also assess the level of interest (i.e. access to this video) and that will assist in determining whether any increase in usage justifies an upgrade in the current recording systems.

Council can still include the existing CD charge in our Fees and Charges as there may be people who still prefer to access a CD. The CDs are only created on an as requested basis.

RECOMMENDATION

That Council endorses the use of an online streaming provider to improve public access to recordings of Council meetings.

Attachment(s)

Nil

10.5 Policy (Review) - Councillor Expenses and Facilities

10.5 Policy (Review) - Councillor Expenses and Facilities

Delivery Program Governance and Finance

Objective To respond to a Council resolution to review the Councillor Expenses and Facilities Policy.

Background

At the January 2014 Ordinary meeting Council resolved to receive a report on a review of the Councillor Expenses and Facilities policy. The actual wording of the resolution did not clarify the items to be discussed in this review therefore the information section of this report provides commentary on matters that regularly arise in annual reviews of this policy.

This policy is reviewed on an annual basis as Section 252(1) of the Local Government Act requires that within five months after the end of each year, a council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other councillors in relation to discharging the functions of civic office.

The last review of the policy was undertaken in September 2013. The policy was endorsed for public exhibition with some minor amendments to clauses 2.1.2 which updated Australian Taxation rates and clause 2.2.2 which clarified that Frequent Flyer points could not be accumulated. No submissions were received at that time, therefore the policy was adopted. A copy of the current policy is included as an attachment to this report.

Key Issues

- Equity and clarity in application of the policy

Information

The objectives of having a Councillor expenses policy include:

- a) It should ensure that no person is disadvantaged and incurring additional private expenses by performing their role as a Councillor - in other words the policy should ensure a Councillor is reasonably reimbursed for activities they are required to perform as a Councillor
- b) To ensure fairness and equity in the operation of the policy – all Councillors should be treated equally and fairly with no Councillor being disadvantaged over another in the application of the policy.
- c) The policy should reflect community standards in the provision of facilities and the reimbursement of expenses.

10.5 Policy (Review) - Councillor Expenses and Facilities

As the resolution from the January 2014 Ordinary meeting does not provide any direction in respect to this review, commentary is provided on matters that are regularly raised in this Council or other councils in respect to expenses policies.

- Provision of technology and the expense reimbursement – This Council, for many years, debated the provision of laptop computers to Councillors. The provision of ipads, or similar technology appears to have diluted this debate, albeit that some Councils provide laptops and tablet technology. The expense limit has also been debated with Council providing a maximum monthly reimbursement of \$80.
- Conferences and associated expenses – Travel outside the NOROC region must be approved by the elected Council. Council has a total budget for Councillor conferences and associated travel with Councillors able to seek approval for events of interest. Some councils provide a set travel allowance per Councillor to ensure the funds are evenly allocated. This option can then negate the need to obtain approval from a Council meeting, so long as a Councillor stays within their annual limit.
- Alcohol – The Councillor Expenses policy is silent on the reimbursement of alcohol with meals / functions etc. Therefore claims are reimbursed. Some councils do not permit the reimbursement of alcohol. At a staff level alcohol is not reimbursed. If alcohol is not to be reimbursed during Councillor travel then the policy will need to be clear how functions such as Australia Day are managed where a wine may be provided with the lunch / dinner.

This is a small sample of matters that can be managed in different ways and Councillors may wish to raise other matters of interest from the attached policy.

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
The Expenses and Facilities Policy is designed to assist Councillors in undertaking their role as an elected member of the community.
- **Economic**
Budgets are provided for Councillor expenses and facilities.

Legal / Resource / Financial Implications

Council is legally required to review this policy within five months of the end of the financial year.

The Division of Local Government has also advised that you cannot pay a Councillor an allowance each year under this policy. Rather, expenses must be reimbursed as incurred, with councils able to set limits on those reimbursements.

10.5 Policy (Review) - Councillor Expenses and Facilities

Consultation

The Local Government Act requires changes to the Expenses Policy to be exhibited for public comment.

Options

The existing policy is considered to be operating effectively and no changes are recommended in response to the January resolution. If any changes are recommended they will need to be advertised for public comment.

RECOMMENDATION

That Council notes the contents of this report in respect to the January 2014 resolution to review the existing Councillor Expenses and Facilities Policy.

Attachment(s)

1. Councillor Expenses and Facilities Policy

10.6 Independent Local Government Review Panel - Final Report

10.6 Independent Local Government Review Panel - Final Report

Delivery Program Governance and Finance

Objective To review the final reports from the Independent Local Government Review Panel and the Local Government Acts Taskforce.

The NSW Government formed an Independent Local Government Review Panel (ILGRP) in March 2012 to take a closer look at local government finances, service delivery, local government boundaries and local decision-making models, with the aim being to ensure that local government in NSW is well positioned for the future. The Panel Chairman is Professor Graham Sansom, Director of the Australian Centre for Excellence in Local Government. Other members of the Panel are Ms Jude Munro AO and Mr Glenn Inglis, both of whom have extensive experience as local government leaders.

Following extensive consultation during 2012 and 2013 the Panel released a draft document titled "Future Directions for NSW Local Government - Twenty Essential Steps - April 2013" which provided a series of local government reform proposals for consultation. Council considered that draft report at the May 2013 Ordinary meeting and resolved as follows:

That Council make a formal submission in respect to the Future Directions for NSW Local Government report prepared by the Independent Local Government Review Panel, with our submission stating as a minimum that:

- a) *We are broadly supportive of the recommendations within the report*
- b) *Our preference remains for the total removal of rate pegging*
- c) *We have a number of concerns in respect to the operation of the proposed regional county council model and as such are committed to working with the other NOROC councils to develop a model that would be effective and suitable for this region.*
- d) *That developer contributions reflect the actual cost of the provision of infrastructure.*

Following consideration of the submissions the Panel presented their final report to the NSW State Government in October 2013.

The State Government, through the Minister for Local Government, has now released the Panel's final report and is inviting submissions on the document up to 4 April 2014. This original submission closing date was 7 March 2014 with the date now extended.

In releasing the Panel's report the Minister is also seeking submissions on the Local Government Acts Taskforce report, which was also presented to the State Government in October 2013. The purpose of that Taskforce was to provide recommendations to improve and streamline the Local Government Act.

The purpose of the report that follows is to provide a brief overview of the final documents and to determine whether Council wishes to make a formal submission(s).

Key Issues

- Recommendations from Independent Panel and Taskforce
- Possible impacts on Council and local government in general

Information

The two reports are extensive and to save printing, the documents have been loaded to the Councillor ipads, rather than being included as attachments to this report. Hard copies are available, if required, by contacting the General Manager's office.

The documents are also accessible on the home page of the Division of Local Government's (DLG) website (www.dlg.nsw.gov.au).

Final Report of the NSW Independent Local Government Review Panel

The final report includes 65 recommendations which are grouped under three main headings; Finance and Governance, Structures and Boundaries, Implementation.

Finance and Governance (pages 33 to 69)

This section has a total of 30 recommendations and the first 25 relate to items that are designed to improve fiscal management practices, infrastructure planning and performance measurement. All of these recommendations are considered to be reasonable with recommendation seven in respect to rate pegging now stating as follows:

Either replace rate-pegging with a new system of 'rate benchmarking' or streamline current arrangements to remove unwarranted complexity, costs, and constraints to sound financial management (6.5)

The major criticism remains that the Panel has not recommended the total removal of rate pegging and as previously reported to Council it is clear from discussions with Panel members that they are of the opinion that the State Government will not remove rate pegging therefore they have recommended a compromise position.

Any improvement to the existing rate pegging system is supported, albeit the DLG it still to determine how they will respond to this recommendation.

The final five recommendations for this section relate to "Political Leadership and Good Governance" with some of the more topical recommendations including a proposal for all potential local government candidates to attend an information session, prior to the election and increasing the remuneration for Councillors.

10.6 Independent Local Government Review Panel - Final Report

Structures and Boundaries (pages 70 to 122)

This section has a further 25 recommendations with the major implications being the proposed boundary adjustments. A large number of amalgamations are recommended particularly in the Greater Sydney region. In our region Kyogle has again been flagged as a possible candidate for amalgamation with Richmond Valley and / or Lismore.

The other topical issue in this section is recommendations 35 to 37 which provide for the formation of Joint Organisations (JO's) to deal with regional issues, with existing county councils to be re-constituted as subsidiaries of the JO's.

The 2013 draft report had recommended the formation of regional county councils to deal with regional issues however numerous submissions expressed concerns due to the rigid and somewhat inflexible structure of county councils.

The final report has responded to this and the recommendations for the JOs are now very broad with the theme of the report being that each region should determine its own preferred structure for a JO.

NOROC considered this issue at its February 2014 meeting and has resolved to nominate this region as a pilot JO, the logic being that we are in a better position to determine the best structure for our region by being involved early in the process.

The other important point with this regional issue is that the final report recommends that Clarence Valley Council not form part of the Northern Rivers region. This reflects Clarence's preferred position.

Implementation (pages 124 to 132)

This final section has five recommendations clarifying the processes to be followed in the implementation of the recommendations.

Local Government Acts Taskforce – Report to the Minister

The recommendations from this Taskforce are included on pages 13 to 18 of the report.

The recommendations are extensive and it is difficult to not support the manner in which those recommendations are worded, as they are structured in a way that supports a positive approach to improving local government processes.

If the Minister and State Government ultimately agree to introduce the recommendations the real measure will be the way in which the new legislation is worded.

Sustainability Considerations

- **Environment**

A key principle of both reports is to improve environmental, social and economic outcomes to local communities.

- **Social**
As above
- **Economic**
As above

Legal / Resource / Financial Implications

There are no direct implications from the contents of this report, albeit that both reports could have far reaching impacts for local government in NSW.

Consultation

Both reports have been subject to extensive consultation and Council is entitled to make a submission to both documents.

Options

The options available are to note the contents of the report and not make a submission or to make a submission to one or both documents.

From a staff perspective there is a reluctance to commit significant resources, which are limited, to preparing a detailed submission, as both reports are recommendations only and further consultation will occur as the State Government proceeds to implement part or all of the reports.

NOROC will be preparing a more generalist submission on behalf of the region, agreeing with a large part of the recommendations in respect to the Independent Panel's Report, but again expressing some concerns over individual elements such as the JO's.

It is recommended that Council take a similar approach by providing broad support to the reports, with the proviso being that further consultation is needed as the State Government proceeds to implement any of the recommendations.

From a Councillor perspective the elected Council needs to identify if there are any matters that are particularly concerning and if there are, they can be included in Council's submission.

RECOMMENDATION

That Council notes the contents of this report in respect to the final reports from the NSW Independent Local Government Review Panel and the Local Government Acts Taskforce.

Attachment(s)

Nil

10.7 Better Boating Program – Grants

10.7 Better Boating Program – Grants

Delivery Program Governance and Finance

Objective To determine whether Council wishes to provide matching funding for grants offered under the NSW State Government's Better Boating Program.

Background

The Better Boating Program (BBP) is described on the State Government's website as follows (http://www.maritime.nsw.gov.au/mpd/infra_grants.html):

"The Better Boating Program (BBP) is a State Government grants program aimed at providing recreational boating infrastructure for the benefit of the boating community on New South Wales waterways. The BBP, which started in July 2009, consolidates the three grants programs previously run by Roads and Maritime Services (RMS).

RMS uses revenue raised from registration and licence fees to fund the grants program. Since the inception of infrastructure grant funding in 1998, the State Government has provided over \$45 million for over 750 boating infrastructure improvements across NSW.

Applications for funding under the 2013/14 BBP - Regional Infrastructure Grants, Sydney Harbour Boating Infrastructure Grants (formerly SSHAP) and Sydney Harbour Boat Ramp Grants closed on 2 August 2013 with successful applications announced on 12 December 2013. Information about the 2014/15 round of grants will be available towards the middle of 2014.

Under the BBP an amount of \$2.5 million is available annually for Regional Infrastructure Grants. The funding is provided based on the grants being matched by the recipient (i.e. 50 / 50 funding). Council typically applies each year for funding and projects that have been successful in recent years include:

- East Wardell Boat Ramp and Car Park Upgrade (currently under construction) (\$148,750 grant - 2012/13 program)
- Emigrant Creek Boat Ramp (\$34,500 grant - 2011/12 program)
- Carawarra Park Boat Ramp / Car Park Upgrade (\$27,500 grant - 2011/12 program)
- Ballina Yacht Club Boat Ramp Upgrade (\$17,310 grant - 2010/11 program)
- Emigrant Creek Boat Ramp (\$110,990 grant – 2010/11 program)
- Wardell Wharf (\$28,530 - 2009/10 program)

Council has recently been notified that all three of our BBP grant applications for 2013/14 have been successful and the purpose of this report is to determine whether Council wishes to allocate matching funding to accept the grants.

Key Issues

- Benefits of works, cost and source of funding

Information

Council has been using our adopted corporate documents, such as the Ballina Foreshore Masterplan (2008) and the Richmond River Recreational Boating Study (2005) (both available on our website), to support the priorities for BBP grant applications, along with on-going assessments of existing infrastructure. For 2013/14, grant applications were submitted for the following three projects:

Martin Street Boatharbour Precinct – Development Concept Study

This project has a total cost of \$80,000 (grant of \$40,000). Due to its central location this precinct is one of the highest priorities for improved marine infrastructure and advice from organisations such as Crown Lands is that a more detailed master plan (i.e. concept study) is needed for this precinct to confirm how the locality should be developed over time. By having a master plan in place, Council will be in a stronger position to seek future grant funds.

Keith Hall Boat Ramp Facility

This project has a total cost of \$60,000 (grant of \$30,000). The lack of a boat ramp at South Ballina was identified in the Richmond River Recreational Boating Study and a preferred site has been determined at Keith Hall. The original study had identified an alternative site however further investigations identified Keith Hall as the optimum site for a boat ramp facility.

Fishery Creek Boat Ramp and Car Park Upgrade

This project has a total cost of \$315,500 (grant of \$157,750). The work involves the extension of the existing car park along the eastern side of the RMS site. This land is currently used as an informal car parking area and the funding would allow the site to be formalised. A concept map this project is included as an attachment to this report.

In respect to priority order for the grants the preference from a staff perspective is:

- First Priority – Martin Street – This is a high profile location and the concept study is needed to allow access to future grants – it will also help with Council's overall planning for this precinct (i.e. naval museum etc).
- Second Priority – Keith Hall – As no facility currently exists in this location this will address an existing deficiency
- Third Priority – Fishery Creek – As the parking is currently being used the existing informal approach can continue, therefore this is considered to be the lower priority of the three projects.

Sustainability Considerations

- **Environment**
Projects of this nature can provide environmental improvements as new or upgraded infrastructure can improve existing practices.

10.7 Better Boating Program – Grants

- **Social**

The Richmond River provides a major social benefit to the Ballina Shire and was identified as one of the highest community priorities in the most recent community satisfaction survey.

- **Economic**

There can be significant economic benefits generated by providing modern marine infrastructure through increased tourism.

Legal / Resource / Financial Implications

The key issue in respect to this report is the need to confirm whether Council wishes to provide the matching funding for these projects. The RMS has advised Council that we have until the end February 2014 to confirm whether or not we will be accepting these grants.

The Council budget does not have a recurrent allocation of funding for marine related infrastructure and recent projects such as the East Wardell Boat Ramp have often been funded from other major project budgets (eg. Wardell Town Centre Upgrade).

With no funding available in the recurrent budget the options available in respect to funding are as follows:

- a) Defer other capital projects – Elsewhere in this agenda is summary of the Capital Project expenditure to 31 January 2014. Certain projects in that report are yet to commence and Council could easily transfer funding from one of those projects to help match the BBP grants.
- b) Use reserve funds – Council's property reserves are largely committed and the only reserves that could be considered as viable options relate to the Civil Services Group.

The first reserve available in the Civil Services Group is the RMS Single Invitation Contract (SIC) reserve which has an estimated balance of \$265,700 as at 30 June 2014. This reserve has been generated from surpluses gained on RMS contracts undertaken by Council and the reserve is normally used to finance variances, both up and down, in road construction projects undertaken by the Civil Services Group.

With Ballina and Alstonville now bypassed Council is not anticipating to generate similar SIC revenues into the future, which is unfortunate as the SIC surpluses have generated hundreds of thousands of dollars for Council over the years.

The second reserve with a significant balance is a Stormwater Management Plan reserve which has an estimated balance of \$278,200 as at 30 June 2014. This reserve helps to fund the various flood studies and flood modeling undertaken by Council and often these funds are needed to match State Government grants for this type of work.

The lengthy nature of these projects has allowed this reserve to accumulate over time.

10.7 Better Boating Program – Grants

The final reserve available is the Civil Road Works Contingency Reserve which has an estimated balance of \$638,600 as at 30 June 2014. This reserve is similar to the SIC reserve in that it helps to fund and is financed from, variations in the annual roads maintenance and construction budget.

Significant weather events can result in unplanned expenditure in the tens and occasionally hundreds of thousands of dollars in road maintenance and construction and this reserve is essential in ensuring that Council does not incur a major reduction in our working capital through unplanned events. It is an important contingency reserve.

c) Combination of a) and b).

Consultation

The grant applications are based on consultation undertaken through studies such as the Ballina Foreshore Masterplan and the Richmond River Recreational Boating Study, both of which involved extensive community consultation.

Options

The options are to accept all the grants, some of the grants or none.

This is a difficult issue to determine a preferred option as the BBP provides important recreational boating improvements for the Ballina Shire, however there is only so much work Council can finance each year.

The Martin Street Boatharbour Concept Study is considered to be essential and the first recommendation is to source the required funding of \$40,000, for this project, from the Stormwater Management Plan Reserve. There are adequate funds in that reserve (\$278,200) to still meet on-going flood studies and modeling and the allocation of the \$40,000 is not anticipated to have any significant impact on future studies / works of this nature.

The Keith Hall Boat Ramp is also considered to be a high priority as there is no similar facility in this locality. The recommendation therefore is to source the required funding of \$30,000 from the SIC reserve.

This then leaves the Fishery Creek Boat Ramp and Car Park Upgrade, which is the largest project, at a total cost of \$315,500 or \$157,750 to Council.

The difficulty in not proceeding is that Council may not again be offered funds for the project and it could impact on Council's ability to obtain future funding through the BBP (i.e. theoretically the State Government may be reluctant to offer monies to Council if we have previously declined monies).

On the other hand the problem with proceeding is identifying the funding, along with managing the overall scope of works Council is trying to deliver this year.

Also due to the time constraints on the acceptance of the grant funding Council is considering these projects in isolation and with the 2014/15 budget deliberations to commence during March there are other priority projects that Council wishes to deliver that may also need funding.

10.7 Better Boating Program – Grants

A prime example of this is the Coastal Shared Path / Walk, which will be subject to a separate report to the March 2014 Finance Committee meetings. That report will highlight that it is generally accepted that Councillors wish to see the segment from Angels Beach to Sharpes Beach delivered next financial year, subject to planning consent being obtained this financial year.

The Civil Services Group has provided a very preliminary estimate for this section of the project at \$1.4 million. Two grant applications have been submitted to the RMS for 50% of the cost of the two segments that make up this section (i.e. segment one from Angels Beach to Flat Rock estimated at \$800,000 and segment two from Flat Rock to Sharpes Beach estimated at \$600,000).

From staff discussions with the RMS the funding of these applications seems unlikely as the RMS has a preference to continue to focus on major transport corridors such as The Coast Road. Also the funding being sought is relatively high and beyond the magnitude of grants annually received by Council from the RMS for cycleways. Despite the reluctance of the RMS, the Mayor has written to the local member, Mr Don Page, seeking his support for these grants applications and Council staff continue to correspond with the RMS on this issue.

Council has also submitted in its correspondence to the RMS the extension of the cycleway component of the entire project along Skennars Head Road and North Creek Road and there is a possibility that the RMS may approve a grant for 2014/15 for a segment in this section, as they see it as the natural extension of the western cycleway. The segments identified in Council's ongoing correspondence with the RMS for this section of the cycleway project, are as follows, along with the total estimated cost of each segment:

- Segment Three – Intersection of Headlands Drive / Skeannrs Head Road to Henderson Drive - \$130,000
- Segment Four – Henderson Drive to Tara Downs (North Creek Road) - \$710,000
- Segment Five – Tara Downs to Palisade Way - \$410,000
- Segment Six – Palisade Way to Castle Drive - \$190,000
- Segment Seven – Castle Drive to Amber Drive - \$190,000

Council is still to debate its overall priority for the Coastal Shared Path and western cycleway, with other segments to be constructed for the cycleway being from the intersection of Skennars Head Road / Headlands Drive to The Coast Road and then following The Coast Road to the Pat Morton car park, along with the coastal walk segment of the Coastal Shared Path / Walk from Sharpes Beach to Boulder Beach and Pat Morton Lookout.

The report to the March Finance Committee meetings will highlight that for Council to finance the \$1.4 million needed to construct the coastal shared path from Angels Beach to Sharpes Beach in 2014/15 will require the following sources of funding (assuming no grants are forthcoming):

- Existing shared path / cycleway reserves – estimated balance as at 30 June 2014 - \$187,400

10.7 Better Boating Program – Grants

- Remaining funding from existing 2013/14 shared pathway budgets as per Capital Expenditure report elsewhere in this agenda (excluding the \$600,000 western segment of the cycleway planned for construction in 2013/14) - \$289,100 (albeit some of this will be expended on further design works in 2013/14)
- Funding allocated in Council's Long Term Financial Plan for the Coastal Shared Path in 2014/15 - \$194,000
- SIC Reserve – remaining balance assuming \$40,000 is allocated to the BBP through this report - \$225,700
- Various small Civil Services Ancillary Infrastructure Reserves including car parking, street lighting, bus shelters - \$135,700
- Various small Civil Services Asset Management Reserves including SES and Section 94 Administration - \$31,200
- Various small Civil Services Reserves for marine infrastructure and RMS related works - \$65,400
- Quarry Dividend - \$271,500 – This then leaves an estimated reserve balance of \$1,157,800 as at 30 June 2015 based on the current long term financial plan.

This is a realistic funding proposal but it does help to highlight the difficulty in then finding funding for other projects such as the BBP grants.

Assuming Council does allocate \$1.4 million to the Coastal Shared Pathway in 2014/15, this will mean that the majority of our internal reserves are committed to existing projects.

The two property reserves (Community Infrastructure and Property Development) are largely allocated dependent on Council's plans for the Wigmore Arcade and the only other major internal reserve remaining is the Quarry Reserve. Council did receive positive reports during 2013 that the funds in the Quarry Reserve may not be needed for remediation of the existing quarries however Council has expressed an interest in seeking approvals for dredging in North Creek.

If Council does submit a successful expression of interest for that dredging licence, when and if advertised by NSW Trade and Investment, we could be committed to the expenditure of hundreds of thousands of dollars to obtain the licence and associated approvals. It was always proposed the Quarry Reserve would finance this expenditure.

This brief snapshot highlights the forward financial pressures on Council with other major ad hoc projects to be considered in the March budget discussions including:

- Alstonville Pre-school - new building - may require assistance in funding ranging from \$200,000 to \$600,000
- Ballina RSL Sub-branch - requesting funding of approximately \$150,000 for the upgrading of the cenotaph in the Ballina RSL Memorial Park.

Council is still actively pursuing funding for other major projects such as the Ballina and Alstonville swimming pool upgrades and the Ballina Sports and Leisure Centre.

10.7 Better Boating Program – Grants

Clearly additional revenue from sources such as land sales, increased rates and grants is needed for projects of this magnitude to be delivered in the short term.

In conclusion it has been necessary to provide a quick review of Council's overall financial picture to assist in determining whether funds should be allocated to the Fishery Creek Boat Ramp and Car Park Upgrade, which requires a commitment of \$157,750.

Ultimately the priority for this project is a decision for the elected Council and as such the recommendation includes a 3A (approve) and 3B (decline).

The Civil Services Group do not believe any of the existing capital works currently included in the budget should be deferred, which means the only available funding source is the use of the Civil Works Contingency Reserve.

The Civil Services Group has some concerns about using this reserve, due to the overall magnitude of the roads budget and the variations that can occur, however they also agree that the high usage levels of the Fishery Creek Boat Ramp and Car Park justify this project.

Recommendations 3A and 3B provide Council the opportunity to determine whether or not this reserve should be used for this project.

RECOMMENDATIONS

1. That Council confirms its acceptance of the Better Boating Program grant of \$40,000 for the Martin Street Boatharbour Concept Study with Council's matching funding to be sourced from the Civil Services Stormwater Management Plan Reserve.
2. That Council confirms its acceptance of the Better Boating Program grant of \$30,000 for the Keith Hall Boat Ramp Facility with Council's matching funding to be sourced from the Civil Services Single Invitation Contract Reserve.
- 3A. That Council confirms its acceptance of the Better Boating Program grant of \$157,750 for the Fishery Creek Boat Ramp and Car Park Upgrade with Council's matching funding to be sourced from the Civil Works Contingency Reserve.

OR

- 3B. That Council declines to accept the Better Boating Program grant of \$157,750 for the Fishery Creek Boat Ramp and Car Park Upgrade due to limitations on the funding available to provide Council's matching contribution to the grant.
4. That Council approves the inclusion of the grant funds and matching Council funding in the 2013/14 budget as per points one to three.

Attachment(s)

1. Concept Map

10.8 Delivery Program and Operational Plan - December Review

10.8 Delivery Program and Operational Plan - December Review

Delivery Program Governance and Finance

Objective To undertake the quarterly review of the implementation of Council's Delivery Program and Operational Plan.

Background

Under the Integrated Planning and Reporting requirements Section 404 (5) of the Local Government Act states as follows:

Delivery Program

"The general manager must ensure that regular progress reports are provided to the council reporting as to its progress with respect to the principal activities detailed in its delivery program. Progress reports must be provided at least every 6 months".

Even though Council is only required to receive six monthly progress reports the preferred practice has been to receive more timely quarterly reports. This report represents the second review of the 2013/14 - 2016/17 Delivery Program and the 2013/14 Operational Plan, with the information contained in the report based on work undertaken up to 31 December 2013.

The review information is included as a separate attachment to this report and the attachment provides an overview of all the programs included in the Delivery Program and Operational Plan, with comments provided by the relevant group and section manager.

In reviewing this information it is important to recognise that many of the benchmarks are based on the full 12 months, whereas the information included is for six months of the year. This means that a program can still be on track even though on a pro-rata basis it may appear behind, as a large part of the actions or work may be undertaken during the remainder of the year.

For reference purposes copies of the current Delivery Program and Operational Plan are available on Council's web site and also accessible by Councillors on their ipads.

Key Issues

- Compare actual results against the adopted goals and priorities

10.8 Delivery Program and Operational Plan - December Review

Information

The Delivery Program and Operational Plan are the two key corporate documents that establish Council's goals and priorities for the term of the Council and the current financial year. The attachment to this report provides a comprehensive overview of the actions being progressed, with the information also being linked to Council's Community Strategic Plan (CSP) Objectives.

The attachment has two main sections being:

- Program Actions - This section provides a comment on the status of all the major actions in the Operational Plan
- Service Delivery Targets - This section provides details on the key indicators within the Operational Plan.

Generally many of the actions are on track and the report highlights the wide range of activities undertaken by Council.

In respect to the Operational Plan there are a total of 90 major actions listed in the Plan and the following two tables provide an overview of the status of those actions on a number and percentage basis.

Program Actions Overview - By Number of Tasks

Group / Status	GM	DEH	Civil	SCF	Total
Green	21	9	31	25	86
Amber	1	0	1	1	3
Red	0	0	1	0	1
Total	22	9	33	26	90

Program Actions Overview - By Percentage

Group / Status	GM	DEH	Civil	SCF	Total
Green	95	100	94	96	96
Amber	5	0	3	4	3
Red	0	0	3	0	1
Total	100	100	100	100	100

Many of the actions remain on track or are already completed. Items requiring further comment include:

- Ballina and Alstonville Swimming Pools (page 5) – No funding has been allocated to advance these projects and strategies for funding as well as clarifying the preferred works will again form part of the annual budget meetings in March.
- Indoor Facility for Ballina (page 5)- This is showing as amber as there still remain many unknowns in respect to the project and the Council is clearly split on the preferred option. The Kingsford Smith Master Plan is being progressed albeit that it is uncertain as to whether or not this is the optimum site. An alternative site has been considered although the merits and viability of that site remain unclear.
- Review branding of Southern Cross and Russellton Industrial Estates - page 8) – Based on the existing workload for the Commercial Services Unit there are concerns this project may not be completed this year, although the staff advise that it will be commenced.

10.8 Delivery Program and Operational Plan - December Review

- Implement Stormwater Management Plan (page 13) – Progress on this item remains limited due to resource limitations and higher priority projects.

In respect to the Service Delivery Targets there is a total of 89 targets identified in the Operational Plan and the following two tables provide an overview of how Council is performing against those targets, again on a number and percentage basis.

Service Delivery Targets Overview - By Number of Activities

Group / Status	GM	DEH	Civil	SCF	Total
Green	21	19	22	10	72
Amber	2	0	5	3	10
Red	2	1	2	0	5
Unknown or N/A	0	0	2	0	2
Total Tasks	25	20	31	13	89

Service Delivery Targets Overview - By Percentage

Group / Status	GM	Regulatory	Civil	SCF	Total
Green	84	95	71	77	81
Amber	8	0	17	23	12
Red	8	5	6	0	6
Unknown or N/A	0	0	6	0	2
Percentage Total	100	100	100	100	100

In respect to these services most are on track as per the agreed targets with the variances of note being:

- Asset Management – Percentage of DA referrals completed within 21 days – 15% (target > 70%) (page 24) – This is the Development Engineering assessment section of Council and it remains a key area where improvements need to be made either in processes or the addition of extra resources to meet the agreed benchmark.

On a positive note a new staff member has recently commenced employment in this section and that person has extensive experience in the northern rivers region and their input should make a significant difference to current service levels.

- Commercial Services – Vacancy rate for commercial properties – 25% (target <10% – page 25) – The commercial property market remains very tight and the commitment to the refurbishment of the Wigmore Arcade should help to improve this indicator.
- Community Facilities and Services – Bookings and operating deficits (page 25) – The commencement of the operation of the Ballina Surf Club remains a learning experience as Council comes to grips with the market for room hire and the operating costs for maintaining the building. Cleaning is proving to be very expensive.

10.8 Delivery Program and Operational Plan - December Review

- Environmental and Public Health – On Site Effluent Disposal Inspections – 41 (target 250 - page 27) – The major concern is the slow progress being made on the on site effluent system inspections. Unfortunately this reflects the difficulty of the task and the fact that there is only one employee allocated to the project. A report will be submitted to one of the March Finance Committee meetings in respect to resourcing levels for this function.
- Water and Wastewater (page 31) – There has been some compliance concerns although they are primarily minor licensing matters.

Sustainability Considerations

- **Environment**
There is a range of environmental, social and economic outcomes identified in the Delivery Program and Operational Plan.
- **Social**
As above.
- **Economic**
As above.

Legal / Resource / Financial Implications

The Delivery Program and Operational Plan identifies the allocation of Council's resources and finances.

Consultation

The purpose of this report is to provide the community with information on how Council is performing in respect to the Delivery Program and Operational

Options

The report is for information purposes.

RECOMMENDATION

That Council notes the contents of the 31 December 2013 review of the Delivery Program and Operational Plan.

Attachment(s)

Nil

10.9 Financial Review - 31 December 2013

10.9 Financial Review - 31 December 2013

Delivery Program Financial Management

Objective To provide a review of the 2013/14 financial year budget to the end of 31 December 2013.

Background

In accordance with the Local Government Act the responsible accounting officer of a council must, not later than two months after the end of each quarter, prepare and submit to the council a budget review statement that shows a revised estimate of the income and expenditure for that year. The report that follows provides this review for the first six months of 2013/14.

Key Issues

- Variations to the budget and financial performance of Council

Information

The purpose of this report is to provide information on known budget variances as at 31 December 2013. The format of the report complies with the Quarterly Budget Review Statement Guidelines set down by the Division of Local Government (DLG).

To comply with these guidelines an Operating Statement, Capital Budget, Cash and Investment Statement, Key Performance Indicators, Contractors, Consultants, Legal Information and certification by the Responsible Accounting Officer are required. Commentary on the variations recommended is then provided after the tables. A brief overview of the information provided in the report is as follows:

Section One - Operating Income and Expense - These tables provide the operating revenues and expenses for the Funds (General, Water and Wastewater).

Section Two - Capital Budget - These tables outline the capital expenditure budgets.

Section Three - Cash and Investment Statement - These tables provide details on the projected movements in reserve balances.

Section Four - Key Performance Indicators - The ratios provide an indication of the financial health of the organisation.

Section Five - Contractors/Consultants/Legal Expenses - This information provides details of specific expenses incurred and contracts entered as required by the DLG.

Certification - This is a Statement by the Responsible Accounting Officer as to whether the current year's estimated financial performance is or is not satisfactory.

10.9 Financial Review - 31 December 20134

General Fund

This next section of the report deals with Council's General Fund operations. Tables for income and expense follow, including recommended variations to budget. Following the tables are comments in respect to proposed budget variations that are considered to be material.

General Fund – Operating Income and Expenses

Operating Income	Original Budget	September Budget	Approved Changes	Revised Budget	Changes for Approval	December Budget	Actual to December
	000's	000's	000's	000's	000's	000's	000's
Strategic and Community Services Group							
Strategic Planning	228	228		228	15	243	29
Community Services	386	386		386	16	402	214
Tourism	38	64		64	50	114	60
Sub Total	652	678	0	678	81	759	303
Development and Environmental Health Group							
Development Services	322	322		322	26	348	199
Building Services	635	635		635	31	666	442
Public and Env Health	198	198		198	0	198	169
Admin and Public Order	121	121		121	15	136	72
Sub Total	1,276	1,276	0	1,276	72	1,348	882
Civil Services Group							
Asset Management	180	237	0	237	118	355	188
Stormwater and Env Prot	281	281	0	281	130	411	342
Roads and Bridges	37	37	0	37	405	442	26
Ancillary Transport Services	659	661	0	661	80	741	405
Roads and Maritime Services	800	843	0	843	90	933	500
Open Space and Reserves	716	828	0	828	55	883	509
Fleet Mgmt and Workshop	3,983	3,989	0	3,989	0	3,989	2,110
Rural Fire Service	208	208	0	208	(11)	197	144
Quarries and Sandpit	343	343	0	343	0	343	161
Swimming Pools	303	303	0	303	0	303	237
Landfill Management	6,610	6,615	0	6,615	120	6,735	3,665
Waste-Domestic	7,246	7,274	0	7,274	20	7,294	6,981
Sub Total	21,366	21,619	0	21,619	1,007	22,626	15,268
General Manager's Group							
Administrative Services	28	28	0	28	0	28	11
Financial Services	21,780	20,010	0	20,010	140	20,150	18,888
Regional Library	116	116	0	116	(5)	111	110
Information Services	4	11	0	11	0	11	10
Human Resources and Risk	110	110	0	110	40	150	142
Property Management	3,171	3,288	(41)	3,247	9	3,256	1,724
Ballina Byron Airport	4,477	4,553	0	4,553	96	4,649	2,240
Sub Total	29,686	28,116	(41)	28,075	280	28,355	23,125
Total Operating Income	52,980	51,689	(41)	51,648	1,440	53,088	39,578

10.9 Financial Review - 31 December 2013

General Fund – Operating Income and Expenses (cont'd)

Operating Expenses (excluding depreciation)	Original Budget	September Budget	Approved Changes	Revised Budget	Changes for Approval	December Budget	Actual to December
Strategic and Community Services Group							
Strategic Planning	987	1,112	0	1,112	49	1,161	519
Community Services	969	1,158	0	1,158	77	1,235	647
Tourism	799	857	0	857	51	908	468
Sub Total	2,755	3,127	0	3,127	177	3,304	1,634
Development and Environmental Health Group							
Development Services	1,232	1,228	0	1,228	(60)	1,168	572
Building Services	783	737	0	737	0	737	393
Public and Env Health	722	747	0	747	(10)	737	342
Admin and Public Order	1,169	1,169	0	1,169	(25)	1,144	577
Sub Total	3,906	3,881	0	3,881	(95)	3,786	1,884
Civil Services Group							
Asset Management	2,972	3,711	18	3,729	110	3,839	1,989
Stormwater and Env Prot	669	1,051	0	1,051	130	1,181	510
Roads and Bridges	4,613	4,628	0	4,628	(206)	4,422	2,449
Ancillary Transport Services	1,635	1,612	0	1,612	79	1,691	1,101
Roads and Traffic Authority	800	843	0	843	90	933	445
Open Space and Reserves	3,874	3,655	(18)	3,637	(1)	3,636	1,788
Fleet Mgmt and Workshop	2,878	2,823	0	2,823	8	2,831	1,496
Rural Fire Service	381	407	0	407	30	437	225
Quarries and Sandpit	402	402	0	402	0	402	27
Swimming Pools	710	739	0	739	(10)	729	445
Waste-Landfill/Commercial	5,359	5,406	0	5,406	147	5,553	2,787
Waste - Domestic	6,613	6,623	0	6,623	15	6,638	3,270
Sub Total	30,906	31,900	0	31,900	392	32,292	16,532
General Manager's Group							
Governance	1,045	1,060	0	1,060	0	1,060	571
Administrative Services	705	705	0	705	(11)	694	343
Financial Services	(3,474)	(3,532)	0	(3,532)	27	(3,505)	(2,078)
Regional Library	1,439	1,465	0	1,465	(1)	1,464	1,016
Information Services	1,397	1,411	0	1,411	66	1,477	1,059
Human Resources and Risk	998	1,101	0	1,101	439	1,540	1,394
Property Management	2,989	3,084	0	3,084	(57)	3,027	1,878
Ballina Byron Airport	3,286	3,263	0	3,263	78	3,341	1,924
Sub Total	8,385	8,557	0	8,557	541	9,098	6,107
Total Operating Expenses	45,952	47,465	0	47,465	1,015	48,480	26,157
Net Operating Result Before Depreciation	7,028	4,224	(41)	4,183	425	4,608	13,421
Depreciation Expense	15,655	15,563	0	15,655		15,655	7,781
Net Operating Result Continuing Operations	(8,627)	(11,339)	(41)	(11,472)	425	(11,047)	5,640

General Fund Working Capital Forecast

Item	Original Budget	September Forecast	December Forecast
Working Capital Result – Deficit	(135)	(135)	(86)

Comments - General Fund

The **forecast operating surplus** (before depreciation) has increased from \$4.2 million to \$4.6 million. Inclusive of depreciation a loss of approximately \$11 million is now forecast. This movement includes numerous positive and negative changes and the material changes are discussed below.

The estimated **unrestricted working capital** has position has improved from negative \$135,000 to negative \$86,000. Every effort has been made to offset negative adjustments with positives and there are some indications that the building sector is showing signs of improvement which often has a positive influence on the budget.

During the first half year there has been a significant amount of staff turnover and extended leave taken. This means that there will be savings in salary budgets (as staff are on leave or while a replacement is being sourced), over expenditures in leave budgets (due to extended leave and payout of entitlements on retirement/retrenchment) and forecast oncost income is trending low (due to less standard salary payments than anticipated). This has caused adjustments to numerous budgets across the ledger. A summary of these changes are shown within the Human Resources expenditure section of this report.

Details of the larger budget variations are as follows.

General Fund - Operating Revenues

Strategic and Community Services Group

Strategic Planning

Planning Income; Fees for land rezoning process. An equivalent expense budget has been raised to \$7,500.

Grant Income; New grant associated with heritage advice. An equivalent expense budget has been raised to \$7,500.

Community Services

Community Facilities Income; Changes to this section include an increase of \$20,000 to forecast income at Lennox Head Cultural and Community Centre as casual hire is trending high; a decrease of \$20,000 to the Ballina Surf Club lease rental as a rent free period has been agreed with the new tenant and an increase of \$8,000 to Richmond Room casual hire.

Missingham Markets; Forecast income of \$7,500 has been relocated from the Property section of the budget to the Community Services section as part of the on-going organisation review.

Tourism

Ballina Visitor Guide; Work has commenced on the next edition of the Guide and income and expense budgets to \$50,000 have been raised. The intent is to raise sufficient payments from advertisers to match the production expense.

Development and Environmental Health Group

Development Services

Legal Costs Recovered; Council has received income to date of \$26,000 from fines/legal costs recovered associated with a number of development compliance matters.

Building Services

Operating Income; Forecast income has been increased by \$31,000. This mainly relates to fees charged for building inspections but also includes licences and certificate approvals.

Administration and Public Order

Dog Registrations; The income for registrations is in excess of budget and has been increased by \$8,000 whilst dog fines are trending high and the budget has been raised by \$6,000.

Civil Services Group

Asset Management

Salaries: A new position, as approved by Council, to manage procurement and the store has been located within Asset Management. Contributions have been taken from other self funded areas such as Water/Waste etc to \$100,000. This contribution shows as an increase to income.

Depot Income; During the quarter surplus stock from the depot was sold and \$17,500 was raised. This income has been used to increase various expenditure budgets for depot operations.

Stormwater

Grant Income; New budgets have been raised to \$130,000 relating to Ballina Flood Risk Study (\$40,000), Ballina Flood Study use by third parties (\$20,000) and Gallons road/cycleway flood study (\$70,000). New expenditure budgets have been raised to the same amount.

Roads and Bridges

Grants: Council has been advised by Roads and Maritime Services that we will receive a grant to \$240,000 relating to damage sustained in the January 2013 floods. An expenditure budget has been raised to \$136,000 to effect repairs and \$104,000 is transferred to the Ballina ByPass reserve which funded expenditure incurred in 2012/13 regarding storm damage.

Interest Income; New budgets to \$165,000 have been raised for interest earned on the reserves created following the receipt of funds for the Ballina and Alstonville Bypass'. A large amount of this reserve money is proposed to be expended this financial year however substantial interest earnings will be attributable.

Ancillary Transport Services

Private Works; Income from private works is trending higher than forecast and an additional \$50,000 has been added to both income and expense. The main job relates to the hire of the side arm mower to Byron Shire Council.

Burns Point Ferry; Ferry income is trending higher than forecast and the budget has been increased by \$30,000. The increase relates to gate fees as opposed to season tickets.

Roads and Maritime Services (RMS)

Regional Roads Grant; Forecast grant income has been increased by \$90,000. We have received a one off payment of \$79,000 relating to the transition associated with the Ballina Bypass and \$11,000 relating to flood damage. Equivalent expenditure budgets have also been raised.

Open Spaces and Reserves

Regional Works Crew; Grant income will be less than forecast and the budget has been reduced by \$6,000.

Vegetation Management: New grant funds received to \$20,000 for a vegetation management project associated with Lennox Headland.

Interest Income; Forecast interest income on the Wollongbar Sports Fields grant has been increased by \$41,000 as expenditure is not occurring as quickly as anticipated.

Landfill and Resource Management

Operating Income; The Construction and Demolition Waste stream is trending well up in comparison to budget and previous years. The budget has been increased by \$150,000.

Fees from Council jobs are difficult to predict and at this stage actual income is trending low and the budget has been reduced by \$30,000.

Domestic Waste Management

Annual Charge: Revenue from annual rates is exceeding forecast due to growth in assessments and \$20,000 has been added to this budget.

General Manager's Group

Financial Services

Rates and Charges; The budget for income from the ordinary rate has been increased by \$20,000 following the processing of supplementary rate levies.

Interest on Investments; Cash flows have been better than forecast which has contributed to a positive trend in interest returns. The budget has been increased by \$100,000.

10.9 Financial Review - 31 December 2013

Legal Costs Recovered; The legal costs incurred in recovery action for outstanding rates are raised against the property owner. The budget has been increased by \$10,000.

Section 603 Certificates; An indication that the property market is on the improve is that income from rating certificates is trending well. The budget has been increased by \$10,000.

Human Resources and Risk

Insurance Rebates; Rebates against premiums have been received in respect to workers compensation \$15,000 and property insurance \$15,000.

Contribution to Leave Entitlements; Council has received \$10,000 from another council towards leave entitlements. This money has been transferred to the leave entitlements reserve.

Ballina Byron Airport

Operating Income; There has been a net increase to income of \$96,000 which mainly relates to increased security charges \$64,000 and lessee reimbursements \$34,000.

Operating expenses have increased by \$78,000 and capital expense by \$96,000 resulting in a net reduction to the predicted cash result of \$78,000. The current forecast is that the Airport reserve will be negative \$335,000 at year's end. This worsening in the cash result is not helping Council's objective to reduce the overall reserve deficit.

General Fund - Operating Expenses

Strategic and Community Services

Strategic Services

Section 94 Plans Review; New budgets raised totalling \$67,000 to create/review section 94 plans for Cumbalum precinct, Open Spaces, Roads and Car Parking. Funds have been sourced from a combination of Strategic Reserves and reducing existing expenditure budgets by \$18,000. The review of these Section 94 Plans is an Operational Plan objective for 2013/14 and consultancies are needed to support the plans.

Salaries; The budget has been reduced by \$15,000. See comment in Human Resources section of this report.

Grants/Contributions; See comments in the Strategic income section of this report regarding income received to \$15,000 resulting in an equivalent increase to expense.

Community Services

Salaries; The salaries budget has been reduced by \$20,000. See comment in Human Resources section of this report.

Lennox Head Community and Cultural Centre; The operating budget has been increased by \$20,000, funded via an increase to forecast income of \$20,000. The additional budget has primarily been applied to electricity and security.

Relocation of Cost Centres; Expenditure budgets for Public Halls \$36,000 and Naval Museum \$18,000 have been relocated to Community Services from the property section of the budget as part of the on-going organisation review.

Kentwell Community Centre/Richmond Room; Operational budgets have been increased by \$5,000 for Kentwell and \$8,000 for the Richmond Room based on high trending of actual expenses to budget.

Development and Environmental Health Services

Development Services

Salaries; In total the salaries budget has been reduced by \$60,000 of which \$20,000 relates to the leaves budgets (see comments Human Resources section) and \$40,000 is because an employee (and their budget allocation) has been relocated from Development Services to Information Services as part of the organisation review.

Public and Environmental Health Services

Salaries; The budget has been reduced by \$10,000, see comment in Human Resources section.

Administration and Public Order

Salaries; The budget has been reduced by \$40,000, see comment in Human Resources section.

Animal Shelter Operations; Budgets have been increased by \$15,000 as cleaning, impounding and veterinary expenses are all trending high. This expense is offset by an equal increase to forecast income relating to registrations and fines.

Civil Services

Asset Management

Salaries; Budgets were increased by a total of \$153,000 associated with the new procurement officer and also the centralisation of costs for two other employees (Projects and Contracts Co-Ordinator/Energy Efficiency Assets Manager). Previously costs for these two positions were costed throughout the budget and they are now all debited to Asset Management. Budgets in other areas have been reduced, typically by quite small amounts, and a contribution of \$100,000 has been processed from self funding areas to offset this increase.

Also in respect to salaries budgets have been reduced by \$50,000 regarding the leaves budgets, see comment in Human Resources section.

10.9 Financial Review - 31 December 2013

Lennox Surf Club; Essential repairs have been carried out to \$11,500 funded from an unexpended 2012/13 budget that was held in reserve for this purpose.

Roads and Bridges

Storm Damage; New budget raised to \$136,000 to repair roads damaged by the January 2013 floods. Funds supplied by Roads and Maritime Services.

Section 94 Funded Works; The budget contained a provision of \$408,000 for maintenance works funded by section 94 heavy vehicle contributions. This is a recurrent activity and the actual program of works is finalised during the year.

The program has now been finalised and the original provision of \$408,000 has been removed from the budget and specific works have been raised that total \$67,000. NB; other budgets have been raised in the capital section of the roads budget.

Ancillary Transport

Private Works; Both income and expense budgets have been increased by \$50,000. See comments in the income section of this report for Ancillary Transport.

Burns Point Ferry; The budget for annual slippage and overhaul has exceeded the available budget by \$29,000. The budget has been increased by \$30,000 to \$142,000.

Rural Fire Service

Contribution to Bush Fire fighting Fund; The original estimate for this expense was \$164,000. The method of calculating this contribution is quite complex and depends on a combination of previous years expense and the adopted current years budget. The current year's budget is never actually adopted until November of that financial year.

The bottom line is that you are never really sure of what the contribution or budget will be until you are advised well after the year has commenced. The deficiencies of this system are well documented however there appears to be no changes on the horizon.

Council has been advised that the actual contribution will be \$194,000 so an extra \$30,000 has been added to the budget. The extra expense is attributable to the fact that our 2013/14 budget includes a new (replacement) tanker for the Newrybar Fire Brigade.

The cost of the tanker elevates our total budget which means Ballina attracts a higher percentage of the State overhead expenses. i.e.; we pay more of the central administration and insurance expenses.

Swimming Pools

Salaries; The budget for each pool was reduced by \$5,000 as part of the reallocation of costs associated with centralising the Asset Managers salary.

Landfill and Resource Management (LRM)

Operating Expenses; Forecast expense has increased by \$147,000. There are numerous changes that combine to make this net increase as the business is transitioning from a landfill operation to one of transport.

The larger changes are reductions to forecasts for the State imposed levy \$50,000, solid waste testing \$20,000 and transport of green waste \$20,000.

Budget increases include solid waste bale/place/cover \$91,000, transport of mixed waste \$50,000, transport of construction and demolition waste \$50,000, purchase of bins \$10,000, weighbridge expenses \$10,000 and collection expenses \$10,000.

Domestic waste Management

Overheads; The budget has been increased by \$15,000 for contributions relating to General Fund expenses for the new purchasing officer.

General Manager's Group

Financial Services

Bank Charges; Based on trends more funds are required this year. The budget has been increased by \$10,000.

Legal Expenses; Staff have been endeavouring to recover over due rates and in numerous instances legal action has been instigated. The budget has ben increased by \$10,000.

Asset Valuations; A standing budget of \$8,000 is in place to pay for revaluations of assets. Over time it will be necessary to increase this budget on an ongoing basis. The investment properties were revalued for the 2012/13 Financial Statements and the cost was \$15,000. The budget has been increased by \$7,000.

Information Services

Salaries; As part of the organisation review a staff member has been transferred to Graphical Information Systems (GIS) from Development Services and the budget has been increased by \$40,000.

Another staff member has also transferred to GIS from Civil Services. The costing regime for this person currently goes to Water and Wastewater. It is not proposed to change this arrangement for the current financial year, however commencing from 2014/15 the salary cost of this person will be apportioned as per the whole GIS section. This is currently a casual role (for at least the last three years) and with the organisation structure review recommending the centralisation of GIS services the intent is to advertise it as a permanent full time position in March 2014.

Civica Licence; Council has subscribed to the Civica online tutorials service which has necessitated an increase to the budget of \$10,000. This is an essential training package for all users of the Civica software.

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Computer Software; This budget has been increased by \$16,000. The extra costs relate to a new Pinforce system to serve fines and additional licence for server backup.

Human Resources

Salary/Leaves/Oncost; As noted earlier in this report there are numerous budget adjustments proposed that relate to staff retirements and extended leave. A summary of the adjustments is shown in the table below.

Budget Name	Adjustment to Budget	Value (\$)	Comment
Strategic Salaries	Reduce expense	35,000	Trending low
Development Salaries	Reduce expense	60,000	Trending low
Civil Salaries	Reduce expense	80,000	Trending low
Corporate Salaries	Reduce expense	30,000	Trending low
Workers Comp Premium	Reduce expense	70,000	Savings to forecast
Leaves Reserve	Transfer from	260,000	Relevant reserve
Net credit to budget		535,000	
Redundancy	Increase expense	5,000	Budget exceeded
Staff leaves	Increase expense	450,000	Trending high
Oncost income	Reduce income	80,000	Trending low
Net debit to budget		535,000	

The leaves budgets are trending well in excess of forecast and the adjustments made as part of this review (increase to budget of \$455,000) may not be sufficient to see the year out. The approach has been to address part of the trend and monitor until the next review. This year to date staff entitlements paid out on retirement amount to over \$440,000.

The leave entitlements reserve is required to provide \$260,000 as part of these adjustments and the budget already included a transfer from this reserve of \$76,000. The reserve balance at the start of the year was \$1.6 million which funded the leave entitlements liability to 27%. The forecast reductions to the reserve in this year's budget will mean the reserve will fund approximately 22% of the estimated liability.

Whilst this reduction to the reserve is not desirable the percentage funded remains acceptable, although it is at the lower end of the preferred range. It must also be said that the reason for the reserve is to meet contingencies such as those faced by the 2013/14 budget.

The net adjustment for this section of the budget is an increase of \$439,000 which is summarised as follows;

Item	Change	Amount (\$)
HR Salaries	Decrease estimated expense	20,000
Workers comp premium	Decrease estimated expense	70,000
Leaves	Increase estimated expense	455,000
Oncost income	Reduce estimated income	80,000
Health and Safety	Reduce estimated expense	6,000
Net change	Increased estimated expense	439,000

Property Management

Relocation of Cost Centres; Expenditure budgets for Public Halls and \$36,000 and Naval Museum \$18,000 have been relocated to Community Services from the property section of the budget as part of the organisation review.

Water Operations

This next section of the report deals with Council's water operations.

Water - Statement of Operating Income and Expenses (\$'000)

Item	Original Budget	September Budget	Approved Changes	Revised Budget	Changes for Approval	December Budget	Actual to December
Operating Income	9,250	9,250	0	9,250	155	9,405	6,225
Operating Exps (excl. dep)	9,185	9,188	0	9,188	124	9,312	4,584
Net Operating Result Before Depreciation	65	62	0	62	31	93	1,641
Depreciation Expense	1,810	1,810	0	1,810		1,810	905
Net Operating Result from Continuing Operations	(1,745)	(1,748)	0	(1,748)	31	(1,810)	736

The forecast Operating Result before depreciation is a surplus of \$93,000 and a loss of \$1.8 million after depreciation. Operating revenues have increased by \$155,000 and expenses by \$124,000 resulting in a net improvement to the forecast of \$31,000.

In respect to revenue there are signs that water consumption is on the rise. A conservative approach has been adopted with consumption income being increased by \$70,000 however if we have a dry second half year revenue will exceed the revised forecast by some margin. The other main changes to income are an increase to forecast meter connections of \$20,000, annual charges \$10,000, sundry services \$15,000 and radio tower leases \$38,000.

Forecast expenditure increases include treatment plant expenses \$70,000, meter connections \$20,000 and contribution to purchasing officer \$31,000.

Wastewater Operations

This next section of the report deals with Council's Wastewater operations.

Wastewater- Statement of Operating Income and Expenses (\$'000)

Item	Original Budget	September Budget	Approved Changes	Revised Budget	Changes for Approval	December Budget	Actual to December
Operating Income	14,151	14,319	0	14,319	0	14,319	12,395
Operating Exps (excl. dep)	14,006	14,226	0	14,226	41	14,267	7,069
Net Operating Result Before Depreciation	145	93	0	93	(41)	52	5,326
Depreciation Expense	3,104	3,104	0	3,104		3,104	1,552
Net Operating Result from Continuing Operations	(2,959)	(3,011)	0	(3,011)	(41)	(3,052)	3,774

The forecast **operating result** is a surplus of \$52,000 excluding depreciation. As with the Water Fund result this is a very marginal surplus and the aim must be to improve this performance. This is particularly the case with Wastewater given that the fund has loan capital repayments of \$2.4 million annually. The cash loss is funded from reserves, as is the plan for a few years, however it does highlight that there remains a way to go to elevate pricing to manage the new loans taken out.

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Forecast revenues have not been adjusted whilst expense has increased by \$41,000. The main changes to forecast expense are:

- New budgets for contributions to expenses incurred in General Fund for new procurement officer \$31,000 and wastewater works occurring as part of a footpath upgrade \$40,000
- Increase to the budget for the Water Quality Data Management project \$10,000
- Increase to budgets for treatment plant operations \$20,000
- Reduction to salaries budget \$60,000.

Capital Expenditure

This next section of the report looks at capital expenditure and examines proposed changes to the program.

General Fund - Capital Budget - Source and Application of Funds (\$'000)

Description	Original Budget (\$'000)	Sept Budget (\$'000)	Approved Changes (\$'000)	Revised Budget (\$'000)	Changes for Approval (\$'000)	December Budget (\$'000)	Actual to December (\$'000)
Capital Funding							
General Revenue	3,453	3,571	(1,219)	2,352	854	3,206	3,206
Reserves	19,270	29,398	(1,755)	27,643	(1,381)	26,262	26,262
Loans	727	727	473	1,200	0	1,200	1,200
Section 94 Conts	3,350	3,461	(511)	2,950	1,410	4,360	4,360
Grants and Conts	8,266	7,601	0	7,601	91	7,692	7,692
Total Funding	35,066	44,758	(3,012)	41,746	974	42,720	42,720
Capital Expenditure							
Strategic Community Facs							
Com Facs / Gallery	81	95	0	95	(10)	85	81
GM's Group							
Administration	0	0	0	0	25	25	0
Infor Services	25	25	0	25	0	25	4
Libraries	261	261	0	261	0	261	0
Commercial Prop	4,380	4,686	(2,615)	2,071	0	2,071	449
Camping Ground	10	10	0	10	0	10	0
Ballina Airport	4,917	4,903	0	4,903	96	4,999	4,972
Dev and Env Health Group							
Animal Shelter	370	844	0	844	0	844	753
Civil Services							
Cemeteries	0	45	0	45	0	45	33
Parks and Reserves	307	370	(17)	353	(27)	326	172
Sports Fields	4,466	4,753	725	5,478	0	5,478	234
Waste Management	481	1,198	0	1,198	(131)	1,067	124
Stormwater	340	770	0	770	0	770	219
Roads and Bridges	14,823	17,815	882	18,697	140	18,862	6,923
Ancillary Transport	1,055	2,504	(313)	2,191	773	2,964	621
Water Transport	0	26	0	26	0	26	0
Asset Management	2,550	4,101	(1,359)	2,742	43	2,785	415
Fleet and Plant	750	1,870	0	1,870	0	1,870	254
Rural Fire Service	0	210	0	210	0	210	150
Swimming Pools	250	272	(250)	22	0	22	22
Total Expenditure	35,066	44,758	(2,947)	41,811	909	42,720	15,426

General Fund - Capital Budget

General Manager's Group

Administration; A new budget has been raised to \$20,000 for refurbishment of the Strategic Services section and office furniture and fittings across the organisation. This expenditure has been incurred as part of the organisational structural changes. A budget of \$5,000 has been raised for records projects to enable tasks such as back scanning of permanent keep records to be progressed. These adjustments have been funded via a combination of reductions to other budgets and existing budget that was available for building renovation.

Ballina/Byron Airport; Three Airport projects have exceeded available budget and more funds are required. The pavement rehabilitation project requires an additional \$51,000, equipment storage shed \$20,000 and the construction of a hardstand area \$25,000. The over expenditures are funded from reserves, effectively the property reserves, given that the airport reserve is overdrawn.

Civil Services

Open Spaces and Reserves; The budget for public amenities has been relocated to the Asset Management section of the budget (\$27,000).

Landfill and Resource Management: A capital budget of \$131,000 funded from the State levy reimbursements has been deleted from this program. New budgets were raised at the September review that effectively superseded the need for this budget.

Roads and Bridges; New capital budgets raised for renewal works on Ross Lane \$18,000 and Tintenbar/Teven Road \$122,000, both of which are funded from Section 94 contributions for heavy haulage.

Ancillary Facilities; Budgets to construct the car parks in Tamar Street have been increased by \$365,000. The original budgets are inadequate as during the construction process it became apparent that the soil on the site was contaminated with asbestos. This required excavation and replacement of the soil at a cost of approximately \$285,000. It was also necessary to pay relocation costs associated with early termination of lessees (\$65,000) and a contingency of \$15,000.

The additional expenditure has been funded from the section 94 Car Parking fund.

A new budget of \$255,000 is also recommended to be raised to enable construction of a toilet block as ancillary infrastructure to the car parks. This budget is able to be funded by the section 94 car parking fund.

Councillors have received an overview of this project as part of the February Commercial Services Committee meeting in respect to the Wigmore Arcade redevelopment. Further detail is also provided in the Capital Expenditure report included elsewhere in this agenda.

Two new jobs have been raised for grants received for a new path at Kerr and Tamar Streets \$26,000 and funds for the coastal shared path \$100,000.

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Asset Management; The budget for Administration Building Improvements has been increased by \$16,000 funded from reimbursements received on insurance premiums. The capital budget for public toilets (\$27,000) has been relocated from Open Spaces and Reserves to Asset Management.

Water - Capital Budget - Source and Application of Funds (\$'000)

General Fund Capital works	Original Budget 2013/14 \$'000	September Budget \$'000	Approved Changes \$'000	Revised Budget \$'000	Changes for Approval \$'000	December Budget \$'000	Actual to December \$'000
Water Capital Funding							
Reserves	1,858	1,150	0	1,150	(187)	963	
Section 64 contributions	1,720	2,130	0	2,130	(32)	2,098	
Grants & Contributions	0	0	0	0	0		
Total Funding	3,578	3,280	0	3,280	(219)	3,061	0
Water Capital Expense							
Water storage	840	1,424	0	1,424	426	1,850	1,164
Pump Stations	573	573	0	573	(458)	115	6
Pressure Management	180	180	0	180	0	180	105
Trunk mains	1,573	633	0	633	0	633	0
Other	412	470	0	470	(187)	283	135
Total Capital expense	3,578	3,280	0	3,280	(219)	3,061	1,410

There has been a net reduction to the program of \$219,000. A summary of the major changes are;

- Water Storage; Additional budget of \$426,000 is required for the recycled water distribution and storage works that are in progress.
- Pump Stations; Budgets for works on the Basalt Court Pump Station have been removed from the current years budget to \$458,000.
- Other: There is a net reduction to the mains renewals budget of \$187,000 which included the raising of a new budget for Prosper Place \$53,000 and reduction to the renewal budget of \$240,000.

Wastewater - Capital Budget - Source and Application of Funds (\$'000)

General Fund Capital works	Original Budget 2013/14 \$'000	September Budget \$'000	Approved Changes \$'000	Revised Budget \$'000	Changes for Approval \$'000	December Budget \$'000	Actual to December \$'000
Wastewater Capital Funding							
Reserves	8,703	10,540	260	10,800	220	11,020	
Section 64 contributions	1,663	1,663	0	1,663	0	1,663	
Loans		690	0	690	0	690	
Total Funding	10,366	12,893	260	13,153	220	13,373	0
Wastewater Capital Expense							
Consultancies	40	52	0	52	30	82	71
Treatment Plants	1,850	3,218	0	3,218	(81)	3,137	1,245
Recycled Irrigation	310	686	0	686	(140)	546	152
Pump Stations	2,937	2,519	0	2,519	0	2,519	185
Trunk Mains	4,110	5,787	260	6,047	183	6,230	2,908
Plant	184	209	0	209	100	309	146
Other	935	422	0	422	128	550	129
Total Capital expense	10,366	12,893	260	13,153	220	13,373	4,836

10.9 Financial Review - 31 December 2013/4

There are numerous changes required for Wastewater capital works budgets. A breakdown of each project is included in the Capital Expenditure – Quarterly Update report that forms part of this agenda.

The net outcome is an increase to the program of \$480,000 in comparison to the September position. A full review of the 2013/14 program will occur in conjunction with preparation of the 2014/15 budget that will be considered at forthcoming Finance Committee meetings.

Investments

The next table shows details of the projected cash and investments.

	Original Budget 2013/14 \$'000	September Budget \$'000	Approved Changes \$'000	Revised Budget \$'000	Changes for approval December \$'000	Revised Budget December \$'000
Unrestricted	1,566	1,566	0	1,566	0	1,566
Externally Restricted						
- Section 94	1,156	2,346	0	2,346	(274)	2,072
- Domestic Waste M'tment	889	1,031	0	1,031	5	1,036
- Unexpended Grants/loans			0	0	0	0
- Other	61	72	0	72	0	72
- Section 64 Water	6,288	6,812	0	6,812	52	6,864
- Water	570	1,369	0	1,369	196	1,565
- Section 64 Sewer	4,157	1,442	0	1,442	(25)	1,417
- Sewer	8,514	10,192	0	10,192	(496)	9,696
Total Externally Restricted	21,635	23,264	0	23,264	(542)	22,722
Internally Restricted						
- Strategic and Community Services	167	289	0	289	(26)	263
- Employee Leave Entitlements	1,705	1,932	0	1,932	(250)	1,682
- Plant Replacement	294	162	0	162	(9)	153
- Quarries	1,276	1,333	0	1,333	0	1,333
- Property Reserves	177	354	1,049	1,403	(51)	1,352
- Properties Refurbishment	1,134	3,552	0	3,552	(58)	3,494
- Open Spaces and Reserves	95	195	0	195	0	195
- Landfill Management	1,842	1,609	0	1,609	105	1,714
- Civil Works	3,694	3,338	374	3,712	622	4,334
- Other	119	175	0	175	0	175
Total Internally Restricted	10,503	12,939	1,423	14,362	333	14,695
Total Restricted	32,138	36,203	1,423	37,626	(209)	37,417
Total Cash and Investments	33,704	37,769	1,423	39,192	(209)	38,983

The unrestricted cash figure is not inclusive of transactions that would normally be included when calculating working capital; i.e. it is exclusive of movements in items such as debtors and creditors. The available cash figure is taken from note six of the financial statements as at 30 June 2013. Council does not track movements in available cash on a quarterly basis.

Statements

1. Council's investments are all in accordance with the Local Government Act, the regulations and Council's investment policy.

10.9 Financial Review - 31 December 2013

2. As per the investments summary for December 2013, funds invested amounted to \$72,828,000. All restricted monies are included in these investments.
3. Cash has been reconciled to the bank statement as at 30 December 2013 to the amount of \$780,292.
4. Actual year to date cash and investments amount to \$73,618,000 as at 30 December 2013. This amount includes cash at bank of \$780,292 and funds invested of \$72,837,708 which has been reconciled to bank statements and investment reports.

Bank Reconciliation Summary as at 31 December 2013

Balance as per Bank Statement	1,397,913
Less Unpresented Cheques	33,995
Sub Total	1,363,918
Plus Outstanding not Credited	7,562
Sub Total	1,371,480
Less Amounts Deposited at end of month not in ledger	591,188
Balance as per ledger	780,292

Comment on Cash and Investment Position

The forecast reserves position has increased from \$37.7 million to \$39 million. There have been numerous adjustments that make up this net movement

Section 94 Reserves

There has been a net decrease to reserves which relates to:

- Reduction of \$620,000 relating to Tamar street car parks
- Increase of \$201,000 in respect to the works program funded from heavy vehicle haulage contributions
- Increase of \$511,000 associated with Ballina Heights Drive
- Increase of \$284,000 based on positive trend for developer contributions and interest
- Reduction of \$650,000 for the new River/Moon street roundabout

Water

There is a net increase to the reserves of \$248,000 following adjustments to operating forecasts and adjustments to the capital program.

Wastewater

There is a net decrease to the reserves of \$521,000 following adjustments to operating forecasts and adjustments to the capital program.

Strategic and Community Services

The major changes to these reserves are the use of \$30,000 for the review of section 94 plans for Open Space, Roads and Car Parking. A budget of \$10,000 for public art has been transferred to reserve.

Employee Leave Entitlements

The adjustment to the reserve, decrease by \$250,000, is to finance benefits payable on resignation and long service leaves.

Property Reserves

There have been numerous changes to the property reserves approved at the November 2013 Council meeting, which resulted in an approximate \$1 million increase to the reserve. Since that time reserves are forecast to decrease by \$50,000 which is due to the new budget raised for Lennox Head Cultural and Community Centre legal expenses.

Properties Refurbishment Reserve

Funds from this reserve have been committed to refurbishment of the Administration centre and review of the section 94 contribution plans.

Landfill Resource Management

The increased reserve forecast of \$105,000 relates to a combination of amendments to forecast operating income and expense as well as changes to the capital program which was a reduction of \$131,000.

Asset Management

The reserve is forecast to increase by \$621,000. This is associated with the Alstonville and Ballina Bypass reserves \$271,000 which increased due to a combination of interest income and reimbursement from Roads and Maritime Services regarding flood damage expense in 2012/13. Also Council received a payment from Roads to Recovery of \$350,000 which has been transferred to reserve as it is yet to be allocated to a project.

Key Performance Indicators

The next section of the report takes selected financial benchmarks that have been adopted by Council and compares the June 30 2012 and 2013 ratios with the forecast at December for June 30 2014. The performance indicators that have been selected have a short term focus which suits the quarterly review which also tends to focus on the short term.

The actual and forecast performance indicators measured against the benchmark provide an important insight into the financial well-being of the organisation. The indicators should be used to assist financial policy and strategy.

It is important to understand that estimating ratios is particularly difficult given the variables and complexities involved in the calculation. It is almost inevitable that the ratio forecast will be in error to some degree.

Key Performance Indicators - Description

1. Unrestricted Current Ratio - Unrestricted current assets divided by unrestricted current liabilities.

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Measured: as a ratio

Purpose: this ratio is used to measure Council's ability to meet short term liabilities with available short term assets.

Indicator type: Financial Position

Benchmark: >1.5:1 (NSW TCP)

2. Operating Balance Ratio – Net operating result from continuing operations (excluding capital items) as a percentage of operating revenue (excluding capital items).

Measured: as a percentage

Purpose: this percentage measures whether the Council is sustainable in terms of its operating result. Council should not be recording recurring operating deficits or funding operating results from capital revenue.

Indicator type: Financial Performance

Benchmark: <-10% (IPART)

3. Debt Service Ratio – Loan principal and interest payments divided by revenue from continuing operations excluding capital items and specific purpose grants and contributions.

Measured: as a percentage

Purpose: The purpose of this percentage is a measure of whether Council has excessive debt servicing costs relative to operating revenue.

Indicator type: Financial Position

Benchmark: <12% (LGMA Health Check)

Benchmark Indicators – General Fund

1. Unrestricted Current Ratio – General Fund

Benchmark: >1.5:1 (NSW TCP)

2011/12	2012/13	December
Actual	Actual	Estimate
2.89:1	2.61:1	2
Pass	Pass	Pass

Comment

In 2013/14 the forecast is that cash reserves will decline by approximately \$25 million as the capital works program is completed which will have a downward influence on the ratio.

However the forecast is for a pass mark which shows the resilience of the fund.

2. Operating Balance Ratio – General Fund

Benchmark: <-10% (IPART)

2011/12	2012/13	December
Actual	Actual	Estimate
(8.00)	(14.70)	(19.25)
Fail	Fail	Fail

Comment

The forecast is for a further decline in this ratio in comparison to the previous year as expenses are forecast to increase and income decline. Among other things the 2012/13 financial year benefitted from a one off payment in respect to the two by pass hand overs which favourably distorts the outcome.

A strategy to improve this ratio is to continue to closely monitor operating expenses and increase income. Over time it is important that this result improves to ensure that that the organisation is able to meet all future liabilities.

* The ratio assumes that Council will receive a prepayment of the 2014/15 Financial Assistance Grant late this financial year.

3. Debt Service Ratio – General Fund

Benchmark: <12% (LGMA Health Check)

2011/12	2012/13	December
Actual	Actual	Estimated
6.70	8.00	10.86
Pass	Pass	Pass

Comment

In 2012/13 Council borrowed approximately \$13 million relating to the Airport and other infrastructure improvements. This represented an approximate 70% increase in General Fund debt. Hence this is the main driver in the forecast increase to the ratio.

Benchmark Indicators - Water

1. Unrestricted current ratio - Water

Benchmark: >1.5:1 (NSW Tcorp)

2011/12	2012/13	December
Actual	Actual	Estimated
33.96:1	30.67:1	23.5
Pass	Pass	Pass

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Comments

The ratio is forecast to decline as reserves are used to fund capital works in 2013/14.

2. Operating Balance Ratio – Water

Benchmark: <-10% (IPART)

2011/12	2012/13	December
Actual	Actual	Estimated
(20)	(13.49)	(18.82)
Fail	Fail	Fail

Comments

The fund continues to struggle with matching income to expenses and this has been the case for some years.

Mitigating strategies include an increase to tariffs for 2014/15 that will exceed cost of living rises.

3. Debt Service Ratio – Water

Benchmark: <12% (LGMA Health Check)

2011/12	2012/13	December
Actual	Actual	Estimated
Nil	Nil	Nil
Pass	Pass	Pass

Comments

The fund has no external borrowings.

Benchmark Indicators - Wastewater

1. Unrestricted current ratio - Wastewater

Benchmark: >1.5:1 (NSW Tcorp)

2011/12	2012/13	December
Actual	Actual	Estimated
8.19:1	4.00:1	1.59
Pass	Pass	Pass

Comments

The forecast is that the ratio will fall considerably in comparison to the 2012/13 position. This is due to the \$63 million borrowing taking affect. The forecast still reflects a pass mark but it is quite close to the fail mark.

It is likely that the Fund will hover around the benchmark and possibly fall to the fail position for a few years until he fund recovers from the impact of the borrowing.

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2. Operating Balance Ratio – Wastewater

Benchmark: <-10% (IPART)

2011/12	2012/13	December
Actual	Actual	Estimated
(22.00)	(26.90)	(21.62)
Fail	Fail	Fail

Comments

The forecast is that the fund will fail this benchmark. One of the key issues is the interest expense associated with the loan repayments. Going forward the strategy is to continue to increase annual charges and carefully manage expenses.

3. Debt Service Ratio – Wastewater

Benchmark: <12% (LGMA Health Check)

2011/12	2012/13	December
Actual	Actual	Estimated
21.00	34.00	50.67
Fail	Fail	Fail

Comments

The fund is set to fail this benchmark by a massive margin due to the recent loan program. This ratio will exceed benchmark for many years to come and it is the control that Council has over the annual charge that keeps the Fund viable over the medium term. The strategy is to continue increasing the annual charge so that the enterprise can operate in a sustainable manner.

Contractors

The table below provides details of contracts entered into in the December quarter. Contracts below \$50,000 are not included.

Contractor Name	Purpose	Amount (\$'000)	Start Date	Duration of Contract	Incl in Budget Y/N
Hinterland Airconditioning	Airconditioning for 89 Tamar	289	December	Three months	Y
Fulton Hogan	Airport overlay	4,302	October	Two months	Y
Complete Urban	Lake Ainsworth Masterplan	278	October	Varied	Y

Consultants

The table below summarises the expense incurred to date on consultants. The definition of consultants includes a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist advice or professional advice to assist decision making by management.

10.9 Financial Review - 31 December 2013

Item	Expenditure YTD	Included in Budget Y/N?
Consultancies	342,000	Y

Legal Expenses

The table below summarises the expense incurred to the end of December on legal fees. For the purposes of the report legal fees have been included where there is a dispute situation. This includes for example recovery of rates not paid but excludes processing of infringement notices (no dispute at this point) and amounts paid to legal firms that may be related to the creation of a lease or sale of land.

Item	Expenditure YTD	Included in Budget Y/N?
Legal Fees	106,000	Y

Other Matters

Flood Damage Grant

During the second half of the 2012/13 financial year Council expended significant funds effecting repairs, primarily to roads, following floods and storms in January. There was in excess of \$500,000 that was considered to be claimable from the Federal Government under the disaster recovery program. This position was supported by their regional officer and at the end of 2012/13 a debtor was raised on the assumption that a claim would be successful.

Over the ensuing months Council officers have been pursuing payment of the claim with no success. It is proposed to continue to chase the funds however it is starting to be a concern that the claim has not been paid. This would mean a reversal of the debtor raised and Council will have to fund the expense from reserves or reduce the works program.

The most recent emails to staff from the Federal Government are looking more positive and it is hoped that by the March Quarterly review that this matter will be resolved. The purpose of this comment is to advise Council of the problem just in case the funding is not forthcoming.

Statement

The following statement is made in accordance with clause 203(2) of the Local Government (General) Regulations 2005. It is my opinion that the Quarterly Budget Review Statement for Ballina Shire Council for the quarter ended 31/12/13 indicates that Council's projected financial position at 30 June 2014 will be satisfactory* at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

* The satisfactory position is based on the short term (twelve month) outlook.



Signed Peter Morgan, Responsible Accounting Officer

Sustainability Considerations

- **Environment**

This report encompasses the entire Council budget and as such has implications for environmental, social and economic outcomes. Council needs to bear in mind the implications of allocating or not allocating resources to particular works and services.

- **Social**

As above

- **Economic**

As above

Legal / Resource / Financial Implications

This report informs Council of actual financial results to date in comparison to budget. Where legal ramifications are envisaged they are detailed within the information section of this report.

Consultation

This report has been prepared to inform the community of budget variations.

Options

Council may approve the budget amendments proposed, make changes or not approve any changes. It is considered that the proposed changes reflect either Council policy or necessary adjustments that reflect the trending of actual incomes and expenses.

The other matter requiring approval is the permanent position of GIS officer. The organisation structure review identified that the Council's GIS activities should all be centralised in the Information Services Section. In response to this a staff member from the Development and Environmental Health Group has already been relocated.

The other person to be relocated is a position that has been undertaking water and wastewater GIS activities for in excess of three years as part of the Civil Services Group. This work has been undertaken by the incumbent as a casual employee rather than as a permanent employee.

With the new organisation structure now being implemented it is an opportune time to advertise this position as a permanent position within Council's organisation. The organisation structure report highlighted the many benefits to be gained from improved use and accessibility to GIS services and the recruitment of this position will then allow all the GIS staff to be located within the Information Services and as permanent staff members. The second recommendation to this report seeks approval for the recruitment of that position as the cost of funding that position are already included within the water and wastewater budgets.

RECOMMENDATIONS

1. That Council notes the contents of the December 2013 Quarterly Budget Review and approves the changes identified within this report.
2. That Council authorises the recruitment of a permanent GIS staff member to replace the position currently being undertaken on a casual basis within the Civil Services Group.

Attachment(s)

Nil

10.10 Capital Expenditure - Quarterly Update

10.10 Capital Expenditure - Quarterly Update

Delivery Program Governance and Finance

Objective To provide a quarterly status report on the delivery of the capital works included in the 2013/14 Operational Plan.

Background

Council has a major capital expenditure program included in the annual Operational Plan and due to the scale and magnitude of the program it is important that updates are provided on a regular basis.

The current practice is to provide a comprehensive quarterly status report on all the major capital works included in the Operational Plan. This status report provides details on key milestone dates, along with a comparison between budget and actual expenditure.

This report is for the period to 31 January for the 2013/14 financial year. Typically this report would have been presented to the January 2014 Ordinary meeting for the six months ended 31 December 2013 however staff absences made that report impractical to prepare.

Key Issues

- Status of works

Information

To assist in understanding the delivery timeframes for the capital works the attachments to this report provide information on the following items:

- Original Budget - represents the budget as per Council's adopted Operational Plan
- Carry Forward - represents budgets carried forward from the previous financial year that were approved by Council at the August 2013 Ordinary meeting
- Approved Variations - Variations previously approved by Council resolution either through a Quarterly Budget Review or a separate report on a particular project. As the December budget review is included elsewhere in this agenda, items recommended in that review have been included in this column on the assumption they will be approved.
- New Variations – Represents further changes recommended on top of the December quarterly review report included elsewhere in this agenda.
- Latest Estimate - Sum of the original budget plus budget changes
- Expenditure to Date - Expenditure to date of report
- % Expended - Percentage of budget expended to date
- Milestone Dates - Represents target dates for completion of the major milestones.
- Status - Allows additional comments to be provided.

10.10 Capital Expenditure - Quarterly Update

The attachments are split into the main functional sections within Council undertaking the works: i.e. Open Spaces, Waste, Engineering Works, Operations Support, Commercial Services, Water and Wastewater. Points of interest in respect to the attachments are as follows.

Open Spaces

The major works to be completed this year relate to:

- Porter Park – Council endorsed landscape plan with plan to be subject to further community consultation
- Play Equipment (various) – Installation program underway
- Fripp Oval – Drainage – The drainage works for Fripp Oval will now not commence until 2014/15 as it is necessary to relocate existing users to the new Cumbalum Fields, while these works are taking place, to minimise any impact on the users.
- Wollongbar Sports Fields – Council has received regular updates on this project and due to the layout plan being amended a Section 96 amendment is required for the project. This has resulted in delays in construction with the period to June 2014 needed to obtain the new planning approval and to seek tenders for the next stage of construction works. This report includes a recommendation to transfer \$4,881,900 from 2013/14 to 2014/15 based on this revised timeline.

Waste Management

Biochar is the major project with the feasibility assessment still on-going. Construction works will not commence this financial year and the attachment includes a recommendation to reduce the 2013/14 budget to \$400,000 with the balance (\$305,000) transferred to 2014/15.

The 2013/14 budget also included the replacement of an existing waste collection truck. With new vehicles having been purchased in 2012/13 the existing fleet can be maintained in the short term. Therefore the \$350,000 allowance for this replacement is transferred to 2014/15.

Engineering Works

Drainage

A transfer of funds between projects is recommended to allow works on Angels Beach Drive due to a drainage failure. Any failures in systems result in staff having to reallocate the available funding to those more urgent works.

Urban and Rural Roads

Major projects such as the Compton Drive re-alignment and associated car park for the Ballina Surf Club are complete, with the construction of Ballina Heights Drive also progressing well.

10.10 Capital Expenditure - Quarterly Update

Council accepted a tender for provision of asphalt for rehabilitation works on the former Pacific Highway (Tamarind Drive) at the October 2013 Ordinary meeting. These works are anticipated to commence in March and this will result in a significant amount of expenditure being incurred within a period of a few weeks (total budget of \$2.986 million).

New Project – Angels Beach Drive – Council has \$400,000 in Roads to Recovery monies now available which is able to be allocated to improvements to Angels Beach Drive. Sections of this highly trafficked road are deteriorating rapidly.

New Project – Tamar / Cherry Street Roundabout - Council considered a review of the funding for the Ballina Heights Drive Project, along with the availability of a Local Infrastructure Renewal Scheme (LIRS) loan, at the Facilities Committee meeting held 19 November 2013. As a result of that report Council resolved as follows:

1. That Council approves a reduction in the Ballina Heights Drive budget from \$9m to \$8 million with the works funded as follows:

Item	General	Wastewater	Total
Ballina Heights Drive	7,740,000	260,000	8,000,000
Funding			
BBRC Grant	5,000,000	0	5,000,000
BBRC Grant Interest	12,800	0	12,800
Wastewater Dual Ret	0	260,000	260,000
Section 94 Roads	2,339,200	0	2,339,200
Developer Payment	388,000	0	388,000
Total	7,740,000	260,000	8,000,000

2. That Council approves the inclusion of the following projects and budgets in the 2013/14 financial plan:

Item	Total
River / Moon Streets Roundabout to Fawcett Street	1,300,000
Other Road Projects - Subject to further report	550,000
Total	1,850,000
Funding	
Local Infrastructure Renewal Scheme (LIRS) Loan	1,200,000
Section 94 Road Contributions	650,000
Total	1,850,000

3. That Council approves an application to the Division of Local Government to reallocate the LIRS loan from Ballina Heights Drive to the Ballina Town Centre Beautification projects identified in point two.

As per point two of this resolution, funding was made available at that meeting for the River / Moon Streets Roundabout project, along with \$550,000 for another road construction project.

The preference for the other road construction project is the Ballina town centre, as Council has written to the Division of Local Government as per point three, seeking a variation to the \$1.2 m LIRS loan, to allow it to be expended on town centre related works. The Division has raised no objection to this proposal.

10.10 Capital Expenditure - Quarterly Update

In looking at the Ballina town centre works, the next major road construction project identified in Council's Long Term Financial Plan, based on Section 94 priorities, is the construction of a new roundabout at the intersection of Tamar and Cherry Streets. Council's Section 94 Roads Plan has this project identified as a priority in the early years of the Plan (as were the roundabouts at the intersection of River / Cherry and River / Moon Streets), with the estimated cost of the work, at the time the plan was adopted, being \$530,000, with 70% funded from Section 94 Road Contributions.

The Section 94 Road Contributions have been indexed by 7.42% since the Plan was adopted in 2010, which means the cost of this project is also able to be indexed by that amount, resulting in a revised project cost of \$570,000 (\$530,000 x 107.42%).

The Roads Contribution Plan allows 70% of the cost of road projects to be funded by developer contributions, which means \$399,000 (70% x \$570,000) can be sourced from contributions.

The majority of the available road contributions held by Council were allocated in the resolution arising from the 19 November 2013 Facilities Committee meeting and the latest update for these contributions is as follows:

Item	Amount (\$)
Opening Balance – 1 July 2013	3,353,800
Less Hutley Drive allocation	32,000
Less Ballina Heights Drive allocation	2,339,200
Less BBRC rebate allocation	193,100
Less River / Moon Street Roundabout allocation	650,000
Estimated Balance – 30 June 2014	139,500

This excludes any collections for the year, which to date total more than \$300,000. Importantly this means there is more than adequate funds available between the \$550,000 LIRS loan funds and the Section 94 Roads Contributions held, to finance the Tamar / Cherry Street roundabout.

The construction cost of \$570,000 (as indexed) is based entirely on the estimate provided by Cardno Pty. Ltd. who prepared the Section 94 Roads Contributions Plan. Council's Civil Services staff have concerns that other estimates for roundabouts have been closer to \$800,000 to \$1 million.

Civil Services are yet to prepare the detailed design for this project, along with confirming the estimated cost, therefore there is a risk the budget could increase.

However, as the project is able to be 70% funded from developer contributions, and as there is approximately \$500,000 available once contribution collections for the current year are considered, there is more than adequate backup funding available to finance any budget increase.

The attachment to this report for the Engineering Works Section includes an allowance of \$50,000 for the 2013/14 budget for this project, with the balance of \$520,000 allocated to 2014/15.

The \$50,000 in 2013/14 recognises it will take a number of months to finalise the detailed design, with major construction works unlikely to commence until 2014/15.

10.10 Capital Expenditure - Quarterly Update

River / Moon Street Roundabout – The Engineering Works attachment reduces the current year's budget for this project from \$1.3 million to \$100,000. Similar to the previous paragraph, with Council only resolving to undertake this project in November, it will be a number of months before final designs etc are completed. Therefore the majority of the construction works will be undertaken in 2014/15.

Ancillary Transport Services

The street lighting program has been completed for 2013/14 and work is well advanced on the Tamar Street Car Parks. Design work is still underway on the Missingham Car Park project to ensure that the final works are sympathetic to this location.

In respect to the Tamar Street Car Parks the budgets reflect the major increases as per the commentary in the December 2013 Quarterly Financial Review report elsewhere in this agenda. The construction of new public toilets in Tamar Street is also included and a concept plan for these works is provided in the attachments to this report.

All of the Tamar Street Car Park works and the public toilets are funded from the Section 94 car park developer contributions held by Council, as per the following summary:

Item	Amount (\$'000)
Opening balance 1 July 2013	1,155
Less:	
Revised Budget – 74 Tamar Street Car Park	495
Revised Budget – 78 Tamar Street Car Park	370
Budget – Public Toilets	255
Net Operating Expenses from 74 and 78 Tamar	19
Estimated Balance - 30 June 2014	16

No car parking contributions have been collected during 2013/14 to date, which means that the overall funding for these projects is tight.

Shared Paths and Footpaths

Council has approved the commencement of work on the western cycleway from North Angels Beach to the Headlands Estate, with planning consents still being sought for the Coastal Shared Path / Walk component of the project on the eastern side.

The actual commencement of the western cycleway has been altered to late March as the Cultural (Aboriginal) Management Plan consent conditions are being worked through.

10.10 Capital Expenditure - Quarterly Update

Operations Support

Ballina Surf Club – Main building, car park and Compton Drive re-alignment all largely complete. We are awaiting a costing analysis on options for the storage building (i.e. to include gym plus other facilities) prior to reporting this matter back to Council to determine the facilities to be located within this building.

Lennox Head Surf Club and Eastern Lake Ainsworth – The consultants are close to finalising their briefing report on options for improving this precinct.

Ballina Sports / Leisure Centre – Kingsford Smith Plan – The draft master plan for Kingsford Smith is scheduled to be submitted to Council in the near future.

Ballina Sports / Leisure Centre – Design and Approval – With Council continuing to investigate site options the design and approval monies are unlikely to be expended this year. The budget has been reduced from \$383,000 to \$100,000 to reflect the on-going investigations.

Other projects such as the Naval Museum and Ballina Library improvements should progress quickly now that agreement has been reached on the scope of works.

Commercial Services

The capital works for the airport are complete albeit that the original budgets were over expended as reported in the December 2013 Quarterly Financial Review.

The Fawcett Street café works are largely complete with the tenant expected to take possession of the building shortly.

Water and Wastewater

The major expenditure for these programs relates to the Treatment Plant Upgrade contract for Ballina and Lennox Head and the dual reticulation contract being delivered by Haslin Pty. Ltd. and MMA. Pty. Ltd. respectively. Both projects are near closer to being finalised.

Budget changes for water and wastewater as a result of this report are:

Water

- Pumping Stations – East Ballina – Transfer of \$45,000 to 2014/15 to reflect revised estimate for 2013/14
- Trunk Mains – East Ballina – Transfer of \$380,000 to 2014/15 to reflect revised estimate for 2013/14
- Fluoride Dosing Plant – Marom Creek – Council is now in a position to advance this work. A budget of \$250,000 has been raised which will be largely offset by a \$200,000 contribution from NSW Health. The additional \$50,000 is for upgrade works to the existing water treatment facilities at the Marom Creek supply source that are outside of the scope of works required for the fluoride project. The works are proposed now to gain construction and operational efficiencies by integrating the works into the fluoride project.

10.10 Capital Expenditure - Quarterly Update

Wastewater

- Ballina and Lennox Upgrade contracts – Transfer of \$327,000 to 2014/15 for the post completion works to reflect the revised timing for this expenditure.
- Urban Dual Reticulation - Communications – Transfer \$145,000 to 2014/15 to reflect revised estimate for 2013/14.
- Re-use – Skennars Head Fields Shed – Transfer entire \$58,000 to 2014/15.
- Reverse Osmosis (RO) Plant – A new line item has been raised for this project as salinity levels are above acceptable limits for the re-use and program RO will now be required to allow the reuse to be effective. The 2013/14 budget for this work is \$50,000 with approximately \$2m likely to be incurred during 2014/15. This will result in a significant amount of re-scheduling in Council's capital works program to finance this work and further reports will be provided as part of the March Finance Committee meetings for the 2014/15 budget
- Pumping Stations – Various projects deferred to 2014/15
- Trunk Mains – The duplicate gravity main is deferred where as a developer related matter for Wollongbar is recommended for deletion.

Sustainability Considerations

- **Environment**
Many of the works listed provide positive environmental outcomes
- **Social**
Certain items provide significant social benefits (i.e. surf club)
- **Economic**
Improved infrastructure can benefit the local economy.

Legal / Resource / Financial Implications

The report provides financial information on the capital works program.

Consultation

This report is presented for public information. Consultation has been undertaken with staff managing the various projects.

In preparing this report the Lennox Head Combined Sports Association and the Lennox Head Rugby Club have approached Council to assist with funding to finalise the recent improvements they have undertaken at the Williams Reserve Clubhouse. The Association / Club have undertaken significant works to improve this facility and they are now seeking approximately \$7,000 to finalise the works.

The final attachments to this report are:

- a) Correspondence from the Lennox Head Rugby Club initially seeking \$13,860 for this work based on a quote from Peter Blakey Builder
- b) Email from John Bungate representing the Rugby Club and the Lennox Head Combined Sports Association advising that the figure needed for the works is now \$7,150 excluding labour. In other words the \$13,860 has been reduced to \$7,150 on the assumption that the users of the Williams Reserve Clubhouse will provide all the labour.

10.10 Capital Expenditure - Quarterly Update

This provides an opportunity for Council to allocate funding to allow the users of this facility to finalise their refurbishment. The allocation of funds is a matter for Council to determine.

In respect to Williams Reserve the other matter Council may wish to consider is in respect to the provision of additional power options. In staging the markets at Williams Reserve there is a need for food vans to access generators to allow the vans to be located on the south western side of the reserve.

Ideally to resolve this issue and other occasional situations where power is needed at that location the existing power supply could be extended with the estimated cost of that work being approximately \$8,000. To encourage market operators to utilize this locality and therefore support the Council resolution to relocate the markets, Council staff approved the use of a generator for the last Lennox Head markets, at a cost of \$242. This option can continue albeit that the permanent solution is to extend the existing power supply.

Options

As per the following table there is once again an extremely high level of capital expenditure forecast for 2013/14.

Capital Works Summary – 31 January 2014 (\$'000)

Section	Budget (%)	Expended (%)	Percentage
Open Spaces	877,100	453,100	52
Waste	659,800	124,000	19
Engineering Works	21,296,600	8,619,000	40
Operations Support	4,611,400	1,570,300	34
Commercial Services	7,210,300	5,528,500	77
Water	2,886,000	1,418,100	49
Wastewater	10,644,300	5,825,700	55
Total	48,185,500	23,538,700	49

The end of January 2014 represents 58% of the year completed with 49% of the capital works program delivered. This is a reasonable result considering very little construction works are undertaken during January.

The percentage figure may be low for waste however the value of the works is also relatively small. There are a number of minor State Government levy funded works to be completed for this program and with a new manager now recruited those works should be finished this financial year. Biochar is the other major project and the feasibility assessment continues as to whether or not this project is viable.

Operations Support has a variety of projects such as the Naval Museum, Ballina Library and Ballina Sports / Events Centre, which have been subject to constant review. As agreement has now been reached on the works for the museum and library, this should allow these projects to be completed this financial year.

10.10 Capital Expenditure - Quarterly Update

In respect to budget changes, there are a limited number of adjustments listed in this report that have not been identified in the December Quarterly Financial Review report. The recommendation that follows seeks Council approval for the additional budget adjustments.

The recommendations also include specific mention of the funding for the General Fund projects related to Tamar / Cherry Street roundabout, the Tamar Street toilets and the allocation of monies to Angels Beach Drive. These are major new projects proposed in this report that have matching funding sources, whereas the majority of the other adjustments are the reallocation of budgets between financial years.

The two other major changes identified in this report relate to the commencement of fluoridation for the Marom Creek water supply and the commencement of the reverse osmosis plant for the wastewater program. Both of these projects will be further examined in the preparation of the 2014/15 budget, during March, as they have on-going costs for the water and wastewater programs.

Finally, Council may also wish to address the funding sought by the users of the Williams Reserve Clubhouse along with the extension of the electricity supply for Williams Reserve.

No recommendation is currently provided in respect to these two matters as it is a matter for Council to determine whether funding should be provided. If there is support to finance one or both items the recommendation could be as follows:

That Council approves a maximum allocation of \$7,000 to assist with the finalisation of the refurbishment of the Williams Reserve Clubhouse and / or \$8,000 to extend the electricity supply at Williams Reserve (either could be deleted). This funding is to be sourced by the General Manager from savings in other capital works projects.

This would allow the General Manager (and staff) to review all the various capital works and by reallocating small amounts from projects where there may be opportunities for minor savings, the funding could possibly be achieved. This is not ideal but it is one option to allow one or both projects to be delivered. If the projects are not funded they will be considered as part of the 2014/15 budget deliberations and proponents advised accordingly.

10.10 Capital Expenditure - Quarterly Update

RECOMMENDATIONS

1. That Council notes the contents of this report on the status of the capital works program.
2. That Council approves the transfer of funding for the following General Fund projects, as outlined in the "New Variations" column, as per the attachments to this report.

Item	Current Budget	Revised 2013/14	Revised 2014/15
Open Spaces			
Fripp Oval Drainage	90,000	0	90,000
Wollongbar Sports Fields	5,246,900	365,000	4,881,900
Waste Management			
Biochar Facility	705,000	400,000	305,000
DWM Truck	350,000	0	350,000
Engineering Works			
River / Moon Street Roundabout	1,300,000	100,000	1,200,000
Drainage – Angels Beach Drive	0	135,000	0
Drainage – Tresise Place	85,000	0	0
Drainage – Allens Parade	50,000	0	0
Drainage – Grant Street	125,800	80,800	0
Drainage – Brunswick Street	100,000	145,000	0
Operations Support			
Ballina Sports and Leisure Centre	383,000	100,000	283,000

3. That Council approves the allocation of \$400,000 in available Roads to Recovery monies for rehabilitation works on Angels Beach Drive as per the following summary:

Item	2013/14 Budget	Revised 2013/14
Project		
Angels Beach Drive	0	400,000
Funding		
Roads to Recovery	0	400,000

4. That Council approves the allocation of the \$550,000 Local Infrastructure Renewal Scheme monies to the construction of the Tamar / Cherry Street roundabout, based on a revised total budget of \$570,000 as per the following summary:

Item	2013/14 Budget	Revised 2013/14	Revised 2014/15
Project			
Tamar / Cherry Street Roundabout	550,000	50,000	520,000
Funding			
LIRS Loan	550,000	50,000	500,000
Sec 94 Roads Conts	0	0	20,000

5. That Council confirms the allocation of \$255,000 from Section 94 car parking contributions for the construction of public toilets on the Tamar Street car parks.

10.10 Capital Expenditure - Quarterly Update

6. That Council approves the transfer of funding for the following Water and Wastewater projects, as outlined in the "New Variations" column, as per the attachments to this report.

Item	Current Budget	Revised 2013/14	Revised 2014/15
Water			
Pumping Stations – East Ballina	85,000	40,000	45,000
Trunk Mains – East Ballina	500,000	120,000	380,000
Fluoride Dosing Plant – Marom Ck	0	250,000	0
Wastewater			
Ballina Upgrade – Post Completion	230,000	0	230,000
Lennox Upgrade – Post Completion	97,000	0	97,000
UDR – Recycled Water Comm	165,000	20,000	145,000
Re-use – Skennars Fields Shed	58,000	0	58,000
Reverse Osmosis Plant	0	50,000	1,950,000
Pumping Stations (Various)	2,519,800	410,900	2,108,900
Trunk Main – Duplicate Gravity	59,800	0	59,800
WUEA Line	80,000	0	0

7. That as part of the 2014/15 budget deliberations for the March 2014 Finance Committee meetings Council receive a report on the financial implications of the commencement of the fluoride dosing and reverse osmosis plants.

Attachment(s)

1. Capital Expenditure - General Fund - Open Spaces and Waste (one page - A3 attachment)
2. Capital Expenditure - General Fund - Engineering Works (two pages - A3 attachment)
3. Capital Expenditure - General Fund - Operations Support (one page - A3 attachment)
4. Capital Expenditure - General Fund - Commercial Services (one page A3 attachment)
5. Capital Expenditure - Water Operations (one page - A3 attachment)
6. Capital Expenditure - Wastewater Operations (two pages - A3 attachment)
7. Tamar Street Toilets - Concept Plan
8. Lennox Head Rugby Club - Quotation for Lining of Verandah Roof
9. Lennox Head Rugby Club - Quotation for Concrete to extended Verandah Area

10.11 Section 94 Car Parking Contributions Plan

10.11 Section 94 Car Parking Contributions Plan

Delivery Program Governance and Finance

Objective To review the exhibited Section 94 Car Parking Contributions Plan.

Background

Council at the 24 October 2013 Ordinary meeting resolved to place on public exhibition the Ballina Shire Car Parking Contributions Plan 2013. This plan provided updated Section 94 contribution rates for Ballina and Lennox Head and also included a new Section 94 car parking plan for Alstonville.

The draft Plan was placed on public exhibition with the closing date of 6 December 2013.

Even though there were no submissions in respect to the plan a further review has identified two areas where the exhibited plan needs updating.

The October 2013 report provides more comprehensive information on the formulation of the draft plan.

Key Issues

- Fine tuning of the draft plan
- Charges

Information

Council currently has Section 94 Car Parking Contributions Plans in place for the Ballina and Lennox Head town centres. Both of these plans were approved in 2004 and are due for review. In recent years Council has also purchased a property in Alstonville to assist with car parking and a new Section 94 Plan is required for that locality to assist Council recoup its expenditure on the property.

An updated Section 94 Car Parking Contributions Plan was prepared that provides a consolidated plan for Ballina, Lennox Head and Alstonville. That document was presented to the October Council meeting and approved for exhibition, with no submissions received during the exhibition period.

However subsequent to exhibition there are two aspects of the draft plan that need to be amended.

Ballina – Works Plan

As reported in the December 2013 Quarterly Review report earlier in this agenda the actual cost of providing the Tamar Street car parks is now estimated at \$495,000 for 74 Tamar Street and \$375,000 for 78 Tamar Street.

10.11 Section 94 Car Parking Contributions Plan

The Section 94 Plan, as advertised, also included an allowance of \$140,000 for the construction of a public toilet and as also reported elsewhere the estimate for this work is now \$255,000.

What this means is that the total value of the works program in the Section 94 Plan for Ballina needs to increase to reflect these latest estimates. As per page 26 of the latest update of the draft Section 94 Plan (as attached) this results in a total works plan value of \$8,625,000.

The actual car parking contribution rate in the Section 94 Plan is then derived from this works program and with this increase in costs the contribution rate increases from \$23,500 as previously advertised to \$25,368 (refer to page two of the attached document). This figure is still lower than the current contribution rate of \$27,319.

Alstonville – Works Plan

Briefly the works program for Alstonville is as follows:

- 9 Commercial Road – This is land Council has previously purchased for car parking. The Plan allows Council to recoup the indexed cost of that purchase along with the car parking construction costs
- 13 and 15 Commercial Road – Council has had plans in place for a number of years for portions of these properties to be dedicated to Council as part of any redevelopment. This plan formalises those arrangements.

The Alstonville works plan, as exhibited, included a rate of \$800 per square metre for the acquisition of the land at 13 and 15 Commercial Road.

The \$800 was originally proposed to be largely consistent with the indexed price paid for 9 Commercial Road as there is a limited amount of property transactions in this locality to justify future acquisition prices.

However the actual size of 9 Commercial Road is 751 squares and based on the indexed purchase price of \$444,589 in the draft plan this equates to a rate per square metre of \$592, which is well below the \$800.

As 9 Commercial Road included a house there is a line of thought that the \$592 metre figure is still too high as Council will only be acquiring strips of vacant land from the adjoining properties.

In recently considering the sale of the public road through the Alstonville Plaza, Council received a valuation for the land only component of that land at \$450 per square metre.

With this figure now being available it is considered appropriate to revise the originally advertised figure of \$800 per square for the land acquisition down to \$450, as it can be referenced to an independent valuation.

If this rate is then included the contribution rate per car parking space for Alstonville decreases from the previously exhibited \$16,910 back to \$14,722, as the value of the overall works plan decreases from \$1,014,589 to \$883,339. These changes are included on pages 2 and 29 of the updated document, as attached to this report.

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
Not Applicable
- **Economic**
The provision of adequate car parking is an important factor in the functioning of town and village centres, especially in regional areas where public transport is limited.

Legal / Resource / Financial Implications

The Car Parking Contributions Plan is designed to generate income to assist with the provision of car parking spaces. Importantly the Car Parking Plan has no apportionment to Council.

Consultation

The Plan was placed on public exhibition with the closing date of 6 December 2013.

Owners of properties at 13 and 15 Commercial Road, Alstonville were also written to advising of the exhibition of the Plan.

No submissions were received.

Options

Overall the changes proposed are not overly significant in respect to the entire contents of the previously exhibited document, albeit that the Ballina rate increases by approximately 7% and the Alstonville rate decreases by 13% from the figures previously exhibited.

Advice was sought from GLN Planning, the consultancy firm who has overseen the preparation of the plan, as to whether it was essential for Council to re-exhibit the draft plan. They have advised that:

Clause 31(1) of the EP&A Regulation gives the council the following power when deciding to adopt a contributions plan:

(1) After considering any submissions about the draft contributions plan that have been duly made, the council:

- (a) may approve the plan in the form in which it was publicly exhibited, or*
- (b) **may approve the plan with such alterations as the council thinks fit, or***
- (c) may decide not to proceed with the plan.*

As per point (1) (b) Council has the option of adopting the plan, subject to the changes outlined in this report, or as per point (1) (c) not proceeding with the plan and re-exhibiting the document with the changes.

10.11 Section 94 Car Parking Contributions Plan

The changes proposed result in the Ballina contribution rate increasing from the previously advertised figure of \$23,500 to \$25,368 and Alstonville decreasing from \$16,910 back to \$14,722.

Following discussions with GLN Planning it was decided that the prudent option was to re-exhibit the document with these changes. There is no benchmark as to when a document should be re-exhibited however the changes in contribution rates were considered sufficient justification to re-exhibit the document.

RECOMMENDATION

That Council not adopt the Ballina Shire Car Parking Contributions Plan 2013, as previously exhibited, and authorises the amended document, as attached to this report, to be exhibited for public comment.

Attachment(s)

1. Newplan- Ballina Car Parking - Section 94 Car Parking Contributions Plan (Under separate cover)

11.1 Jabiru Park - Review of Playground Equipment

11. Civil Services Group Reports

11.1 Jabiru Park - Review of Playground Equipment

Delivery Program Open Spaces and Reserves

Objective To review the service level of playground equipment in Jabiru Park, East Ballina.

Background

At the meeting held 24 October 2013, Council resolved to endorse for exhibition the 'Playground Upgrade and Renewal Plan (PURP)', including a four year capital works program, to provide a clear framework regarding the management and embellishment of playgrounds in the Shire.

The actual resolution is as follows:

- 1. That Council approves the public exhibition of the draft Play Equipment Report, attached to this report.*
- 2. That maintenance of existing equipment be a priority over replacement. That the Summerhill Park and Pine Avenue swings be included in the program.*
- 3. That the Four Year Capital Works Program, being appendix six to the attached report, also be placed on public exhibition.*
- 4. If no responses are received to the public exhibition the Play Equipment Report 2013 and the Four Year Capital Works Program, are considered to be adopted by Council without further reporting.*

The draft document has not yet been advertised, primarily as it has been unclear how to handle the proposals to include Summerhill Park and Pine Avenue, which were two items raised by Councillors at the October meeting. The recent debate on Jabiru has also delayed exhibition during the Christmas / New Year period.

The draft Plan includes the identification of new parks for embellishment, highlighted the cost and issues of ageing park infrastructure and outstanding maintenance issues associated with existing playgrounds and establishment of a hierarchy for the provision of equipment within each playground.

Concerns have been raised by the community regarding the implementation of the 2013/14 capital works program, as per the adopted Council budget, in respect to the removal of the existing equipment from Jabiru Park, East Ballina and the installation of new playground equipment consisting of a swing and softfall.

The purpose of this report is to seek Council's review of the service level to be provided at Jabiru Park, along with discussion on the PURP itself.

Key Issues

11.1 Jabiru Park - Review of Playground Equipment

- Acceptable standard of playground equipment service levels
- Budget and program
- Merits of current PURP

Information

Attached to this report is a copy of the draft PURP and associated report as presented to the October 2013 Council meeting. The 2013/14 playground capital works program identified six local parks for upgrades and two parks for consolidation at a total cost of \$144,000.

Local parks are defined in the plan as:

“small reserves that provide for residents within immediately adjacent areas. They are parks for informal use including small installations of play equipment and open play areas. These are usually within walking distance of residences and a nominal 500 metre radius is considered the catchment area for a local park.”

The catchment surrounding Jabiru Park is well supplied with playgrounds, with the catchment being serviced by equipment at Chickiba Sportsfields, Condon and Shearwater Parks all within the recommended 500m radius for playground provision. All of these playgrounds have recently been upgraded.

The PURP identifies the appropriate level of embellishment of a local park identifying *“a small set of play equipment with suitable softfall – swing set, seating, shade trees, and paths”*

A budget of \$15,000 was allocated for the Jabiru Park playground, with a breakdown of \$11,177 on the purchase and installation of playground equipment and softfall, and \$605 on associated removal and establishment costs, along with other incidentals. The new playground equipment at Jabiru consists of a double swing constructed by Kompan, and was located to take into consideration privacy, access, maintenance and fall zones.

The new equipment at Jabiru Park replaced an 18 year old Megatoy structure, which had reached the end of its useful life. The average life of playground equipment in a coastal environment is approximately 10 years.

Operational inspections are undertaken in accordance with AS4486-1-1997 to ensure safety and the inspections by Council’s technical officers highlighted defects that were unable to be economically repaired.

One of the reasons for the high cost of repairs is that spare parts are not always available for playground equipment of this age. Compounding this issue, the existing equipment did not comply with AS/NZS4422-1996 which requires site specific softfall to be installed under the equipment.

Community Feedback

Council’s B Ward representatives were invited to attend a meeting at the site which was attended by up to a 100 people.

Council has now received a petition signed by residents concerned with the changes implemented. To be compliant with Council’s privacy protection

11.1 Jabiru Park - Review of Playground Equipment

policy, it is not possible to reproduce the petition in the business paper. A copy can be provided to Councillors upon request.

The petition includes the following statement:

All of the signatories to the attached petition living within the catchment area of this local park, urgently beseech you to make representations on our behalf for Council to supply the following facilities and to restore our park back to its previous form:

*Seating
Slide
Climbing equipment
Shade structure over equipment*

This will enable us to easily access Jabiru Park with safe and interesting play equipment for our children of diverse ages to amuse themselves with.

In addition to the petition, Council has received a letter from an adjoining property owner that sets out, with reasons, their support for the retention of the current arrangement for the park. Again, for privacy reasons the letter is not attached, however it will be circulated to Councillors prior to the meeting.

In preparing the PURP, staff attempted to develop a framework that will provide a consistent and equitable approach to the provision of playground equipment in the Shire. This includes having regard to the long term financial sustainability of managing our assets and our ability to deliver the plan in a reasonable period of time.

The funds for 2013/14 have been largely committed as per the adopted program: i.e.

Item	Budget (\$)
Jabiru Park	15,000
Bel Air Park	20,000
Headlands Park	28,000
Minor Works including Burnett Park	6,000
Yellowfin Park	25,000
Vera Park	25,000
Shearwater Park	25,000
Total 2013/14 Program	144,000

The staff advice is that all the available funds will be expended on the projects listed, albeit that some budgets will be over and under.

This means that if the Council is inclined to provide additional equipment, it will need to allocate extra funds to the current or next year's program, or defer works in next year's program.

11.1 Jabiru Park - Review of Playground Equipment

The 2014/15 capital works program (refer to Appendix six in the PURP for the whole program) lists the replacement of equipment at the following locations.

Item	Amount (\$)
Lindsay Park (Lindsay Cres)	25,000
Victor Park (Victor Place)	25,000
Juniors Playground (Deegan Drive)	30,000
Pop Dennison Park (Compton Drive)	68,000
Total 2014/2015 Program	148,000

The recommendation for deferral would be Lindsay Park as Victor Park represents the highest liability risk to Council.

Burnett Park Equipment Removal

Burnett Park is the one remaining item from the 2013/14 program, where work remains outstanding, with the existing equipment scheduled for removal. This removal is based on the remote location and service area, level of use, non conformity to Australian Standards AS/NZ4422 – 1996 and hazardous condition.

Burnett Park is located on the corner of Fernleigh and Nashua Roads. A photograph showing the equipment is attached.

The recommendations to this report seek Council's confirmation to proceed with this item as a view has been expressed that Council should not be removing any more playground equipment.

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
Playgrounds are essential for the health and social well being of the community
- **Economic**
Playgrounds are essential for the presentation of the Shire as a desirable place for residents and visitors

Legal / Resource / Financial Implications

The 2013/14 budget is \$144,000. Any changes will need additional funding due to the current funding already being allocated.

Consultation

Council staff door knocked the area prior to implementing the PURP works at Jabiru Park. It is acknowledged that a letter box drop is our preferred practice for these types of works and the program for next year will be completed with written notice.

11.1 Jabiru Park - Review of Playground Equipment

Options

The following options are available in respect of Jabiru Park.

1. Confirm that the equipment currently provided in Jabiru Park represents an appropriate level of service.
2. The equipment be augmented with the installation of a slide and seating (estimated at approximately \$20,000 as it also includes sofffall and associated installation costs). A resolution to this effect will require additional funding in this financial year or the next, or deferral of some of the works in the 2014/15 program.

Due to on-going concerns in respect to the condition of the existing equipment, the preference would be to finance additional works rather than defer elements of the 2014/15 program. Internal reserves would be the preferred option to finance any additional expenditure.

3. The playground equipment in Jabiru Park be augmented with the installation of a slide, seating, climbing equipment and shade structure (estimated at approximately \$30,000 plus). This option will require additional funding as per option two.

Establishing the preferred option and the appropriate service level is a matter for the elected Council as it directly relates to the allocation of resources.

This being the case, the recommendation seeks Council to determine the matter. Options one and two are included in the recommendations as it is considered that option three represents a significant commitment above existing service levels across the shire, particularly for a small local park.

In respect to funding option two the use of the Civil Services Roads Contingency Reserve is the preferred source. This reserve has an estimated balance of \$638,600 as at 30 June 2014, dependent upon the funding allocated to the Better Boating Program considered elsewhere within this agenda.

The second recommendation is to seek Council endorsement for the removal of the Burnett Park equipment. Council needs to be mindful in considering this item that we have responsibilities from a risk perspective.

The third recommendation is for Council to receive a further report on the draft PURP to address Summerhill Crescent and Pine Avenue and with a new manager now in the Open Spaces, this provide an opportunity for a fresh set of eyes views to review the current program.

In conclusion, although there has been significant local objection to the works in Jabiru Park, it is important to acknowledge that Council has been conducting a pro-active playground equipment program since circa 2007 and this has resulted in hundreds of thousands of dollars of new equipment being installed across the Shire, with minimal objections to date.

11.1 Jabiru Park - Review of Playground Equipment

RECOMMENDATIONS

- 1A. That Council, having regard to the principles within the draft Playground Upgrade and Renewal Plan (PURP), confirms that the equipment currently provided in Jabiru Park is considered to be an appropriate level of service at this point in time, subject to a future review of the PURP as per point three below.

OR

- 1B. That Council allocates an additional \$20,000 from the Civil Services Roads Contingency Reserve to install seating and a slide in Jabiru Park due to the concerns raised by the local residents.
2. That the playground equipment in Burnett Park be removed in accordance with the 2013/14 playground equipment program for the reason that this equipment is in a relatively remote location, with limited use and is non compliant with the relevant Australian Standard.
3. That Council receive a further report on the draft PURP, prior to exhibition, to consider the overall service standards, along with clarification as to the works and timeliness of the provision of equipment for Summerhill Crescent and Pine Avenue.

Attachment(s)

1. Report - Playground Upgrade and Renewal Program - October 2013
2. Photograph - Burnett Park

11.2 Weed Control - Coast Road

11.2 Weed Control - Coast Road

Delivery Program Open Spaces and Reserves

Objective To determine the service level for weed control in the Coast Road reserve between Pat Morton Lookout and Angels Beach.

Background

At the June meeting 2013 of Council the following was resolved.

That Council receive a report on allocating increased funds to improve the level of control and spraying of weeds in the road reserve on the Coast Road between Pat Morton Lookout and Angels Beach.

The following information is provided in response to this resolution.

Key Issues

- Management of weeds
- Determining appropriate funding levels

Information

The Coast Road from Angels Beach to the North Angels Beach roundabout is a Council road with maintenance funds provided by Council. From North Angels Beach roundabout to the Shire boundary to the north it is a regional road. Council receives financial assistance from Roads & Maritime Services (RMS) towards the cost of maintaining our regional roads.

The Coast Road corridor is approximately 20m wide and beyond the actual road formation contains a combination of noxious and environmental weeds and native vegetation communities of high conservation value.

The dominant weed species within the road corridor include Bitou Bush, Lantana and Tobacco Bush. These weed species impact on the adjacent native vegetation communities. With adequate control measures these species could be replaced littoral rainforest or grasslands.

The adjacent lands to The Coast Road include extensive private land holdings and public land. The public land consists predominantly of the Ballina Coastal Reserve under the Trust Management of Council and Operational land owned by Council. Approximately 35% of the land adjacent to The Coast Road is private land not under the control of Council. These adjacent lands play a role in regards to the level of weed incursions within The Coast Road. Weeds will usually straddle both sides of the fence.

Opportunistic and successful weed control grants targeting high conservation value areas on some of the adjacent public lands have allowed for recent weed control to occur up to the edges of the road in those areas.

11.2 Weed Control - Coast Road

As the funds allocated to the maintenance of the road are derived from the RMS, they are used to maintain the road formation, including the vegetation on road shoulders, road batters and in table drains. These funds are intended to provide for safety and to preserve the road asset and are not intended for improvements to amenity or the natural environment.

Council's current roadside maintenance service levels only cover two to three slasher widths on each side of the road approximately six times per year.

Grant funding for weed control is highly competitive. Therefore it is unlikely that applications for funds that target roadside weeds when they are adjacent to other weed sources and low priority vegetation communities will be successful.

The three attached maps to this report identify the areas of significant native vegetation communities and the areas requiring weed control.

Control Measures

The additional weed control required within the roadside corridor of the identified section of The Coast Road is currently outside of the programmed and resourced roadside maintenance service levels. Whilst expanded slashing of some roadside areas to the boundary would control some weeds, many other areas would require targeted weed spraying as the weeds are mixed in with native species.

Some roadside areas topographically exclude the use of slashers and side arm slashers and would require ongoing spraying of weeds until suitable species are either planted or establish naturally.

Roadside areas adjacent to native vegetation communities will have the best opportunity to be colonised naturally. Conversely, roadside areas adjacent to private paddocks and reserve grassed areas are less likely to be colonised by native vegetation communities.

Council staff have obtained a quote from an external source of \$19,180 for the weed control for one year. This includes a primary weed control run and two maintenance weed control applications. This quote includes the provision of the required traffic control.

Following this first year each consecutive year's weed control maintenance would require a minimum of approximately \$5,000 including traffic control.

Roadside plantings, whilst considered expensive to establish, would provide long term weed control maintenance cost savings.

Sustainability Considerations

- **Environment**

Further weed control of The Coast Road corridor will benefit the adjacent high conservation value littoral rainforests and Themeda grasslands that are recognized endangered ecological communities. The control would remove a recognised threat to these communities.

11.2 Weed Control - Coast Road

- **Social**

The weed control will improve the amenity of driving on The Coast Road and benefit the tourism industry. Furthermore it will reinforce Council's approach to weed control by implementing such at a high profile coastal location.

- **Economic**

The weed control will reduce the threat to the adjacent native vegetation communities that have had significant grant based resources allocated to their restoration. Roadside weeds would otherwise reinvade these adjacent areas costing additional resources to control.

Legal / Resource / Financial Implications

No budget has been allocated for this additional roadside maintenance service. Roadside weed control grants are highly competitive and would not fund sections where adjacent weeds persist or adjacent landowners are not assisting.

Consultation

Liaison with the local Landcare groups operating on the adjacent Council managed/owned lands has been ongoing with their repeated requests for Council as the Roads Authority to control the roadside weeds.

Options

Options available to Council include:

1. Do nothing and maintain Council's current Coast Road service levels and adjacent public lands weed control grant implementation.
2. Pursue grant funding for the roadside weed control through various roadside and adjacent lands grant opportunities.
3. Allocate an additional \$20,000 for the first year and \$5,000 thereafter annually to control roadside weeds reviewing the need in three years.

If the Council is inclined to support option three, the Council could review the options for a funding source as part of the forthcoming Finance Committee budget deliberations. Realistically, however the most likely source of funds is the road maintenance allocations and therefore the recommendation to this report suggests this as the funding source.

Council's roadside slashing budget (for safety, not environmental work) is under increasing cost pressure. This is primarily in response to increasing traffic control costs. Recent incidents experienced by the RMS have caused the regulatory agencies to review the traffic control supporting roadside operations.

11.2 Weed Control - Coast Road

Notwithstanding these cost pressures, on balance the additional service levels suggested are considered beneficial given the location and the opportunity to reduce these costs once established of replacement species has been achieved.

This stretch of The Coast Road is also probably the highest profile road in the Shire due to the views from the road, and with the road also heavily trafficked this is an excellent location to undertake this program.

Therefore the recommendation is to commence the program with funds allocated from the existing road maintenance budgets.

RECOMMENDATIONS

1. That Council approves the implementation of a four year road side vegetation improvement program for the Coast Road between Pat Morton Lookout and North Angels Beach Roundabout.
2. The funding allocation to support the program in point one is to be \$20,000 for the first year and \$5,000 thereafter.
3. That funds be reallocated within the existing 2014/2015 road maintenance budget, and thereafter to support this program.

Attachment(s)

1. 2013 Roadside Vegetation - Weed Control - Angels Beach
2. 2013 Roadside Vegetation - Weed Control - Boulder Beach to Lennox Head
3. 2013 Roadside Vegetation - Weed Control - Skennars Head

11.3 Tender - Civil Works - Plateau Drive Wollongbar

11.3 Tender - Civil Works - Plateau Drive Wollongbar

Delivery Program Commercial Services

Objective To obtain Council approval to award the contract for a 15 Lot Subdivision Development - Southside, Plateau Drive, Wollongbar

Background

Tenders were advertised in January 2014 for the civil works to undertake a 15 Lot Subdivision Development at Southside Plateau Drive Wollongbar. This subdivision is a Council owned subdivision.

At the close of the tender period on 4 February 2014, seven submissions were received. One tender was received after the stated closing time and was not considered as part of the evaluation.

This report provides the outcomes from the tender evaluation process.

Key Issues

- Award the tender in accordance with the Local Government (General) Regulations 2005.
- Engage a suitably qualified and experienced contractor that having regard to all the circumstances provides the most advantageous tenders.

Information

Tender submissions were received from:

- GC Civil - \$1,147,833.00 (incl GST)
- Gary Deane Constructions - \$1,118,217.00 (incl GST)
- Morgan Earthworks - \$931,223.00 (incl GST)
- John Cormack Earthmoving - \$824,472.00 (incl GST)
- Eire Contractors - \$1,039,737 (incl GST)
- J & M Bashorth & Sons - \$1,017,595 (incl GST)

Hawkins Civil Constructions submitted their tender after the stated closing time and therefore this tender was considered non-conforming and not considered further in the evaluation process.

The tender documentation defined five areas, by which each tender would be assessed:

- Total Price 50%
- Capability 15%
- Relevant Experience 15%
- Quality, Safety & Works Program 10%
- Social & Community 10%

11.3 Tender - Civil Works - Plateau Drive Wollongbar

The tender evaluation panel has assessed each of the tenders against the above criteria and a summary of the rankings follows:

Evaluation Criteria	GC Civil	Gary Deane	Morgan	John Cormack	Eire	J & M Bashorth
Total Price	35%	36%	43%	49%	38%	39%
Capability	15%	15%	15%	15%	15%	15%
Relevant Experience	12%	15%	15%	15%	10%	15%
Quality, Safety & Works Program	9%	9%	9%	7%	9%	9%
Social & Community	5%	7%	9%	7%	5%	7%
Total	76%	82%	91%	93%	77%	85%

The estimate budget for the subdivision works is \$1,121,250 (Excl GST) including a contingency of 15%.

John Cormack Earthmoving has scored the highest in the tender evaluation and has submitted the lowest priced conforming tender.

Sustainability Considerations

- **Environment**
Not Applicable
- **Social**
Not Applicable
- **Economic**
The development of the Southside Plateau Drive Wollongbar will provide for additional housing allotments with in the Wollongbar area

Legal / Resource / Financial Implications

This report is provided to assist Council meet its statutory requirements in regards to tendering and procurement.

The feasibility report to the 15 October 2013 Commercial Services meeting had an allowance of \$1,121,250 (Excl GST) for the development costs of this subdivision.

This contract is for the majority of those development costs and is therefore well within the parameters within the feasibility estimate.

Council has \$900,000 allocated in the 2013/14 budget and \$900,000 in the 2014/15 budget for works related to this subdivision.

Consultation

A public tender process has been undertaken

11.3 Tender - Civil Works - Plateau Drive Wollongbar

Options

Under the Local Government (General) Regulations 2005 Council must either accept the tender that “appears to be the most advantageous” or decline to accept any of the tenders.

1. Council may determine not to accept any of the tenders received and invite fresh tenders.
2. Council may award the contract to John Cormack Earthmoving to undertake the 15 Lot Subdivision Development at Southside Plateau Drive Wollongbar.

Option one is not recommended as Council has undertaken the tender process in accordance with the Local Government (General) Regulations 2005.

Option two is recommended as the preferred option as the tender assessment indicates that a reliable market has been established and the assessment by the evaluation panel has determined the preferred tenderer.

RECOMMENDATIONS

1. That Council accepts the tender for the 15 Lot Subdivision Development at Southside Plateau Drive Wollongbar from John Cormack Earthmoving for the amount of \$824,472.00 (inc GST).
2. That Council authorises the Council seal to be attached to the contract documents.

Attachment(s)

Nil

11.4 Lismore City Council - Material Recovery Facility and Glass Plant

11.4 Lismore City Council - Material Recovery Facility and Glass Plant

Delivery Program Waste Management

Objective To advise Council of upcoming negotiations with Lismore City Council regarding investment into the Materials Recovery Facility & Glass Plant

Background

Council owned and operated a material recovery facility (MRF) up until 2007. This facility allowed the sorting of co-mingled recyclables to separate streams for selling to the market. Due to an inadequate waste supply and being economically unviable, the equipment was removed. This decision also enabled Council to accommodate the waste baler without the need to construct a new building.

Council currently has a contract in place with VISY Recycling for the transport and processing of co-mingle waste at their plant in Queensland. This is a two year contract expiring June 2014. This has been successful as it has allowed Council to access, via some market competition, a facility with modern, efficient equipment and significant economies of scale

For sometime now, Lismore City Council (LCC) has been in close communication with Ballina regarding the construction of MRF and Glass Plant at the Lismore Recycling and Recovery Centre. As previously discussed with the Council, these communications have included looking at the merits of investment by Ballina Council into the LCC project, and LCC becoming a partner in our biochar project.

The LCC facility is designed to be capable of processing 15,000 tonnes of recyclables each year, which allows for the volume of co-mingleds generated from BSC. It is expected that the plant will be in operational by July 2014.

It is timely to now determine whether the Council is supportive of moving to formalise an interest in contributing to this project.

Key Issues

- Reducing waste to landfill through effective management and recycling
- Participating in regional waste initiatives
- Opportunities for investment with financial benefits

Information

Lismore City Council (LCC) is seeking commitments from regional councils to participate in the MRF and Glass Plant once their existing co-mingled waste contracts have expired.

The opportunity to invest in the capital infrastructure of the plant has been offered to Ballina Shire Council. This investment allows BSC to benefit from the operating income from the plant.

11.4 Lismore City Council - Material Recovery Facility and Glass Plant

The total infrastructure cost is \$3.65 million, after government grants received by LCC the total funding required is \$3.4 million. LCC presented their business case to BSC Management with the proposal of a 50/50 share in the capital costs (\$1.7 million). In return, a 50/50 share in the profits, paying back the original investment after 3.7 years and result in future profits.

The return is based on a fixed Gate Fee of \$50 / tonne delivered to the plant. Compared to BSC current contract this gate fee is higher and results in additional operational expenses.

Subject to Council's support, staff propose to enter negotiations with LCC to seek a reduction of the proposed gate fees. A gate fee of \$31 / tonne would meet current contract operational costs for recyclables. This would result in a longer payback period on the investment of approximately seven years, however it reduces the impact on our operating expenses.

A draft legal agreement has been prepared, although it is not yet in a final draft form. Under this agreement, a structure is in place that enables LCC to contribute to the biochar project, if it proceeds, and as per this report BSC contributes to the MRF project. However, as the agreement was proposed before it was certain whether none, one or both of the projects would, proceed, the agreement does not bind either party to both projects.

LCC however continue to indicate their support to either investing or providing feedstock to the biochar project, however like BSC it is appropriate for them to further review the business case for the biochar project once the concept design is completed and capital costs are confirmed.

To simplify the agreement, and future management arrangements, it has been proposed that each Council would continue to maintain ownership of the constructed asset and lands, as well as manage the operational aspects within their existing waste operations. The agreement deals with reporting back to the other entity in respect of the financial performance and transactions that are required during each financial year. Essentially it is a cooperative "open book" type of agreement. The advantage of this arrangement is that it is flexible to the parties having regard to the length of time the assets will be in place. Furthermore, the agreement represents an excellent opportunity to substantially further develop the existing MoU between the two councils for waste management and demonstrate substantial regional cooperation.

Rather than investing in the LCC project, an alternative option is to negotiate a gate fee and provide our material. LCC have indicated a willingness to at least match our current costs and with that being the case it is suggested that our first preference would be to support the LCC endeavour.

Sustainability Considerations

- **Environment**
Reducing waste to landfill, reducing greenhouse gas emissions from landfilling and reduced truck movements.
- **Social**

11.4 Lismore City Council - Material Recovery Facility and Glass Plant

Participation in regional waste initiatives and the provision of more local employment opportunities.

- **Economic**
Investment cost to be paid back and future profits made from the sale of the recovered material.

Legal / Resource / Financial Implications

Should Council proceed, a formal legal agreement is required and a draft version has been prepared to assist the negotiation process held to date.

Financial support for the project can be sourced from the LRM Reserve. The reserve currently has funds for the rehabilitation works required on the landfills, however final rehabilitation is not expected to occur within the next five years. It is expected that the future profits from investment could replenish the reserves. Should the Council proceed, the report to the upcoming Finance Committee looking at the next budget and reforecast of the long term finance plan for the LRM reserve will examine the financial implications in more detail.

Consultation

Staff have been in consultation with LCC staff for some time regarding this project and recently LCC staff presented their business case to the BSC General Manager, Civil Services Group Manager and Financial Manager.

Options

1. Discontinue interest in the proposed LCC MRF.
2. Indicate in principle support for Council to invest in the LCC MRF.
3. Indicate in principle support to provide material to the LCC MRF at a market competitive rate.

For the reasons described above it is considered to be in Council's interest to continue to negotiate with LCC. As it is nearing the time that LCC needs to understand Council's commitment, the purpose of the recommendation below is to enable the negotiations to be further advanced by an understanding of the position of the elected Council.

RECOMMENDATIONS

1. That Council provides in principle support to the proposal to formalise an agreement with Lismore City Council to share in the costs to establish the Lismore Materials Recycling Facility.
2. The Council at the March 2014 Finance Committee meetings receive a report assessing the implications of the proposal in point one in respect of the Long Term Financial Plan and Operating budgets for the Waste Management Centre.
3. That dependent upon the outcomes of the discussion in point two, Council receive a further report in regards to approval to execute an agreement with Lismore City Council in respect of the proposal in point one.

Attachment(s)

1. Analysis of Waste Operational Costs (Gate Fees) - Comparison of Current Operations (VISY Recycling) and Lismore MRF

11.5 Smith Drive - Water Main Renewal

11.5 Smith Drive - Water Main Renewal

Delivery Program Water and Wastewater

Objective Review options for the replacement of the Smith Drive water main.

Background

At the 25 July 2013 Ordinary meeting Council considered a report concerning the renewal of the 4.5 km water supply pipeline from the beginning of the Smith Drive industrial area in West Ballina through to the last supply point in Pimlico.

Council had prepared an options report which identified the most advantageous method of renewing the pipeline to continue to provide water supply services to Council's water supply customers in Smith Drive, Pimlico and Uralba.

The replacement or removal of the water main at this time is considered to be important having regard to the extent of water loss associated with the main and the supply interruption risks from main breaks. The main was constructed in 1936 and its condition has deteriorated due to age and its above ground locations.

The report to Council identified that the savings from avoiding the current water loss justified the replacement of the main. However further economic benefits are available to Council if the main is not replaced, either for all or part of its length. The rationale behind terminating the services relate to the small number of connections and the non urban land use compared to the capital cost of installing the main.

In response to the report Council requested a workshop to enable further review concerning the water main renewal. This allowed time for Council to receive further legal advice, as well as to consider the possibility of providing Recycled Water to customers in West Ballina, Smith Drive, Pimlico and Uralba.

This report presents a summary of the legal advice and recycled water supply strategy to West Ballina and provides additional information requested at the Councilor's workshop to progress the continuation of water main renewal planning.

Key Issues

- Economic Efficiency
- Asset Renewal
- Equity
- Legal Requirements
- Water Loss

11.5 Smith Drive - Water Main Renewal

Information

Options report

The 2013 report identified that “*The most advantageous option for upgrading the pipeline is to provide a new above ground ductile iron cement lined pipeline adjacent to the existing pipeline. This option could be implemented for the entire length of the pipeline except for creek and road crossings which would be directionally drilled. The key advantage of this option is relatively lower cost while providing a secure long-term water supply.*”

Information regarding water usage of properties to the west of emigrant creek (Pimlico and Uralba) was collected as part of the options report and is tabulated below:

Address	Land Use	Current Use
55 Pimlico Rd, Ballina	agriculture (cane and cattle) and domestic	Domestic use mainly and then minor use for spraying for insect control which only uses 500L at a time and happens 3 or 4 times a year
143 Pimlico Rd, Ballina (Dept. of Agriculture)	beef cattle(used to be land for research but no longer used for that, now just bred and sell cattle)	Cottage and shed(hot water). Water for cattle troughs(200 cows drink 20L each a day)
165 Pimlico Rd, Ballina	sugar cane	Household use
66 Pimlico Rd, Ballina	Residential	Pool and general household use
14-16 Uralba Rd, Uralba	Orchard	Drinking, washing etc
151 Uralba Rd, Uralba	Primary Production / Nursery, sugar and cattle	Everything
189 Uralba Rd, Uralba	Residential	Inside the house (already has rainwater tanks)
40 Uralba Cutting Rd, Uralba	Residential (1 acre)	Inside the house
313 Westbridge Lane, Uralba	Large farm, agricultural and residence	Spraying for weed control, cattle

Legal Advice

Since the Council Report in July 2013, Council has received legal advice that concludes with the following.

...based upon the express provisions of the Local Government Act 1993 that “whilst Council has the ability to provide water and to make decisions concerning provision of such water supply, it is not specifically obliged to provide a water supply”

Recycled Water Strategy

Council has now also prepared a Recycled Water Strategy for West Ballina, Smith Drive, Uralba and Pimlico. This strategy found:

11.5 Smith Drive - Water Main Renewal

“A review of the potential recycled water customers in the study area found that servicing West Ballina only... will provide the most viable recycled water scheme with 3 anchor customers who currently use potable water and potential new customers who could use recycled water for irrigation of community areas and agricultural land.

The Smith Drive Industrial area has a smaller recycled water demand spread over a larger area making this scheme less viable.

The Pimlico and Uralba area has one anchor customer and potential for increased water use associated with agricultural use, but considering the total demand and cost of the scheme it is not considered economically viable to service these customers with recycled water.”

The report only looked at economic viability of the scheme as a cost of infrastructure against volume of water supplied. It found:

Stage	Consumption	Cost
West Ballina	18.6 ML/year	\$466,700
Smith Drive	0.808 ML/year	\$530,000
Pimlico and Uralba	5.3 ML/year	\$734,000

In context, the current consumption of water in Ballina Heights through third-pipe infrastructure may be around 33 ML/year (based on a 33% pro-rata estimate of Rous Water Supply into the temporary reservoir in Ballina Heights).

Sustainability Considerations

- **Environment**

The opportunities to prevent water supply losses are important in terms of reducing the demand on the natural environment to support urban population.

- **Social**

The removal of town water supply from Pimlico and Uralba may be view as being fair (in that rural customers do not generally have town water supply and supply is relatively uneconomic) or unfair (the removing an existing service) depending on perspective.

- **Economic**

Loss of water services may effective businesses in Pimlico and Uralba if appropriate mitigation measures are not investigated.

Renewing infrastructure in Pimlico and Uralba will reduce water loss (Council buys water lost through its system from Rous Water but does not receive any income for it).

11.5 Smith Drive - Water Main Renewal

Legal / Resource / Financial Implications

Clarissa Huegill and Associates has provided legal advice that there is no legal impediment to termination the town water supply services.

This advice is related to the operation of the Local Government Act 1993.

The financial implications were set out in the previous report to Council. This information is summarised below. A copy of this information is located on Council's website (refer to the agenda for the July 2013 meeting) or a further copy can be supplied upon request.

Consultation

Consultation was undertaken through the options study, however if Council proposed to remove services from Pimlico and Uralba more consultation may be required to establish the individual needs to affected persons prior to disconnection.

Options

Option 1 - Renew Entire Length of Pipeline

Budget estimate from Council report July 2013 - \$1,000,000.

Option 2 - Terminate the water supply at emigrant creek and provide adjustment measures for affected properties (e.g. water tanks)

The Beca report also investigated the termination of the pipeline east of Emigrant Creek and installing rainwater tanks for properties west of Emigrant Creek as Option 6 of the report.

The advantages of this option were considered as:

- Lower capital cost(assumes Council will install tanks)
- May reduce use of potable water in agriculture
- No on-going maintenance costs by Council
- Reduces social inequity of some customers being connected to the main while neighbouring properties are on rainwater tanks

The disadvantages of this option were considered as:

- Property owners have expressed concerns about losing an existing water supply
- Operating costs borne by community
- Potential health impacts associated with rainwater tank use
- Impact on the businesses in the area
- Perceived "backwards step" in taking away a water supply
- Reduction in property values
- Rainwater tanks not as reliable as a town water supply

11.5 Smith Drive - Water Main Renewal



Budget Estimate

Description	Cost (\$)
50% of Previous Cost Estimate	$\$780,000 \div 2 = \$390,000$
7 x 100kL Water Tanks	$8 \times \$20,000 = \$140,000$
Budget Contingency (as per the budget estimate of Option One)	$\$220,000 \div 2 = \$110,000$
Total	\$640,000

The water tanks estimate is preliminary and is based on the provision of a 4 x 5,000 gallon tanks and pump system. The breakdown of the estimate is set out in the table below.

Item	Number	Unit Rate (\$)	Total Cost (\$)
5,000 gal tanks	4	2,500	10,000
Pump	1	500 – 1,500	500 – \$ 1,500
Fittings	Site specific	500 - 1,000	500 - \$1,000
Installation	1	5,000	5000
Contingency	10% approx.		2,000
Total			20,000

This budget assumes a very conservative (that is generous) approach to compensation by the Council as it is fair to say that all sorts of issues could be raised if this is preferred approach.

The Council may also be inclined, subject to providing sufficient notice and assessing any genuine hardship, to not offer any compensation for the termination of the water supply. The advice to Council indicates that it does not have any legal obligation to replace all or part of the terminated supply.

Limitations

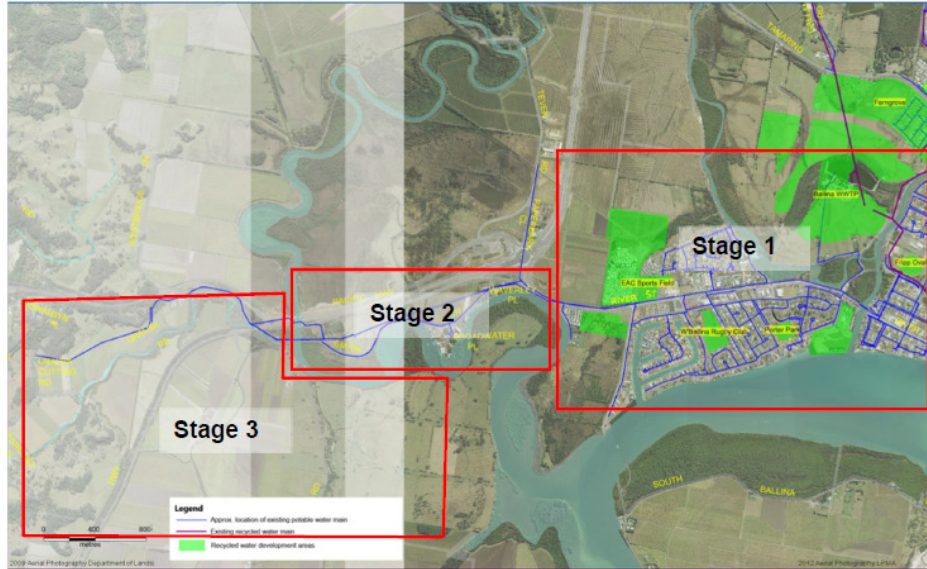
It is believed that two properties already have rainwater tanks, however work would still need to occur augment their connections (not included)

11.5 Smith Drive - Water Main Renewal

Cost estimate is not inclusive of any other expenses that may be incurred such as community consultation, additional compensation or legal costs as well as delay costs due to water loss over the period.

It considers a standard requirement of 100kL water tanks and pumping infrastructure which may, or may not, be suitable for individual properties.

Option 2b - As per option 2 but provide Recycled Water from Ballina WWTP as 'compensation' for loss of Drinking Water supply.



Total Budget Estimate would be around \$2,200,000, inclusive of;

- Drinking water pipe renewal in the Smith Drive industrial area,
- water tanks in rural areas of Uralba and Pimlico
- Recycled water supply to West Ballina, Smith Drive and Uralba and Pimlico

As discussed at the workshop, the investment in recycled water infrastructure does not provide a sufficient yield to justify the expenditure required. It is likely that there are other opportunities to expand the recycled water program that will represent superior economic (and therefore environmental) outcomes for this allocation of funds.

The recommendations to this report reflect staff understanding of the consensus of the workshop. That is, the properties to the east of the creek given their relative density and water use justifies continuation of the service. However west of the creek, it is preferred to terminate the main.

The recommendation also seeks to establish notification and consultation with the affected land owners, with a further report to be prepared for Council to examine the options in relation to whether or not compensation (in the form of alternative water supply options) should be applied.

Recommendation four also includes approval to commence the tender process as it is important that Council proceed to replace this main and also reduce the associated leakage.

RECOMMENDATIONS

1. That Council confirms the scope of the Smith Drive Water Main Replacement Project is to include the section of main servicing properties to the east of Emigrant Creek, with the remainder of the main to be decommissioned as appropriate.
2. That the General Manager advise affected residents of Council's decision to terminate the water service and undertake a consultation in respect of the impacts of that decision.
3. The General Manager prepare a report reviewing the feedback from the consultation in point two above, including an assessment of the costs of any requests by land owners to be provided with alternate water supplies. It is noted that in undertaking this consultation, Council is not making any commitment to providing an alternate supply, rather the purpose of the consultation is to enable Council to give consideration to requests for assistance in response to its decision.
4. That Council call for tenders for the construction of the Smith Drive Water Main Renewal Project, with the scope of works based on point one above.

Attachment(s)

Nil

11.6 Ballina Town Entry Masterplan - Review

11.6 Ballina Town Entry Masterplan - Review

Delivery Program Open Spaces and Reserves

Objective To seek Council's review of elements of the Ballina Town Entry Masterplan

Background

Last year Council adopted a masterplan as its vision to provide improvements to the landscape entries to Ballina at West Ballina and North Ballina. The project also set out plans for landscape treatments of the old Pacific Highway route between those two points being Kerr Street and River Street (west of Kerr Street).

The masterplan was prepared with the assistance of Mr. David Tooby from King and Campbell consultants. Mr. Tooby is a landscape architect. A draft plan was placed on public exhibition and subsequently adopted by Council.

Following adoption of the masterplan, staff prepared a further report seeking Council's determination in respect of a staging plan, and in particular the works to be completed in this financial year were confirmed. The first stage of works primarily include tree planting in North Ballina and in River Street (in the precinct to the west of Fishery Creek Bridge), and the painting of the Fishery Creek Bridge (the bridge).

Notwithstanding the adoption the masterplan, these types of projects can become contentious at the time of implementation. Therefore last year a Councillor Bulletin item was prepared showing a picture of the bridge in the proposed colour scheme. A variety of responses were received from some members of the Council. Therefore it is necessary to refer this matter to the Council again for determination.

At around the same time feedback from some Council staff and a Councillor expressed concerns in relation to the choice of the plant species proposed under the masterplan. Like the bridge colour scheme, it is preferred to invite the Council to again consider its position to ensure the majority view is confirmed.

To assist the above review, a copy of the email responses from the staff and Councillors were forwarded to Mr. Tooby. Mr Tooby has replied by preparing a report for each item, a copy of which is attached.

A copy of the adopted master plan is also attached.

Key Issues

- Review of master plan elements
- Colour scheme
- Tree species

Information

Fishery Creek Bridge

The attached report from Mr. Tooby sets out the basis for the original recommendation. His report identifies the design objective was to be 'visually bold' to address certain visual issues at this location. The adopted approach included;

- A base colour of blue to be consistent with many of the colour themes associated with Ballina and its maritime location.
- The posts were designed to be a darker and more neutral colour so that they visually blend into the background – they visually 'recess'.
- The rails painted a light, bright and bold colour such that they are visually prominent – they visually 'pop out'.

In summary, the feedback from some Councillors was opposition to the shades of blue as a colour and from another Councillor who indicates a preference for a crisp, classy white colour.

Mr. Tooby explains his response in the attached report. His comments include:

- Whether a colour scheme is exciting enough is always subject to taste and opinions vary markedly. The recommended scheme strikes the balance in terms of the restrained use of colour to meet the visual objectives demanded by the situation.
- The exclusive use of white is not much different to the existing situation. It will appear to be a tidy up rather than presenting a new approach. This in itself may be seen as an acceptable approach however it will not reduce the visual 'clunkiness' of the balustrade.

Mr. Tooby's recommendation is reproduced in part below.

"In our opinion what is important is the following colour design approach; - that the base colour for the balustrade is blue, the post and base beam sections are a darker and more neutral blue/grey and the rails are a brighter blue that contrasts markedly with the post colour. We submit that the proposed colour scheme achieves this."

As this is a matter that staff do not hold any specific expertise or formal training, Mr. Tooby's recommendations are presented to the Council without amendment or further comment.

Street Tree Selection

Similar to the above, the attached report from Mr. Tooby sets out the key principles used in the tree selection process and tree species that were considered.

11.6 Ballina Town Entry Masterplan - Review

The masterplan proposed *“that large distinctive trees should be planted in road edges, road verges and in the centre median wherever possible along the entry road route. Smaller trees should be planted where there are conflicts with overhead power lines.”*

The tree species selected for the master plan were as follows:

- Large tree for centre median planting – *Brachychiton acerifolius* (Flame Tree)
- Large tree for road edge planting – *Caesalpinnea ferrea* (Leopard Tree)
- Small tree for road edge planting – *Buckinghamia celsissima* (Ivory Curl Flower).

The concerns of some staff and a Councillor related to the choices of the Flame tree and the Leopard Tree. The emails setting out these concerns were forwarded to Mr. Tooby to ensure he was aware of the concerns in full.

Again, his summary of the issues raised and response is reported in the attachment.

The conclusion to Mr. Tooby’s report is reproduced below.

Tree selection is difficult because it is not an exact science and opinion is heavily influenced by personal taste. The three (3) tree species recommended in the Master Plan came out of consideration of a large number of options many of which were put forward by Council. Ultimately, the Consultant was requested to recommend a single tree species for each for the three (3) applications identified. Whilst we stand by these recommendations we also put forward the following alternative which may be further considered by Council.

*That for large tree planting on the edge of the road *Melaleuca leucadendra* (Weeping Paperbark) ne considered as a substitute for *Caesalpinnea ferrea* (Leopard Tree) *Melaleuca leucadendra* (Weeping Paperbark) should not be used in the centre median. It is recommended that only one (1) tree species indigenous*

- *As an alternative to planting *Brachychiton acerifolius* (Flame Tree) exclusively in the centre median these trees may be interspersed amongst another more evergreen tree species of similar character. In this regard it may be worth considering planting one *Brachychiton acerifolius* (Flame Tree) to very two (2) *Elaeocarpus eumundii* (Smooth Leaved Quandong). It is recommended that not more than two (2) tree species be used in the centre median.*
- *Acmena smithii* (Lilly Pilly) or *Cupaniopsis anacardioides* (Tuckeroo) may be considered as alternatives to *Buckinghamia celsissima* (Ivory Curl Flower) as a small tree for use on road edges where overhead power lines are a constraint. It is recommended that only one (1) tree species be selected for use in this situation.

These recommendations were circulated to the technical staff concerned with the masterplan outcomes. Their response is reproduced below.

11.6 Ballina Town Entry Masterplan - Review

*The strategy of an interspersed planting for the median strip will overcome the bare winter look created by the *Brachychiton acerifolius*, (Flame Tree).*

However, a species differential of 1:1 would be preferred to 2:1 as this may retract from the uniformity desired from a street median planting.

*The suggestion to plant *Elaeocarpus eumundi* (Smooth Leaved Quandong) as the interspersed planting species along with the Flame Tree is supported and is a suitable attractive species due to its growth habit and colouring.*

*The recommendation to mound the soil for the Flame Tree up to 500mm above the median kerb levels for an increased root zone is not supported despite recognising that the tree requires deep soil and may not adequately deal with the high salt water table. Mounding will lead to mulch (woodchip) washing away from the tree into the stormwater system during heavy rain events. Heavy mulching is critical to tree health and vigour, especially during establishment, therefore mounding is not recommended. With this in mind, should the Flame Tree not be suitable over time for the sites then they could be replaced with other suitable species such as the *Elaeocarpus eumundi* (Smooth Leaved Quandong).*

*It is agreed that only one species should be used on road edges under power lines, and the original proposed *Buckinghamia celsissima* (Ivory Curl Tree) is recommended over the suggested alternative *Cupaniopsis anacardioides*, (Tuckeroo) that may not establish as rapidly.*

*The original choice of the *Caesalpinnea ferrea* (Leopard Tree) is not supported however the suggested alternative *Melaleuca leucadendra* (Weeping Paperbark) is recommended. King and Campbell asserts that the *Melaleuca leucadendra* (Weeping Paperbark) possesses an irregular growing habit and this can be managed through formative pruning to achieve greater symmetry if required so is not considered an issue. The Leopard Tree originates from Brazil and has already exhibited weed tendencies in parts of Australia. It has shown the capacity to invade waterways however is not a listed noxious weed under the NSW Noxious Weeds Act 1993. Due to the potential risk of the Leopard Tree spreading in the sub-tropical environment it is not recommended.*

Sustainability Considerations

- **Environment**

An objective of the masterplan is to improve the urban environment and to be successful the masterplan needs to appropriately consider any impacts to the natural environment.

- **Social**

The masterplan outcomes will assist in improving the amenity of the local environment for residents and visitors.

- **Economic**

The masterplan outcomes will assist in promoting Ballina as an attractive destination.

Legal / Resource / Financial Implications

There are no legal, resource or financial implications associated with the recommendations attached to this report as funding is available for these works.

Consultation

The masterplan was adopted following a public exhibition.

Options

Bridge Colour Scheme

1. Proceed with Masterplan proposal as currently adopted.
2. Change the colour scheme to an alternative.
3. Remove the project from the Masterplan.

As noted above, staff are not in a position to provide further comment to Mr. Tooby's professional opinion and therefore option one has been recommended. If the Council prefers option two, and that option entails colours other than white, it is suggested that the Council could seek a further professional opinion to review the recommendation.

Councillors need to be mindful that it is difficult to obtain consensus on these issues and we have engaged an expert consultant, who knows our area very well, to provide professional advice on this issue. Therefore we do not want the situation arising where we have a wide range of opinions without a consensus result.

Therefore it is strongly recommended that Council with option one and an alternative should only be pursued if there is a clear majority supporting an alternative.

Street Tree Species Selection

1. Maintain adopted masterplan
2. Vary adopted masterplan in accordance with the alternatives set out in the attached report from King and Campbell.

While Mr. Tooby has retained a preference for his original recommendation, he also acknowledges that tree selection is not an exact science and opinion is heavily influenced by personal taste. As reported above, Mr. Tooby's alternative recommendation is supported by Council's technical staff. This compromise is therefore the recommended position to this report.

Again as per the colour comments, alternatives should only be pursued if there is a clear majority supporting an alternative position.

RECOMMENDATIONS

1. That Council confirms the proposed colour scheme for the Fishery Creek Bridge is to be as per the adopted Ballina Town Centre Entry Masterplan and the advice attached to this report.
2. That, in relation to the street tree selection for the adopted Ballina Town Centre Entry Masterplan, Council confirms the following amendments;
 - For large tree planting on road edges *Melaleuca leucadendra* (Weeping Paperbark) replace the *Caesalpinnea ferrea* (Leopard Tree)
 - For the large tree for centre median planting *Brachychiton acerifolius* (Flame Tree) be interspersed with two *Elaeocarpus eumundii* (Smooth Leaved Quandong)
 - For the small road edge planting *Acemena smittii* (Lilly Pilly) or *Cupaniopsis anacardioides* (Tuckeroo) replace the *Buckinghamia celsissima* (Ivory Curl Flower).

Attachment(s)

1. Masterplan Report - Gateway Project
2. Masterplan Supplementary Report - Balustrade Colours
3. Ballina Landscape Entry Treatment Plans March 2013 - David Tooby

11.7 Policy (Review) - Asset Management Policy

11.7 Policy (Review) - Asset Management Policy

Delivery Program Asset Management

Objective To present to Council the Review of the Asset Management Policy

Background

All of Council's existing policies are progressively being reviewed to ensure they reflect contemporary practices and legislative requirements. The purpose of this report is to review the Asset Management policy.

Council first adopted this policy in 28 January 2010.

Key Issues

- Whether the policy meets the requirements of Council and current legislation.

Information

This review of this policy identified only minor changes as follows:

- The template for Council policies has changed since this policy was adopted and the new template includes information on definitions, policy history etc.

The changes have been marked in yellow.

Otherwise the policy is still considered to be contemporary and reflects current legislation therefore no further changes are recommended. A copy of the amended policy is attached to the report.

Sustainability Considerations

- **Environment**
Assets that are not providing their intended level of service can have a negative impact on the environment.
- **Social**
Assets provide service potential that support the social needs of the community.
- **Economic**
Infrastructure services are required to support ongoing economic development

11.7 Policy (Review) - Asset Management Policy

Legal / Resource / Financial Implications

Asset management planning is considered vital to the financial planning of Council. Asset management plans can assist the Council understand the amount of funds required to maintain its assets. It can also allow the Council to understand the extent of its capacity to acquire new assets.

There are no direct legal, resource or financial implications associated with the recommendations to this report.

Consultation

As the changes are only minor it is recommended that Council adopt the policy as presented, however the document will also be exhibited for public comment.

If any submissions are received they can be reported back to Council however there will not be a need for any further report if there is no public comment.

Options

Council may accept or amend the proposed changes to the policy. The changes included are largely house keeping therefore it is recommended that the policy be adopted as presented.

It is also recommended that if no submissions are received from the exhibition process, the policy be adopted with no further actions required.

RECOMMENDATIONS

1. That Council adopts the amended Asset Management Policy, as attached to this report.
2. That Council place this policy on exhibition for public comment, with any submissions received to be resubmitted back to Council. If no submissions are received then no further action is required.

Attachment(s)

1. Policy - Asset Management

11.8 Rous Water - Future Water Strategy

11.8 Rous Water - Future Water Strategy

Delivery Program Water and Wastewater

Objective To inform the Council of the exhibition of the Rous Water Future Water Strategy

Background

For some time Rous Water has been progressing the development of a Future Water Strategy. Rous Water is now at the stage of public exhibition of the draft strategy.

Rous Water representatives recently made a presentation to Councillors to explain the background to strategy and the outcomes. This meeting requested the preparation of a report to enable a public record of Council's response to the presentation.

Key Issues

- Securing the future urban water supply

Information

This report does not intend to reproduce or summarise the content of the strategy other than to note that the key actions in the strategy are:

- Enhanced Water Efficiency Program
- Investigate Ground Water Supplies
- Investigate Water Re-use

Further information is available on the Rous Water website and from exhibition points within Ballina Shire.

The strategy also sets out the role of the proposed Dunoon Dam. The investigations have shown that the dam is technically viable, however there are cultural heritage and ecological constraints to the development of the project. Combined with the high capital costs associated with such a project, the strategy has identified the options above as preferred water sources for the current planning period. Therefore, under the proposal Rous Water will not further progress the planning for the dam, it will retain its existing land holdings and other policies in respect of the dam to enable the option to further considered again in the future if required.

The strong consensus of the meeting indicated Council's initial support to the proposals in the strategy. For this reason, it is not proposed that Council will make a submission to the exhibition. It is noted that Council's Group Manager Civil Services has been engaged with Rous Water during the development phase of the strategy and this engagement has facilitated an understanding within Rous Water of the principles and planning adopted by this Council in its own Integrated Urban Water Management Strategy. It is considered that the Future Water Strategy and Urban Water Management Strategy adopt a consistent approach.

11.8 Rous Water - Future Water Strategy

It will however be important to continue to be engaged in the process. In particular this Council will need to be made aware of the content of any submissions made by our community in response to the draft strategy, and the proposed response to those submissions.

Sustainability Considerations

- **Environment**

The Future Water Strategy is an important document in terms of managing the impacts to the environment from the effects of population growth in the region.

- **Social**

A secure, safe water supply is essential for public health and social well being. Therefore adequate planning is required to ensure a sustainable system is in place.

- **Economic**

A secure, safe water supply is essential for economic prosperity and industry development. As above, adequate planning is required to ensure a sustainable system is in place.

Legal / Resource / Financial Implications

There are no legal, finance or resource implications associated with this report.

Consultation

Council staff have consulted with Rous Water during the preparation of the draft Future Water Strategy. A recent meeting provided an opportunity for Rous Water to make a presentation to Councillors.

Rous Water are now conducting their public exhibition of the strategy and Council will be able to monitor the outcomes of this process.

Options

This report is for mainly for information. A recommendation is provided in relation to in principle support for the strategy. Council does not need to make this statement if it so chooses. It is also open to the Council to make a submission to the exhibition process.

RECOMMENDATION

That Council record its current in principle support to the proposals contained in the Rous Water draft Future Water Strategy and that Council confirm its interest in continuing to work with Rous Water, including the review of community feedback, to finalise the strategy.

Attachment(s)

Nil

12. Public Question Time

12. Public Question Time

13.1 Notice of Motion - Container Deposit Legislation

13. Notices of Motion

13.1 Notice of Motion - Container Deposit Legislation

Councillor Cr Jeff Johnson

I move

1. That Ballina Shire Council acknowledges the significant environmental and economic benefits to ratepayers of adopting a Container Deposit Scheme in NSW.
2. That Ballina Shire Council write to the NSW Premier, Mr Barry O'Farrell, Environment Minister Ms Robyn Parker, and the Minister for the North Coast and Local Government, Mr Don Page, urging them to support and implement Container Deposit Legislation in NSW.

Councillor Comment

South Australia has maintained a Container Deposit Scheme for the last 39 years. Enacted in 1975 under the *Beverage Container Act 1975* and later incorporated into the *Environment Protection Act 1993 (SA)*, CDL has been instrumental in the South Australia Government achieving a recycling rate of 70-80% in relation to beverage containers and providing a new income stream for local government, community organizations, and the States' most disadvantaged groups.

Container Deposit Legislation has the potential to:

- Reduce the volume of litter in our parks, beaches and roadsides by 12-15%;
- Significantly reduce the number of turtles, lizards, seals and birds killed by litter across Australia;
- Achieve a 6% diversion of all Municipal Solid Waste ("**MSW**") waste away from landfill;
- Reduce Australia's greenhouse gas emissions by over 1.3 million tonnes of CO₂e per year (equivalent to 197,000 homes switching to 100% renewable energy);
- Save rate payers over \$60 million per annum; and
- Increase Australia's recycling by over 630,000 tonnes p.a.

CDLs oblige the packaging industry to take greater responsibility for packaging waste. Beverage suppliers must develop a recovery system for their empty containers. In 1977 South Australia introduced a CDL

National Packaging Covenant Industry Association (NPCIA) 2012 statistics show a poor result. 63.8 per cent of packaging was recycled (less than two-thirds) despite NPCIA funded efforts to promote recycling over years and only

13.1 Notice of Motion - Container Deposit Legislation

53 per cent (just over half) of the total packaging recycled was from plastic, aluminum or glass, the main sources of beverage packaging.

Comparatively, in 2012/3 the South Australian Government shows good results. 80.8 per cent of South Australia's beverage containers were recycled. South Australia's CDL results are 17 per cent more than NPCIA's results. South Australia leads Australia in the recovery, recycling and reduction of litter from beverage containers.

On Clean Up Australia Day 2013, Australians collected 16,150 rubbish tonnes. In 2009 (latest available figures on Clean Up Australia's website), Clean Up Australia stated that over the previous 10 years plastics were the most common rubbish - specifically drink, including water, containers and confectionary wrappers. Plastics represented 30 per cent by weight of rubbish collected. That 30 per cent differs sharply from South Australia's 2.2per cent of litter from containers.

CDL has community benefits. In 2012/3, through the CDL, South Australia's community received almost \$60 million.

I have moved a similar motion twice before over the last 6 years. Ballina Council has even supported the last of these motions, in 2012 by referring it to the LGSA Conference, where it was supported. I feel that the only way NSW will get a Container Deposit Scheme is by way of a continual effort by Local Government and the community.

Sunday 2nd March is Clean Up Australia Day. Now is the time to reaffirm our position and to once again write to the NSW Government expressing our strong support for such legislation to be introduced. Our community, the environment, and Ballina Shire Council as the predominant collector of recycling in the Shire, will benefit enormously.

COUNCILLOR RECOMMENDATIONS

1. That Ballina Shire Council acknowledges the significant environmental and economic benefits to ratepayers of adopting a Container Deposit Scheme in NSW.
2. That Ballina Shire Council write to the NSW Premier, Mr Barry O'Farrell, Environment Minister Ms Robyn Parker, and the Minister for the North Coast and Local Government, Mr Don Page, urging them to support and implement Container Deposit Legislation in NSW.

Attachment(s)

Nil

13.2 Notice of Motion - Funding Cuts to TAFE

13.2 Notice of Motion - Funding Cuts to TAFE

Councillor

Cr Jeff Johnson

I move

That Ballina Shire Council write to the NSW Minister for Education Mr Adrian Piccoli, NSW Premier, Mr Barry O'Farrell and the NSW Minister for the North Coast, Mr Don Page expressing our concerns about the ongoing funding cuts to the NSW TAFE system, and in particular the North Coast TAFE Institute's campuses in Ballina and Wollongbar.

Councillor Comment

TAFE holds a particular importance for the people of the Ballina Shire in providing

- i. A highly skilled workforce
- ii. Opportunities for second chance entry into education
- iii. Opportunities for people with disabilities, people from Non-English Speaking backgrounds, Indigenous Australians and people seeking employment

TAFE in NSW is facing a threat to its existence from budget cuts and the NSW government's '*Smart and Skilled*' training market that is set to begin operating in January 2015.

TAFE will be stripped of core funding and instead, the money will be given as a once-in-a-lifetime entitlement to prospective students who can then choose to cash it in at TAFE or a private provider.

Based on past experience, private providers will cut course durations to the bare minimum. TAFE with its commitment to quality will have no way of competing and will end up losing the lion's share of its funding in this race to the bottom.

TAFE campuses on the North Coast have already lost 21 full time staff and this trend is set to continue until further cuts are stopped. TAFE performs an essential public service in our community in which youth unemployment is running at 17.1%, well above the NSW average of 11.4% (as at June 2013 according to the ABS Labour Force survey);

Since 1 January 2013, 21 full time equivalent permanent positions have been removed from the North Coast TAFE Institute, including 5 head teachers, 10 teachers, and 6 administrative and support staff.

Important services have been cut or substantially reduced, including as outreach, second chance learning and support for special needs students. The immediate impacts are severe but the longer term consequences of a collapse in TAFE will be unacceptable.

13.2 Notice of Motion - Funding Cuts to TAFE

If the Draft IPART Report '[Pricing VET under Smart and Skilled](http://j.mp/IPART130730)' (available at <http://j.mp/IPART130730>) is adopted by the government, charges for 84 percent of students at TAFE will be increased, completely ignoring the impact of higher charges on people from disadvantaged backgrounds.

Jobs will be lost, the ability of residents to re-enter education and training and opportunities for economic development will be undermined.

If *Smart and Skilled* goes ahead, NSW is set to follow the same disastrous path as Victoria where full contestability for funds for VET resulted in massive public sector job losses, entire TAFE courses and campuses closing down and fee rises leading to plummeting enrolments.

COUNCILLOR RECOMMENDATION

That Ballina Shire Council write to the NSW Minister for Education Mr Adrian Piccoli, NSW Premier, Mr Barry O'Farrell and the NSW Minister for the North Coast, Mr Don Page expressing our concerns about the ongoing funding cuts to the NSW TAFE system, and in particular the North Coast TAFE Institute's campuses in Ballina and Wollongbar.

Attachment(s)

Nil

14.1 Commercial Services Committee Minutes - 18 February 2014

14. Advisory Committee Minutes

14.1 Commercial Services Committee Minutes - 18 February 2014

Attendance

Crs David Wright (Mayor - in the chair), Jeff Johnson (arrived at 4.22 pm), Sharon Cadwallader, Keith Williams, Keith Johnson, Susan Meehan, Ken Johnston, Paul Worth, Ben Smith and Robyn Hordern.

Paul Hickey (General Manager), John Truman (Civil Services Group Manager), Rod Willis (Development and Environmental Health Group Manager), Steve Barnier (Strategic and Community Facilities Group Manager), Paul Tsikleas (Commercial Services Manager) and Sandra Bailey (Secretary) were in attendance.

There were no people in the gallery at this time.

1. Apologies

Nil

2. Declarations of Interest

Cr Paul Worth – declared an interest in Item 4.1 – Wollongbar Residential Estate – Sale of Stage One Lots. (Nature of Interest: a perceived pecuniary interest – he is the owner of land nearby). He will be departing the meeting while the matter is discussed.

2.1 Wollongbar Residential Estate - Sale of Stage One Lots

RECOMMENDATION

(Cr Susan Meehan/Cr Robyn Hordern)

That this item be considered in two parts as follows:

1. Sale of Stage One Lots
2. Removal of Teak Tree

FOR VOTE - Cr David Wright, Cr Keith Williams, Cr Keith Johnson, Cr Susan Meehan, Cr Ken Johnston, Cr Paul Worth, Cr Robyn Hordern and Cr Ben Smith

AGAINST VOTE - Cr Sharon Cadwallader

ABSENT. DID NOT VOTE - Cr Jeff Johnson

3. Deputations

Nil

Cr Paul Worth declared an interest in Item 4.1 and left the meeting at 04:01 pm.

4. Committee Reports

4.1 Wollongbar Residential Estate - Sale of Stage One Lots

RECOMMENDATION

(Cr Sharon Cadwallader/Cr Susan Meehan)

1. That Council approves the sale “off the plan”, by private treaty, of the 15 lots identified in Stage One of the Wollongbar Residential Estate”, as per the prices provided in the HTW report included as an attachment to this report.
2. The General Manager is authorised to execute general agency agreements with any local agent seeking a listing to sell the lots pertaining to Stage One at a commission rate of 3.00% + GST payable upon settlement of contracts.
3. The Council seal is authorised to be attached to the sale contracts and any associated documents.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Jeff Johnson and Cr Paul Worth

Cr Paul Worth returned to the meeting at 04:07 pm.

RECOMMENDATION

(Cr Sharon Cadwallader/Cr Keith Williams)

That Council accept the Aborist’s report and that the teak tree be retained and that Council receive a further report on options for the proposed lot.

Cr Jeff Johnson arrived at the meeting at 04:22 pm.

FOR VOTE - Cr Jeff Johnson, Cr Sharon Cadwallader, Cr Keith Williams, Cr Keith Johnson and Cr Ben Smith and the casting vote of the Mayor

AGAINST VOTE - Cr David Wright, Cr Susan Meehan, Cr Ken Johnston, Cr Paul Worth and Cr Robyn Hordern

4.2 Ballina Naval Museum - Deteriorating Asbestos Cladding

RECOMMENDATION

(Cr Sharon Cadwallader/Cr Susan Meehan)

That Council confirms that the \$190,000 budget remaining for the Ballina Naval and Maritime Museum is for the asbestos roof replacement and other associated works with the General Manager authorised to call tenders / quotations for this work.

FOR VOTE - All Councillors voted unanimously.

4.3 Wigmore Arcade Complex - Refurbishment

RECOMMENDATION

(Cr Susan Meehan/Cr Robyn Hordern)

1. That Council proceed with the cosmetic upgrade and refurbishment of the Wigmore Arcade Complex, as proposed in the concept plans prepared by Dominic Finlay-Jones Architects, and as attached to this report.
2. That Council provides a budget of \$1.6 million for the project as per the revised Property Development Reserve cash flow as per attachment six to this report.
3. That for the purposes of Council's Long Term Financial Plan Council adopts the revised Property Development Reserve cashflows, as per Attachment Six, along with the revised cashflows for the Wigmore Arcade as outlined within this report.

A Motion of Dissent was moved by Cr Jeff Johnson against the ruling of the Chair for not taking sufficient action in relation to a comment made by Cr Keith Johnson.

The **Motion of Dissent LAPSED.**

Cr Jeff Johnson left the meeting at 05:48 pm.

FOR VOTE - All Councillors voted unanimously.
ABSENT. DID NOT VOTE - Cr Jeff Johnson

4.4 Lennox Head Community Centre - Damages Claim Update

RECOMMENDATION

(Cr Keith Johnson/Cr Keith Williams)

1. That in respect to Council's claim for damages from the original architect, for work undertaken on the Lennox Head Cultural and Community Centre, Council agrees to comply with the Arbitrator's directions to prepare and serve our evidence by 3 March, 2014.
2. That Council approves an allocation of \$60,000 in funds (as per the confidential report elsewhere in this agenda) from the Property Development Reserve for the estimated legal fees for this work.

FOR VOTE - All Councillors voted unanimously.
ABSENT. DID NOT VOTE - Cr Jeff Johnson

Cr Ken Johnston left the meeting at 06:03 pm.

5. Confidential Session

RECOMMENDATION

(Cr Robyn Hordern/Cr Keith Williams)

That Council moves into committee of the whole with the meeting closed to the public, to consider the following item in accordance with Section 10A (2) of the Local Government Act 1993.

5.1 Lennox Head Community Centre - Damages Claim Update

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) (g) of the Local Government Act 1993. which permits the meeting to be closed to the public for business relating to the following:-

- c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business; and
- g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege

and in accordance with 10D(2)(c), on balance, the discussion of the matter in an open meeting is not considered to be in the public interest as this matter is the subject of ongoing legal negotiations and the release of any information relating to this matter prior to the finalisation of those negotiations could prejudice the ability of Council to maximise the settlement returned to the community.

FOR VOTE - All Councillors voted unanimously.
ABSENT. DID NOT VOTE - Cr Jeff Johnson and Cr Ken Johnston

(The Council moved into Confidential Session at 6.03 pm).

Open Council

RECOMMENDATION

(Cr Susan Meehan/Cr Keith Johnson)

That Council move into Open Council and out of Committee of the Whole.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Jeff Johnson and Cr Ken Johnston

(The Council moved into Open Council at 6.10 pm).

The General Manager reported to the Open Meeting the recommendation made while in Confidential Session:

5.1 Lennox Head Community Centre - Damages Claim Update

RECOMMENDATION

(Cr Sharon Cadwallader/Cr Susan Meehan)

1. That in respect to Council's claim for damages from the original architect, for work undertaken on the Lennox Head Cultural and Community Centre, Council agrees to comply with the Arbitrator's directions to prepare and serve our evidence by 3 March, 2014.
2. That Council approves an allocation of \$60,000 from the Property Development Reserve for the estimated legal fees for this work.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Jeff Johnson and Cr Ken Johnston

Adoption of Recommendation from Confidential Session

RECOMMENDATION

(Cr Keith Williams/Cr Robyn Hordern)

That the recommendation made whilst in Confidential Session, be adopted.

FOR VOTE - All Councillors voted unanimously.

ABSENT. DID NOT VOTE - Cr Jeff Johnson and Cr Ken Johnston

MEETING CLOSURE

6.11 pm

RECOMMENDATION

That Council confirms the minutes of the Commercial Services Committee meeting held 18 February 2014 and that the recommendations contained within the minutes be adopted.

Attachment(s)

Nil

15.1 Mayoral Meetings

15. Reports from Councillors on Attendance on Council's behalf

15.1 Mayoral Meetings

Councillor David Wright

Activities since the January 2013 Ordinary meeting:

<u>Date</u>	<u>Function</u>
24/1/14	Opening Tunnels RMS - St Helena – Ewingsdale to Tintenbar Bypass
26/1/14	Australia day – Lennox Head Cultural and Community Centre
29/1/14	Meeting Gen Manager – Priorities for 2014 and beyond – Delivery Opportunities
30/1/14	RDA Launch Lismore City Hall
31/1/14	Lennox Art Space
3/2/14	Workshop Highway Service Centre
4/2/14	Briefing – Changes to BDCSA
5/2/14	Briefing – Management Changes to the Richmond River Management Plan
5/2/14	Reserve Trust Meeting
5/2/14	Briefing – Cycleway works
7/2/14	NOROC
7/2/14	Meeting with General Manager and Alstonville Pre-School
7/2/14	Meeting Red Cross – 100 year Anniversary
8/2/14	Alstonville Markets – traffic
9/2/14	Lennox Head Markets – set up - parking
10/2/14	Briefing Smith Drive Water Main Renewal
12/2/14	RRCC - Lismore
12/2/14	Briefing Rous Future Water Management
12/2/14	Wollongbar Progress Association
14/2/14	Opening Exhibition – Community Gallery
17/2/14	Meeting Bob Higgins – RMS
17/2/14	Councillor Briefing – Ballina Woodburn – RMS - Koalas
18/2/14	Meeting Parliamentary Secretary for Communications – Kevin Hogan
18/2/14	Commercial Services Committee
18/2/14	Public Meeting RSL – Koalas
19/2/14	Ballina Marine Rescue – new vessel launch
19/2/14	Wardell Progress Association
22/2/14	Opening of new animal shelter
22/2/14	The Purple Road – Book Launch
23/2/14	Scope Ballina – Riding for the Disabled
25/2/14	Launch of Domestic Violence Information Flip Chart
25/2/14	Lions Club Youth of the Year
27/2/14	Council Meeting

RECOMMENDATION

That Council notes the contents of the report on Mayoral meetings.

16. Questions Without Notice

16. Questions Without Notice

17. Confidential Session

17. Confidential Session

Nil Items