

## Strategy and Assets Committee

**Meeting Date:** Tuesday, 13 August, 2019  
**Location:** Council Chambers, City Administrative Centre, Bridge Road, Nowra  
**Time:** 5.00pm

**Membership** (Quorum - 5)  
Clr John Wells - Chairperson  
Clr Bob Proudfoot  
All Councillors  
Chief Executive Officer or nominee

**Please note:** The proceedings of this meeting (including presentations, deputations and debate) will be webcast and may be recorded and broadcast under the provisions of the Code of Meeting Practice. Your attendance at this meeting is taken as consent to the possibility that your image and/or voice may be recorded and broadcast to the public.

## Agenda

1. **Apologies / Leave of Absence**
2. **Confirmation of Minutes**
  - Strategy and Assets Committee - 23 July 2019 ..... 1
3. **Declarations of Interest**
4. **Call Over of the Business Paper**
5. **Mayoral Minute**
6. **Deputations and Presentations**
7. **Notices of Motion / Questions on Notice**

Nil
8. **Reports**
  - CEO Group
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## **9. Confidential Reports**

### Reports

CSA19.8	Proposed Acquisition of Land - Moss Vale Road South Urban Release Area
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*Local Government Act - Section 10A(2)(c) - Information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.*

*There is a public interest consideration against disclosure of information as disclosure of the information could reasonably be expected to reveal commercial-in-confidence provisions of a contract, diminish the competitive commercial value of any information to any person and/or prejudice any person's legitimate business, commercial, professional or financial interests.*

## Strategy and Assets Committee

### Delegation:

pursuant to s377 (1) of the *Local Government Act 1993* the Committee is delegated the functions conferred on Council by the *Local Government Act 1993* (LG Act) or any other Act or delegated to Council, as are specified in the Schedule, subject to the following limitations:

- i. The Committee cannot exercise any function delegated to the Council which by the terms of that delegation cannot be sub-delegated;
- ii. The Committee cannot exercise any function which s377(1) of the LG Act provides cannot be delegated by Council;
- iii. The Committee cannot exercise a function which is expressly required by the LG Act or any other Act to be exercised by resolution of the Council; and
- iv. The Committee cannot exercise any function which is a function of the General Manager under s335 of the LG Act.

### SCHEDULE

- a. Make recommendations to Council and consider, formulate, review and adopt policies in relation to Councils corporate & community planning under Part 2 of Chapter 13 of the LG Act, asset management and in connection with the other functions listed in this Schedule and in particular to make recommendations to Council in respect of the content of Councils community strategic plan, delivery program, resourcing strategy and operational plan within the meaning of Part 2 of Chapter 13 of the LG Act;
- b. Make recommendations to Council and consider, formulate, review and adopt Council policies, plans and strategies other than those in respect of town planning and environmental, natural resources / assets, floodplain, estuary and coastal management and sustainability matters that are dealt with by the Development and Environment Committee.
- c. Make recommendations in respect of the introduction of new fees or charges or the alteration of existing fees and charges for inclusion in the Councils next operational plan within the meaning of s405 of the LG Act;
- d. Monitor, review and consider matters relating to the operations and strategic direction of Councils Holiday Haven Tourist Parks Group;
- e. All functions in respect of the management of, and facilities provided on Crown Land in respect of which Council is the 'Crown Land Manager' under Division 3.4 of the Crown Lands Management Act, 2016 and the making of recommendations to Council regarding such matters where the function is not dealt with under the delegations to the General Manager or cannot be delegated by Council;
- f. Provision of corporate direction to the Shoalhaven Water Group in respect of powers delegated to it by Council regarding the construction, alteration or maintenance of water and sewerage works, effluent works and pump out removal;
- g. Authorise the expenditure of funds raised under s64 of the LG Act within the limits outlined in, and in accordance with Councils adopted Development Servicing Plan and other relevant adopted Council policies;
- h. Make recommendations to Council in respect of fees and charges for water and wastewater services provided by Council;
- i. Develop, implement, review and adopt strategic policies for water, sewerage and effluent operations of Council;

- j. Undertake preliminary investigations (feasibility, cost benefit, risk analysis, etc.) into development opportunities for Councils strategic land holdings and make recommendations to Council.
- k. Review and make recommendations to Council in relation to:
  - l. The sale prices of land in connection with residential and industrial Council subdivisions;
  - m. The sale of Council property or the purchase or resumption of land;
  - n. The compensation to be offered in respect of land resumed by Council; and
  - o. Properties leased or rented by Council, other than those delegated to the General Manager for approval and execution in accordance with MIN14.912 and MIN15.237 of the Council.
- p. To determine and accept all tenders with a value of \$1 Million or more, except those tenders required by law to be determined by full Council (MIN17.334).



## MINUTES OF THE STRATEGY AND ASSETS COMMITTEE

**Meeting Date:** Tuesday, 23 July 2019  
**Location:** Council Chambers, City Administrative Centre, Bridge Road, Nowra  
**Time:** 5.00pm

The following members were present:

Clr John Wells - Chairperson  
Clr Joanna Gash  
Clr Amanda Findley  
Clr Patricia White  
Clr Nina Digiglio  
Clr Annette Alldrick  
Clr John Levett  
Clr Mitchell Pakes  
Clr Greg Watson  
Clr Bob Proudfoot  
Mr Stephen Dunshea - Chief Executive Officer

### Apologies / Leave of Absence

Apologies were received from Clr Gartner, Clr Guile and Clr Kitchener.

### Confirmation of the Minutes

**RESOLVED** (Clr Gash / Clr White) MIN19.470

That the Minutes of the Strategy and Assets Committee held on Tuesday 11 June 2019 be confirmed.

CARRIED

### Declarations of Interest

Clr Findley – CSA19.7 Processing of kerbside collected recycling – Confidential Report – less than significant non pecuniary interest declaration – Will leave the room and will not take part in discussion or vote – the Director of Shoalhaven Recycling is known to her.

Clr Levett – “SA19.93 Notice of Motion – Pedestrian / Cyclist Safety – Erowal Bay Road – less than significant non pecuniary interest declaration – will remain in the room and will take part in discussion or vote – his daughter, son-in-law and grandchildren reside in Erowal Bay.

## Call Over of the Business Paper

The following items were called up for debate:

MMS19.3, SA19.91, SA19.92, SA19.95, SA19.96, SA19.98, SA19.99, SA19.100, SA19.101, SA19.102, SA19.104, SA19.105, SA19.107, SA19.108, SA19.110, CSA19.7.

SA19.93 and SA19.94 were initially resolved en bloc but were later reintroduced for debate.

The following items were resolved en bloc (Clr White/Clr Digiglio) at this time. They are marked with an asterisk (\*) in these minutes:

SA19.97, SA19.103, SA19.106, SA19.109, SA19.111, SA19.112, SA19.113, SA19.114, SA19.115.

## MAYORAL MINUTES

### MMS19.3 Mayoral Minute - Farewell Carmel Krogh OAM

HPERM Ref:  
D19/211759

#### Recommendation (Item to be determined under delegated authority)

That Council receive the report for information and congratulate Carmel Krogh OAM on her service to Council over the past 12 years.

**RESOLVED** (Clr Findley / Clr Gash)

MIN19.471

That Council receive the report for information and congratulate Carmel Krogh OAM on her service to Council over the past 12 years.

CARRIED

## DEPUTATIONS AND PRESENTATIONS

### SA19.91 - Notice of Motion - Safe Navigable Entrance - Sussex Inlet

Mrs Janis Natt, President, Safe Navigation Action Group, addressed the meeting and spoke for the recommendation.

### SA19.96 - Hyams Beach - Peak Tourist Period Management - Progress Update

Mr Mark Crowther addressed the meeting and spoke against parts of the recommendation.

Mr Chris Alison, of the Hyams Beach Store & Café, addressed the meeting and spoke in favour of parts of the recommendation.

### SA19.99 - Donation Request - Shoalhaven Art Society

Ms Alison Stewart, President of the Shoalhaven Art Society, addressed the meeting and spoke for the recommendation.

### SA19.110 - Request - Emergency Helicopter Utilisation - Nowra Showgrounds

Ms Suzanne Harris, representing the Illawarra-Shoalhaven Local Health District, addressed the meeting and spoke for the recommendation.

Note: Mr Robert Hayward gave a deputation on item SA19.108 Solar Garden Update later in the meeting - see MIN19.482

### **Procedural Motion - Bring Item Forward**

**RESOLVED** (Clr Pakes / Clr White)

MIN19.472

That the matter of the following items be brought forward for consideration:

SA19.91 - Notice of Motion - Safe Navigable Entrance - Sussex Inlet

SA19.99 - Donation Request - Shoalhaven Art Society

SA19.110 - Request - Emergency Helicopter Utilisation - Nowra Showgrounds

SA19.96 - Hyams Beach - Peak Tourist Period Management - Progress Update

CARRIED

## **NOTICES OF MOTION / QUESTIONS ON NOTICE**

**SA19.91 Notice of Motion - Safe Navigable Entrance - Sussex Inlet**

**HPERM Ref:  
D19/222866**

### **Recommendation (Item to be determined under delegated authority)**

That

1. The Chief Executive Officer report to Council regarding the possibility of having a preliminary design done aimed at achieving a reasonably safe navigable entrance for the River at Sussex Inlet.
2. Consideration also be given to the possibility of obtaining a grant to meet part of the cost of the study/design.
3. Council express concern to the relevant State Government Minister regarding St Georges Basin and River as an ICOLL in a Government map, as the River has never closed in recorded memory.

**RESOLVED** (Clr Watson / Clr White)

MIN19.473

That

1. The Chief Executive Officer report to Council regarding the possibility of having a preliminary design done aimed at achieving a reasonably safe navigable entrance for the River at Sussex Inlet.
2. Consideration also be given to the possibility of obtaining a grant to meet part of the cost of the study/design.
3. Council express concern to the relevant State Government Minister regarding St Georges Basin and River being classified as an ICOLL in a Government map, as the River has never closed in recorded memory.
4. Council make the necessary correction to its Coastal Zone Management Plan so that the St Georges Basin and River (Sussex Inlet entrance) is not classified as an ICOLL.

FOR: Clr Wells, Clr Gash, Clr White, Clr Digiglio, Clr Alldrick, Clr Pakes, Clr Watson, Clr Proudfoot and Stephen Dunshea

AGAINST: Clr Findley and Clr Levett

CARRIED

**SA19.99 Donation Request - Shoalhaven Art Society**

**HPERM Ref:  
D19/226232**

**Recommendation**

That Council provide sponsorship of \$2,500 to the Shoalhaven Art Society for the 54<sup>th</sup> Annual Open Art Exhibition held from 3 to 31 August 2019, from the Unallocated Donations Budget.

**RECOMMENDATION** (Clr Proudfoot / Clr Alldrick)

That Council provide sponsorship of \$2,500 to the Shoalhaven Art Society for the 54<sup>th</sup> Annual Open Art Exhibition held from 3 to 31 August 2019, from the Holiday Haven Promotional Budget.

CARRIED

**SA19.110 Request - Emergency Helicopter Utilisation - Nowra Showgrounds**

**HPERM Ref:  
D19/209106**

**Recommendation (Item to be determined under delegated authority)**

That Council agree to the request received from the Illawarra-Shoalhaven Local Health District (ISHLD) to use the Nowra Showground precinct for emergency medical helicopter patient transfer on limited occasions when the existing Helicopter Landing Site (HLS) at Shoalhaven Hospital cannot be used, subject to:

1. The use only being for the period associated with the redevelopment of the hospital;
2. The current hospital HLS continuing to be used as the primary HLS for the hospital and any use of the Showground being infrequent and only on limited occasions when the current HLS is not able to be used; and
3. ISHLD working with Council staff to refine and finalise the draft Operating Procedure for possible emergency helicopter operations at the Showground and ensuring that relevant procedures are in place (communications plan, indemnification etc) prior to any use.

**RESOLVED** (Clr Alldrick / Clr Gash)

MIN19.474

That Council agree to the request received from the Illawarra-Shoalhaven Local Health District (ISHLD) to use the Nowra Showground precinct for emergency medical helicopter patient transfer on limited occasions when the existing Helicopter Landing Site (HLS) at Shoalhaven Hospital cannot be used, subject to:

1. The use only being for the period associated with the redevelopment of the hospital;
2. The current hospital HLS continuing to be used as the primary HLS for the hospital and any use of the Showground being infrequent and only on limited occasions when the current HLS is not able to be used; and
3. ISHLD working with Council staff to refine and finalise the draft Operating Procedure for possible emergency helicopter operations at the Showground and ensuring that relevant procedures are in place (communications plan, indemnification etc) prior to any use.

CARRIED

**SA19.96 Hyams Beach - Peak Tourist Period Management - Progress Update**

**HPERM Ref: D19/169635**

**Recommendation (Item to be determined under delegated authority)**

That Council:

1. Note that given the complexity and expertise required to progress the following “long-term solutions”, separate reports to future Strategy & Assets meetings are being prepared, and that the outcomes of deliberations on those further reports will be consolidated into the Draft Hyams Beach Access and Management Master Plan:
  - a. Out of village parking: Actively pursue options for parking outside of Hyams Beach Village.
  - b. Options for traffic management long term: Feasibility, funding and installation of a permanent roundabout to ease traffic congestion and control access into Hyams Beach at peak holiday times.
  - c. Paid parking: Continue to actively investigate the viability of paid parking through the required traffic studies.
  - d. Illegal Camping and installation of a gate at Seamans Beach carpark: Installation of a gate on Seamans Beach carpark with associated options and costings, including locking toilets, additional disabled parking and additional line-marking.
  - e. Funding opportunities: Outcomes of the Restart NSW Environment and Tourism fund.
  - f. Smart Technology: EOI process to identify potential Smart Technology solutions to challenges faced in Hyams Beach peak tourist periods.
  - g. Additional parking in the village: There is mixed feedback about carparking and various options that have been discussed.
  - h. Amenities: Planned upgrades, timeframes and additional opportunities for improvements.
  - i. Footpaths and pedestrian access around the village: options and associated costs.
  - j. Community Hall: Community requests for access to the hall, identified challenges and associated costs.
2. Note that ultimately the Draft Hyams Beach Access and Management Master Plan will be presented to Council for adoption following a formal public consultation process.

**RESOLVED** (Clr Proudfoot / Clr White)

MIN19.475

That:

1. Council:
  - a. Take all necessary steps to introduce paid parking and in the interim consider establishing a park and ride scheme.
  - b. Explore all funding opportunities, including the outcomes of the Restart NSW Environment and Tourism fund, to establish a footpath along Booderee Avenue and parking along Naval College Road.
2. Council note that given the complexity and expertise required to progress the following “long-term solutions”, separate reports to future Strategy & Assets meetings are being prepared, and that the outcomes of deliberations on those further reports will be consolidated into the Draft Hyams Beach Access and Management Master Plan:
  - a. Options for traffic management long term: Feasibility, funding and installation of a permanent roundabout to ease traffic congestion and control access into Hyams Beach at peak holiday times.
  - b. Illegal Camping and installation of a gate at Seamans Beach carpark: Installation of a gate

on Seamans Beach carpark with associated options and costings, including locking toilets, additional disabled parking and additional line-marking.

- c. Funding opportunities: Outcomes of the Restart NSW Environment and Tourism fund.
- d. Smart Technology: EOI process to identify potential Smart Technology solutions to challenges faced in Hyams Beach peak tourist periods.
- e. Additional parking in the village: There is mixed feedback about carparking and various options that have been discussed.
- f. Amenities: Planned upgrades, timeframes and additional opportunities for improvements.
- g. Footpaths and pedestrian access around the village: options and associated costs.
- h. Community Hall: Community requests for access to the hall, identified challenges and associated costs.

- 3. Council note that ultimately the Draft Hyams Beach Access and Management Master Plan will be presented to Council for adoption following a formal public consultation process.

CARRIED

**SA19.92 Notice of Motion - 2019 Fire & Rescue NSW - Firefighters Championships - Berry**

**HPERM Ref:  
D19/230987**

**Recommendation (Item to be determined under delegated authority)**

That Council

- 1. Support the 2019 Fire and Rescue NSW Firefighters Championships being held in Berry.
- 2. Allocate \$3000 from the unallocated donations fund to support the running of the event.

**RESOLVED** (Clr Pakes / Clr White)

MIN19.476

That Council support the 2019 Fire and Rescue NSW Firefighters Southern Region Championships by way of a Sponsorship of \$3000 from Shoalhaven Water.

CARRIED

**HT19.4 SALT Reboot Program**

**HPERM  
D19/147648**

**Ref:**

**Recommendation (Item to be determined under delegated authority)**

That Council:

- 1. Note that the Shoalhaven Homelessness Interagency is to facilitate an event to bring together relevant organisations, including business chambers and the Shoalhaven Professional Business Association, to receive information including a presentation on the Salt RE-BOOT Program and tour of existing homeless services.
- 2. By way of support of the RE-BOOT Program, write to the appropriate members of Parliament, including Local Members, to encourage their attendance at the Homelessness Interagency event.
- 3. Staff work with SALT to source possible opportunities for a building that may be capable of supporting the RE-BOOT program.

**RESOLVED** (Clr Digiglio / Clr Findley)

MIN19.477

That Council:

1. Note that the Shoalhaven Homelessness Interagency is to facilitate an event to bring together relevant organisations, including business chambers and the Shoalhaven Professional Business Association, to receive information including a presentation on the Salt RE-BOOT Program and tour of existing homeless services.
2. By way of support of the RE-BOOT Program, write to the appropriate members of Parliament, including Local Members, to encourage their attendance at the Homelessness Interagency event.
3. Staff work with SALT to source possible opportunities for a building that may be capable of supporting the RE-BOOT program.

CARRIED

#### **Procedural Motion - Reintroduction of Item**

**RESOLVED** (Clr Pakes / Clr Wells)

MIN19.478

That SA19.93 and SA19.94 be reintroduced for discussion to align with the Code of Meeting Practice.

CARRIED

#### **SA19.93 Notice of Motion - Pedestrian / Cyclist Safety - Erowal Bay Road**

**HPERM Ref:**  
**D19/239993**

#### **Recommendation (Item to be determined under delegated authority)**

That a report come back to Council from appropriate Staff on the feasibility, options and costings of providing safe pedestrian and cycle access across the creek at the western end of Erowal Bay Road where it meets Naval Parade at the entrance to Erowal Bay Village.

**RESOLVED** (Clr Levett / Clr Proudfoot)

MIN19.479

That a report come back to Council from appropriate Staff on the feasibility, options and costings of providing safe pedestrian and cycle access across the creek at the western end of Erowal Bay Road where it meets Naval Parade at the entrance to Erowal Bay Village.

CARRIED

#### **SA19.94 Notice of Motion - Local Government NSW Annual Conference - Motion**

**HPERM Ref:**  
**D19/241508**

#### **Recommendation (Item to be determined under delegated authority)**

That Shoalhaven City Council puts a Motion to the Local Government NSW Annual Conference urging the State Government to change the Companion Animals Act so that domestic cats are no longer free to wander and are confined to the house of their owner and/or an appropriate meshed cat run.

**RESOLVED** (Clr Levett / Clr Wells)

MIN19.480

That Shoalhaven City Council puts a Motion to the Local Government NSW Annual Conference urging the State Government to change the Companion Animals Act so that domestic cats are no longer free to wander and are confined to the house of their owner and/or an appropriate meshed cat run.

CARRIED

**Procedural Motion - Bring Item Forward****RESOLVED** (Clr Pakes / Clr White)

MIN19.481

That the matter of item SA19.108 Solar Garden Update be brought forward for consideration.

CARRIED

**SA19.108 Solar Garden Update****HPERM Ref:  
D19/193544****Recommendation (Item to be determined under delegated authority)**

That Council:

1. Receive the update report on the status of the Solar Garden Project
2. Endorse the Repower Shoalhaven funding model, whilst removing any further in-kind contributions made by Council.
3. Delegates authority to the CEO to negotiate the following with Repower Shoalhaven in relation to the Animal Shelter site:
  - A lease for use of the land;
  - A behind the meter energy cost (per KWh) to power the Animal shelter.
4. Note that any income from rent and ground maintenance related savings is to be directed into the newly established Council Revolving Energy Fund (MIN19.419), for investment in energy efficient projects by Council.

**MOTION** (Clr Findley / Clr White)

That Council:

1. Receive the update report on the status of the Solar Garden Project
2. Endorse the Repower Shoalhaven funding model, whilst removing any further in-kind contributions made by Council.
3. Delegates authority to the CEO to negotiate the following with Repower Shoalhaven in relation to the Animal Shelter site:
  - A lease for use of the land;
  - A behind the meter energy cost (per KWh) to power the Animal shelter.
4. Note that any income from rent and ground maintenance related savings is to be directed into the newly established Council Revolving Energy Fund (MIN19.419), for investment in energy efficient projects by Council.

**PROCEDURAL MOTION** (Clr Findley / Clr Gash)

That the standing orders of the Committee be suspended, and that Mr Robert Hayward representing RePower Shoalhaven give a deputation.

FOR: Clr Wells, Clr Gash, Clr Findley, Clr White, Clr Digiglio, Clr Aldrick, Clr Levett, Clr Pakes, Clr Watson and Stephen Dunshea

AGAINST: Clr Proudfoot

CARRIED



Standing Orders suspended at 7.10pm

## DEPUTATION

Mr Robert Hayward, representing RePower Shoalhaven, addressed the meeting and spoke in favour of the recommendation.

Standing Orders resumed at 7.15pm

**RESOLVED** (Clr Findley / Clr White)

MIN19.482

That Council:

1. Receive the update report on the status of the Solar Garden Project
2. Endorse the Repower Shoalhaven funding model, whilst removing any further in-kind contributions made by Council.
3. Delegates authority to the CEO to negotiate the following with Repower Shoalhaven in relation to the Animal Shelter site:
  - A lease for use of the land;
  - A behind the meter energy cost (per KWh) to power the Animal shelter.
4. Note that any income from rent and ground maintenance related savings is to be directed into the newly established Council Revolving Energy Fund (MIN19.419), for investment in energy efficient projects by Council.

FOR: Clr Wells, Clr Gash, Clr Findley, Clr White, Clr Digiglio, Clr Alldrick, Clr Levett, Clr Proudfoot and Stephen Dunshea

AGAINST: Clr Pakes and Clr Watson

CARRIED

## REPORT OF THE HOMELESSNESS TASKFORCE SHOALHAVEN - 17 JUNE 2019

**HT19.4 SALT REBOOT PROGRAM**

**HPERM REF:  
D19/147648**

Item dealt with earlier in the meeting see MIN19.477

## REPORTS

**SA19.96 HYAMS BEACH - PEAK TOURIST PERIOD  
MANAGEMENT - PROGRESS UPDATE**

**HPERM REF:  
D19/169635**

Item dealt with earlier in the meeting see MIN19.475

The following items were resolved en bloc and are marked with an asterisk (\*):

**SA19.97 Risk and Audit Committee Charter Amendments**

**HPERM Ref:  
D19/193770**

**RECOMMENDATION\*** (Clr White / Clr Digiglio)

That Council:

1. Receive the report.
2. Endorse the proposed amendments to the Risk and Audit Committee Charter.

CARRIED

**SA19.98 Donation Request - Currarong Community Association -  
New Year's Eve Fireworks 2019**

**HPERM Ref:  
D19/184706**

**Recommendation (Item to be determined under delegated authority)**

That Council provide a donation of \$5,000 to Currarong Community Association for their 2019 New Year's Eve Fireworks, from the 2019/2020 Unallocated Donations Budget.

**RESOLVED** (Clr Watson / Clr White)

MIN19.483

That Council

1. Provide a donation of \$5,000 to Currarong Community Association for their 2019 New Year's Eve Fireworks, from the 2019/2020 Unallocated Donations Budget.
2. Congratulate Currarong Community Association on their continuing support for the community and the visitors to Currarong in the holiday season.

CARRIED

**SA19.99 DONATION REQUEST - SHOALHAVEN ART SOCIETY**

**HPERM REF:  
D19/226232**

Item dealt with earlier in the meeting.

**SA19.100 Sustainability Initiatives**

**HPERM Ref:  
D19/238223**

**Recommendation (Item to be determined under delegated authority)**

That the Committee receive the Sustainability Initiatives report for information.

**RESOLVED** (Clr Findley / Clr Gash)

MIN19.484

That the Committee receive the Sustainability Initiatives report for information.

CARRIED

**SA19.101 Sale of Council Land to RMS - New Shoalhaven River  
Bridge - Nowra**

**HPERM Ref:  
D19/212516**

**Recommendation**

That Council:

1. Approve the sale of the following land parcels to the NSW Roads & Maritime Services. The land parcels to be compulsorily acquired at the agreed compensation of \$2,618,500 (excl. GST):
  - a. Lot 1 DP1127316,
  - b. Lot 6 DP813461,
  - c. Lot 5 DP813461,
  - d. Lot 5 DP262460,
  - e. Lot 3 DP625514,
  - f. Lots 25, 29 and 35 DP1245213,
  - g. Lots 18, 19, 20, 21, 22, 23, 26 and 31 DP1254210.
2. Accept, in addition to 1 above, compensation for disturbance (Sec 55(d)) under the Land Acquisition (Just Terms) Compensation Act covering:
  - a. Council's legal and valuation fees at cost
  - b. Playground equipment: \$48,000 (Located on Lot 1 DP 1127316)
  - c. Toilet block: \$120,000 (Located on Lot 7302 DP 1164490 being Crown Land)
3. Approve the granting of a temporary construction lease of the following land parcels to the NSW Roads and Maritime Services from 1 July 2019 to 30 June 2022 at a rental of \$52,200 plus GST per annum:
  - a. Lots A & B DP158942,
  - b. Lot 11 DP1254213,
  - c. Lot 4 DP1254210,
  - d. Lot 5 DP1254210.
4. Require all costs associated with the sale of Council land parcels to be paid by Roads and Maritime Services;
5. Authorise the allocation of proceeds from part 1 above as follows:
  - a. \$425,000 towards a new structure to house the "Shoalhaven flood boat";
  - b. \$930,000 (excl GST) repaid to the Industrial Land Development Reserve; and
  - c. The residual placed in the Property Reserve for future property acquisitions.
6. Approve the affixing of the Common Seal of the Council of the City of Shoalhaven to any documents required to be sealed, otherwise the Chief Executive Officer is authorised to sign any documentation necessary to give effect to the resolution.

**RESOLVED** (Clr Watson / Clr Gash)

MIN19.485

That Council defer the item pending a detailed Councillor Briefing on the valuations and processes.

**CARRIED**

**SA19.102 Update on Proposed Classification & Categorisation of Crown Land as a consequence of the Crown Land Management Act 2016**

**HPERM Ref: D19/172097**

**Recommendation (Item to be determined under delegated authority)**

That Council receive the report on progress to date regarding the classification and categorisation of Crown land under Council management and note that further reports will be provided in due course.

**RESOLVED** (Clr White / Clr Findley)

MIN19.486

That Council receive the report on progress to date regarding the classification and categorisation of Crown land under Council management and note that further reports will be provided in due course.

CARRIED

**SA19.103 Options - Grant Funding Proposal - Currarong Road**

**HPERM Ref: D19/167542**

**RESOLVED\*** (Clr White / Clr Digiglio)

MIN19.487

That:

1. Council note the new grant application proposal currently being prepared for a 4.2km section of Currarong Rd 7.5 to 11.7km (generally to the west of Lighthouse Road intersection) and that any grant offer will be reported to Council for consideration.
2. The CEO (Director Assets and Works) prepare a future report regarding the establishment and operation of a Roads and Bridges Grants Contribution Reserve for the purpose of matching large grant funding opportunities to upgrade Council's roads and bridge assets.

CARRIED

**SA19.104 Community Connect, Bawley Point to Kioloa shared pathway project - Lot 1 DP 782318 - Australian National University Licence to Shoalhaven City Council**

**HPERM Ref: D19/193885**

**Recommendation**

That Council:

1. Enter into the Licence agreement with the Australian National University (ABN 52 234 063 906) for twenty (20) years at \$1.00 (plus GST) per annum over part Lot 1 DP 782318, Murramarang Road, Kioloa commencing 1 June 2019;
2. Authorise the CEO to sign all documentation required to give effect to this resolution and to affix the Common seal of the Council of the City of Shoalhaven to all documentation required to be sealed.

**RECOMMENDATION** (Clr Proudfoot / Clr White)

That Council:

1. Enter into the Licence agreement with the Australian National University (ABN 52 234 063 906) for twenty (20) years at \$1.00 (plus GST) per annum over part Lot 1 DP 782318, Murramarang Road, Kioloa commencing 1 June 2019;
2. Authorise the CEO to sign all documentation required to give effect to this resolution and to

affix the Common seal of the Council of the City of Shoalhaven to all documentation required to be sealed.

CARRIED

**SA19.105 Kerb & Gutter Construction - Ratepayer Advance - 35**  
**Elizabeth Dr Vincentia**

**HPERM Ref:**  
**D19/190538**

**Recommendation**

That

1. Council enter into a Ratepayers Advance Agreement, executed under the Seal of Council with G Antonelli of 21 Crescent Street, Dobroyd Point NSW 2045 in respect of Kerb and Gutter construction to the value of \$5,852.16 (advance) of which \$1,859.28 (excluding GST) is the contribution, \$3,992.88 is the loan and the amount to be repaid to the Ratepayer in 5 years at 5% interest per annum is \$4,991.10.
2. The Common Seal of Council of the City of Shoalhaven be affixed to any documentation required to be sealed otherwise the General Manager be authorised to sign any documentation necessary to give effect to the resolution.

**RECOMMENDATION** (Clr Proudfoot / Clr Wells)

That

1. Council enter into a Ratepayers Advance Agreement, executed under the Seal of Council with G Antonelli of 21 Crescent Street, Dobroyd Point NSW 2045 in respect of Kerb and Gutter construction to the value of \$5,852.16 (advance) of which \$1,859.28 (excluding GST) is the contribution, \$3,992.88 is the loan and the amount to be repaid to the Ratepayer in 5 years at 5% interest per annum is \$4,991.10.
2. The Common Seal of Council of the City of Shoalhaven be affixed to any documentation required to be sealed otherwise the General Manager be authorised to sign any documentation necessary to give effect to the resolution.

CARRIED

**SA19.106 Proposed Lease - 3 Stewart Place Nowra**

**HPERM Ref:**  
**D19/203225**

**RECOMMENDATION\*** (Clr White / Clr Digiglio)

That Council:

1. Accept the surrender of the lease with Alfred & Roslyn Parker for the occupation of part Lot 1 DP 115782 and part Lot 1 DP 434714 known as 3 Stewart Place Nowra (previously known as 1 Stewart Place Nowra);
2. Enter into a lease for three (3) years with three (3) year option with Franco & Narelle Fulginiti over part Lot 1 DP 115782 and part Lot 1 DP 434714 known as 3 Stewart Place Nowra, at a commencing rent of \$18,712.44 per annum, plus GST, with an annual CPI increase, commencing 1 August 2019; and
3. Authorise the Chief Executive Officer to sign all documentation required to give effect to this resolution and to affix the Common seal of the Council of the City of Shoalhaven where required to give effect to this resolution.

CARRIED

**SA19.107 Notification to Council - EOI for Lease & Management of Building 3, 80 Park Road, Nowra - Authorisation of Lease**

**HPERM Ref:  
D19/203338**

**Recommendation**

That:

1. Central Shoalhaven Mobile Preschool be offered a lease to occupy Building 3, 80 Park Road, Nowra;
2. Concurrence be granted to finalise the terms of the lease with Central Shoalhaven Mobile Preschool;
3. The Chief Executive Officer be delegated authority to endorse the terms of the lease, that are not yet settled; and
4. The Common Seal of the Council of the City of Shoalhaven be affixed to any documents required to be sealed, otherwise the Chief Executive Officer be authorised to sign any documentation necessary to give effect to this resolution.

**RECOMMENDATION** (Clr White / Clr Wells)

That:

1. Central Shoalhaven Mobile Preschool be offered a lease to occupy Building 3, 80 Park Road, Nowra;
2. Concurrence be granted to finalise the terms of the lease with Central Shoalhaven Mobile Preschool;
3. The Chief Executive Officer be delegated authority to endorse the terms of the lease, that are not yet settled; and
4. The Common Seal of the Council of the City of Shoalhaven be affixed to any documents required to be sealed, otherwise the Chief Executive Officer be authorised to sign any documentation necessary to give effect to this resolution.

CARRIED

**SA19.108 SOLAR GARDEN UPDATE**

**HPERM REF:  
D19/193544**

Item dealt with earlier in the meeting see MIN19.481

**SA19.109 Processing of Kerbside Collected Recycling**

**HPERM Ref:  
D19/240943**

**RESOLVED\*** (Clr White / Clr Digiglio)

MIN19.488

That Council consider a separate confidential report in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993.

CARRIED

**SA19.110 REQUEST - EMERGENCY HELICOPTER UTILISATION - NOWRA SHOWGROUNDS**

**HPERM REF:  
D19/209106**

Item dealt with earlier in the meeting see MIN19.474

<b>SA19.111 Readoption of Council Policy for Waiving of Development Application Fees and Other Fees</b>	<b>HPERM Ref: D19/156401</b>
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**RESOLVED\*** (Clr White / Clr Digiglio) MIN19.489

That Council place the policy on public exhibition for 28 days in accordance with section 610E (2) of the Local Government Act 1993.

CARRIED

<b>SA19.112 Draft Shoalhaven Tree and Vegetation Vandalism Prevention Policy</b>	<b>HPERM Ref: D19/204489</b>
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**RESOLVED\*** (Clr White / Clr Digiglio) MIN19.490

That Council

1. Place the Draft Shoalhaven Tree and Vegetation Vandalism Prevention Policy on public exhibition for a period of 28 days; and
2. Receive a report following the exhibition period outlining submissions received and any recommended amendments to the Draft Policy prior to adoption by Council.

CARRIED

<b>SA19.113 Acquisition of Easement for Water Supply - Lot 174 DP755952 - 67 Wogamia Road Longreach</b>	<b>HPERM Ref: D19/173884</b>
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**RECOMMENDATION\*** (Clr White / Clr Digiglio)

That Council:

1. Acquire an Easement for Water Supply 3m wide over part of Lot 174 DP755952, at 67 Wogamia Road, Longreach, shown coloured yellow on attached easement sketch plan.
2. Pay compensation of \$20,000, plus GST if applicable, and reasonable legal costs associated with the acquisition in accordance with the provision of the Land Acquisition (Just Terms Compensation) Act 1991, from Shoalhaven Water's Water Fund. If warranted, the compensation is to be adjusted based on the area determined by final survey plan.
3. Authorise the Common Seal of the Council of the City of Shoalhaven be affixed to any documentation requiring to be sealed and delegate to the Chief Executive Officer authority to sign any documentation necessary to give effect to this resolution.

CARRIED

<b>SA19.114 Review Policy - Water and Sewerage Headworks Charges (Section 64 Contributions) Assistance for Developments</b>	<b>HPERM Ref: D19/231445</b>
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**RESOLVED\*** (Clr White / Clr Digiglio) MIN19.491

That Council reaffirm its Water and Sewerage Headworks Charges (Section 64 Contributions) – Assistance for Developments Policy for the 2019/20 financial year or until Council adopts of new Development Servicing Plans.

CARRIED

**SA19.115 Energy Management Update**

**HPERM Ref:  
D19/231792**

**RESOLVED\*** (Clr White / Clr Digiglio)

MIN19.492

That the Committee receive the Energy Management Update report for information.

CARRIED

**CONFIDENTIAL REPORTS**

Pursuant to Section 10A(4) the public were invited to make representation to the meeting before any part of the meeting is closed, as to whether that part of the meeting should be closed.

No members of the public made representations.

**RESOLVED** (Clr Pakes / Clr White)

MIN19.493

That the press and public be excluded from the Meeting, pursuant to section 10A(1)(a) of the Local Government Act, 1993, to consider the following items of a confidential nature.

CSA19.7 Processing of kerbside collected recycling - Confidential Report

*Commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it. 10(A)(2)(d)(i)*

*There is a public interest consideration against disclosure of information as disclosure of the information could reasonably be expected to reveal commercial-in-confidence provisions of a contract, diminish the competitive commercial value of any information to any person and/or prejudice any person's legitimate business, commercial, professional or financial interests.*

CARRIED

The meeting moved into confidential the time being 7.55pm.

The meeting moved into open session, the time being 8.14pm.

There being no further business, the meeting concluded, the time being 8.14pm.

Clr Wells  
CHAIRPERSON



## SA19.116 Quarterly Progress Report - Councillors' Notices of Motion

**HPERM Ref:** D19/262044

**Group:** CEO Group

**Attachments:** 1. Completed Notices of Motion 1 May to 7 August 2019 (councillors information folder) [⇒](#)  
2. Uncompleted Notices of Motion (councillors information folder)

### Purpose / Summary

To provide the quarterly progress status on Councillors' Notices of Motion as resolved at the Ordinary Meeting in December 2018.

### Recommendation

That the Progress report on Councillors' Notices of Motion be received for information and given further consideration at the Ordinary Meeting, following the Councillor Briefing scheduled for 22 August 2019.

### Options

1. As recommended

Implications: The listing of Actions will be received by the Council for information and further consideration following the Councillor Briefing scheduled for 22 August 2019 (prior to the Ordinary Meeting).

2. Alternate recommendation

Implications: Not known

### Background

In response to a Notice of Motion (CL18.350), at the Council Meeting held on 18 December 2018, Council resolved (MIN18.992):

*"That the progress status of councillors' notices of motion be reported quarterly at Ordinary Meetings of Council."*

### Report

This report provides, in the Councillor Information folder, the following:

- A list of incomplete Notices of Motion (Note: Notices of Motion from recent meetings may not contain comments).
- A list of Notices of Motion completed since 1 May 2019.

The report has been provided for Councillors' information. As requested, a Councillor Briefing has been scheduled for Thursday 22 August to discuss any concerns raised prior to consideration at the Ordinary meeting on 27 August 2019.

Councillors will note that there has been some simplifying of the format of the report for this quarter with the 'Notes' column now providing only the most recent progress comment

extracted from the council resolutions database. The aim is that this comment provides an overall 'summary' of progress to date in implementing the resolution and improves the readability of the report.

It should be noted however that implementation of the most efficient procedure for the preparation of this report to Council is still very much a work-in-progress and further improvements are proposed for future quarterly reports.

## SA19.117 Milton Ulladulla Croquet Club Facility Update

**HPERM Ref:** D19/97008

**Group:** Finance Corporate & Community Services Group  
**Section:** Recreation Community & Culture

**Attachments:** 1. Croquet Court Facility Construction Estimates [↓](#)  
2. Concept Floor Plan [↓](#)

### Purpose / Summary

1. To update Council on the progress of the delivery of the Milton Ulladulla Croquet Club (MUCC) facility at Ulladulla Sports Park:
  - Identify work to date
  - Advise Council on the further investigations that are being undertaken to confirm if the site can be used to deliver a 4-court facility on the land identified for courts 3 and 4 (Stage 2)
  - Seek a time extension to enable the delivery of Stage 1 in order to complete the further investigations.

### Recommendation

That Council:

1. Accept the report for information.
2. Maintain status quo with the Milton Ulladulla Croquet Club continuing to use the court at the Milton Showground, whilst further investigating to confirm the possibility for 4 courts at the Ulladulla Sports Park.
3. Receive a further report on outcomes of environmental investigation at Ulladulla Sports Park with the aim to definitively confirm the possibility of 4 courts at the site under the current legislation requirements.

### Options

1. That Council
  - a. Accept the report for information
  - b. Maintain status quo with the Milton Ulladulla Croquet Club continuing to use the court at the Milton Showground, whilst further investigating to confirm the possibility for 4 courts at the Ulladulla Sports Park.
  - c. Receive a further report on outcomes of environmental investigation at Ulladulla Sports Park with the aim to definitively confirm the possibility of 4 courts at the site under the current legislation requirements.

Option 1 is Recommended

2. That Council
  - a. Accept the report for information
  - b. Not proceed with the croquet facility at Ulladulla Sports Park and continue to provide the existing single court facility at the Milton Showground with no further enhancements.

- c. Receive a further report on the use of the balance of \$722,278 funds as a matter of priority.

Implications:

- This would cancel any further environmental investigation into the Ulladulla Sports Park site at this time.
- This will not meet the expectations of the MUCC user group, who have long petitioned Council for the need for additional courts to increase their membership
- Perceived by community to limit the development of croquet in the southern Shoalhaven, which is known to address community need for inclusion and belonging
- Cost savings to Council, with no requirement to seek additional funding of \$644,159, and ability to reallocate the balance of funds, \$722,278 to other community and recreation projects. A further report would be provided to Council on options for budget allocation.
- Shoalhaven will continue to feature a centre of excellence for croquet in Bomaderry. This is part of the Shoalhaven Community and Recreation Precinct Master Plan (SCARP) which is endorsed by Council and includes 4 croquet courts and associated infrastructure.
- The Milton Croquet Club would continue to use the Croquet Court at Milton Showground under the same arrangement with the Milton Showground Management Committee. The dedicated fee in the adopted Fees and Charges would continue and would be paid by MUCC annually to the Management Committee.

3. That Council

- a. Allocate an additional budget of \$644,159 to proceed with the delivery of Stage 1, despite the uncertainty of final outcomes of further environmental investigations to confirm the possibility of 4 courts at the facility. This would mean completion of Stage 1, which comprises 2 croquet courts, clubhouse and associated infrastructure at the Ulladulla Sports Park.
- b. Receive a further report at the completion of the Review of Environmental Factors and Heritage Assessment investigations relating to courts 3 and 4 (Stage 2) of development at the Ulladulla Sports Park, noting that Courts 3 and 4 are currently unfunded.
- c. When Stage 1 is complete, decommission the croquet court at Milton Showground and return to open space as part of the broader Milton Showground amenity.

Implications:

- Council will need to identify an expenditure source to provide an additional budget of \$644,159 to deliver the project with 2 croquet courts as per Council's previous resolution MIN17.788
- This would mean 2 courts would be built without confirmation that 4 could be delivered at the site. MUCC have confirmed in recent meetings that a 4-court facility is a priority and they would not be happy with only 2 courts long term.
- The Quantity Survey (costings) has been undertaken by an external consultant and has not been market tested, which would happen as part of the Request for Tender (RFT) process

- There are limited grant opportunities for single use facilities, therefore additional funding from external sources is unlikely
  - Broader community may show dissatisfaction regarding the high expenditure for the site and single user group facility
  - This site has capacity to deliver 4 courts contingent on the outcomes of the REF and Heritage Assessment. However, this is not in line with the expectations of the community user group
  - The REF including Heritage Assessment (which may take up to 15 months including 12 months of environmental observation if required) has commenced for courts 3 and 4. This is proposed to run concurrently with the construction of 2 courts at the site.
  - Subject to funding being allocated, a Request for Tender (RFT) for a 2-court facility, clubhouse and associated infrastructure, would be prepared and put to market via a RFT.
  - Decommissioning the single croquet court at Milton Showground will provide additional space for showground users and meet the requirements of the Management Committee and Milton Show Society
  - MUCC would no longer have an agreement with the Milton Showground Management Committee and would enter a lease at the new location. This is commensurate with arrangements Council has with Nowra Croquet.
4. That Council deliver a second croquet court at the Milton Showground as soon as possible and continue to liaise with stakeholders. When demand requires, report back to Council on options to deliver a further 2 additional courts at the site, making 4 in total.

Implications:

- A second court at Milton Showground can be built in a shorter timeframe than the current delivery time estimates for Ulladulla Sports Park.
  - MUCC speculate the need for 4 courts in the future. This site has room to deliver Courts 3 and 4 at a later stage when demand requires; however, this is not in line with Council's adopted Plan of Management (POM) which currently identifies only 2 courts.
  - Potential conflict with existing user groups will need to be acknowledged and managed. This is not in line with the expectations of user groups and confirmed in recent discussions with the Management Committee and the Milton Show Society.
  - This is inconsistent with the previous Council resolution (MIN17.788) and the expectations of the Milton Ulladulla Croquet Club.
  - Scoping and design works will need to be undertaken.
  - Anticipated to have significant budget savings with the delivery of a single croquet court.
  - The Milton Croquet Club would continue the same arrangement with the Milton Showground Management Committee. The dedicated fee in the adopted Fees and Charges would continue and would be paid by MUCC annually to the Management Committee.
5. Do not adopt the recommendation and provide an alternate direction in relation to the delivery of Croquet facilities in the Southern Shoalhaven.

Implications:

- The alternate direction of Council will be inconsistent with the previous Council resolution (MIN17.788) and the expectations of the Club

## Briefing

Council staff had proposed to put a report to Strategy and Assets in April 2019 outlining the current status of this project, timelines and funding needed to deliver Stage 1. Due to the complexities of this project, a Councillor Briefing was held on 23 May 2019. Information contained in this report was presented to the Councillors attending the meeting and available through the Hub.

Following the Briefing, Council's CEO and Acting Director of Finance, Corporate & Community Services have met separately with the 3 key stakeholder groups:

- MUCC, 28 June 2019
- Milton Show Society, 18 July 2019
- Milton Showground Management Committee, 18 July 2019

## Background

In October 2016, Council's Strategy and Assets Committee received a report in relation to croquet court expansion options at the Milton Showground. Community feedback was sought for this proposal. Council resolved not to support the expansion at Milton Showground and directed Council staff to identify an alternative location in consultation with community.

Currently, The Milton Croquet Club are not under lease and work under the Milton Showground Management Committee. There is a dedicated fee in the adopted Fees and Charges that is paid annually to the Management Committee.

Council staff reported the investigation to Council's Ordinary Meeting on 26 April 2017. At this meeting Council resolved (MIN17.323) to:

1. *Decline the opportunity to construct a second croquet court at Milton Showground.*
2. *Actively work with Milton Croquet Club to relocate the croquet facilities to a suitable venue within 18 months. The new location is to contain sufficient land for construction of two courts and four courts in the future, a suitably sized club house, fencing of an area for four courts; car parking spaces, landscaping and other comparable facilities to those that the Club already has at the Milton Showground.*
3. *Establish a working group of available Councillors, Executive of Milton Croquet Club and Council staff to facilitate the relocation.*
4. *Allocate funding for project planning in 2017/2018; and construction of two croquet courts to commence in the first quarter of 2018/2019, with the courts and facilities completed by the end of the third quarter of 2018/2019.*
5. *Continue to work with the Showground Management Committee and owners adjacent to Milton Showground to formalise offsite parking options via a licence agreement to increase capacity for future large events at the Showground.*
6. *Review the Milton Showground Management Plan within 12 months, in consultation with the Showground Management Committee.*
7. *Advise both the Milton Ulladulla Croquet Club & Milton Showground Management Committee of the above Council resolution.*
8. *Receive a further report on the financing options for the new facility.*

## Site Research



An extensive review was undertaken of Council owned or managed land in the Milton Ulladulla region for the purpose of a 4-court facility. 4 sites with potential for Croquet were reviewed by Council staff to identify the most suitable sites for the future of the Milton Ulladulla Croquet Club; they were:

- Milton Pony Club
- Leo Drive Narrawallee
- Ulladulla Sports Park
- Milton Showground



The Milton Croquet Club were specific in their requirement that the site needed to be able to develop 4 courts. According to the table below, the only site other than the existing Milton Showground site that could develop 4 croquet courts and amenities is the Ulladulla Sports Park.

Following the Council resolution, the investigation undertaken by Council staff led to the identification of Ulladulla Sports Park as a suitable site due to the opportunity to develop 4 courts. However, the site came with constraints, as there was an existing Council stockpile which required relocation to enable construction of croquet courts. Nevertheless, the site was the preferred location and was ultimately supported by MUCC committee members and Council.

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SITE	POSITIVES	NEGATIVES	SITE PHOTO
<b>Milton Pony Club</b>	NIL	<ul style="list-style-type: none"> <li>• No flood lighting allowed</li> <li>• Pony Club were unaware of the possibility of the club moving.</li> <li>• No negotiations occurred.</li> <li>• Too much shade on site.</li> <li>• Too many tree roots on site – no good for grassed courts.</li> <li>• DA is required.</li> <li>• Accessible parking is needed.</li> <li>• Access to site not ideal – blind corners when leaving site by vehicle.</li> <li>• ONLY 2 COURTS</li> </ul>	
<b>Leo Drive, Narrawallee Subdivision</b>	NIL	<ul style="list-style-type: none"> <li>• 11 stages of subdivision. 3 stages sold – completion date not identified.</li> <li>• Site identified would need to be cleared.</li> <li>• No flood lighting allowed.</li> <li>• Few angled parking spots.</li> <li>• DA is required.</li> <li>• Fencing restrictions required – 900ml max</li> <li>• ONLY 2 COURTS</li> </ul>	



SITE	POSITIVES	NEGATIVES	SITE PHOTO
<b>Ulladulla sports park</b>	<ul style="list-style-type: none"> <li>Size of area is sufficient for 4 courts</li> <li>No DA needed</li> <li>MUCC happy with the location</li> </ul>	<ul style="list-style-type: none"> <li>In May 2017 a request to MUCC for a business plan that will address membership and committee succession was declined by the club.</li> <li>Possible environmental and cultural heritage concern for Stage 2</li> <li>REF is being drafted for Stage 2</li> </ul>	
<b>Milton Showground</b>	<ul style="list-style-type: none"> <li>Current location</li> <li>Expansion identified in Master Plan for the site</li> <li>Size of area is sufficient for 4 courts</li> <li>No DA needed</li> <li>No environmental concern</li> <li>And only requires an innovative engagement campaign <ul style="list-style-type: none"> <li>Staff to get everyone at the showground on board (by addressing their needs individually)</li> <li>Suggest to MUCC that they are better off at the Showground</li> <li>Build MUCC another court, expand the clubhouse AND assist with a strategy to increase membership</li> </ul> </li> <li>Central location for participants</li> </ul>	<ul style="list-style-type: none"> <li>Poor community consultation has resulted in expensive move to a different location</li> <li>Angst between users: <ul style="list-style-type: none"> <li>Show Society</li> <li>Dog Society</li> <li>Showground Management Committee</li> </ul> </li> <li>New clubhouse needed</li> </ul>	

A subsequent report was considered by Council's Strategy and Assets Committee in August 2017 to identify potential costings for the relocation of the stockpile site from Ulladulla Sports Park to the Council Depot and the development of the 2 courts and amenities.

MIN17.788 Council resolved that:

1. Council endorse the relocation of Milton Ulladulla Croquet Club Inc. from Milton Showground to Ulladulla Sports Park in line with Croquets requirements and Council MIN17.323
2. Council allocate \$350,000 in the 2018/19 budget to undertake the relocation of the stockpile from Ulladulla Sports Park to the Ulladulla Council Depot once assessment is completed
3. Council allocate \$765,000.00 to undertake a detailed design (\$15,000) in the 2017/18 budget and development of two Croquet Courts at Ulladulla Sports Park (\$750,000) in the 2018/19 budget.
4. Staff seek grant funding to assist in the delivery of this project.
5. If Council is not in a position to fund some or all of the project, that the timeline be reconsidered.

The allocated funding towards the removal of the stockpile was insufficient and additional costs have been incurred to complete this work. This impacted on the timeline and delayed the process of relocating the stockpile.

In October 2018, staff reported to Council in relation to the previous MIN17.323 (Item 4) regarding timeframes for delivery, requesting an extension due to the delays in the removal of the stockpile site. Council revised the timeframe for the construction of the croquet courts as detailed in Item 4 of MIN17.323.



Council resolved in October 2018 (MIN18.813) to:

1. *Commence construction in fourth quarter of 2018/2019*
2. *Complete construction of the courts in second quarter of 2019/2020*

Since this Council minute, Council staff have completed the relocation of the stockpile, a Review of Environmental Factors (REF) for Stage 1 delivery (2 courts only, clubhouse and associated infrastructure), and geotechnical investigations.

Additional issues were identified through this process and further affected the timing of the delivery of the project:

- **Stockpile Relocation:** The stockpile relocation was completed in February 2019, due to insufficient funding, the project was delayed until funds could be sourced and therefore resulted in the completion five months over schedule. The final cost for relocation was \$443,207, \$93,207 over the allocated budget.
- **Contamination and Geotechnical Investigation:** Council staff had engaged a consultant to undertake a contamination and geotechnical investigation. The investigation was to investigate potential contamination of the land resulting from a previous use of the site as a tea tree plantation which utilised effluent for irrigation purposes. The investigation is now complete, and no contamination has been found.
- **Environmental Concerns:** A Review of Environmental Factors, including Archaeological Factors, including Archaeological Factors for the delivery of Stage 1 (the first 2 courts, clubhouse and associated infrastructure) identified sensitive flora and fauna and potential heritage artefacts in the south eastern section of the site.
  - Following discussions with MUCC, this resulted in changes to the orientation of the 2 courts, a means of moving forward with the Stage 1 of the project, with Stage 2 (Courts 3 + 4) subject to further studies and investigation in the future.
  - The Club agreed to the modification as it would still result in the provision of 2 courts. This process required the design to be amended, which caused minor delays and extra costs. Below, Figure 1 shows the original design for the first 2 courts and Figure 2 shows the amended design avoiding potential environmental and archaeological / heritage concerns, which are still subject to further investigation.

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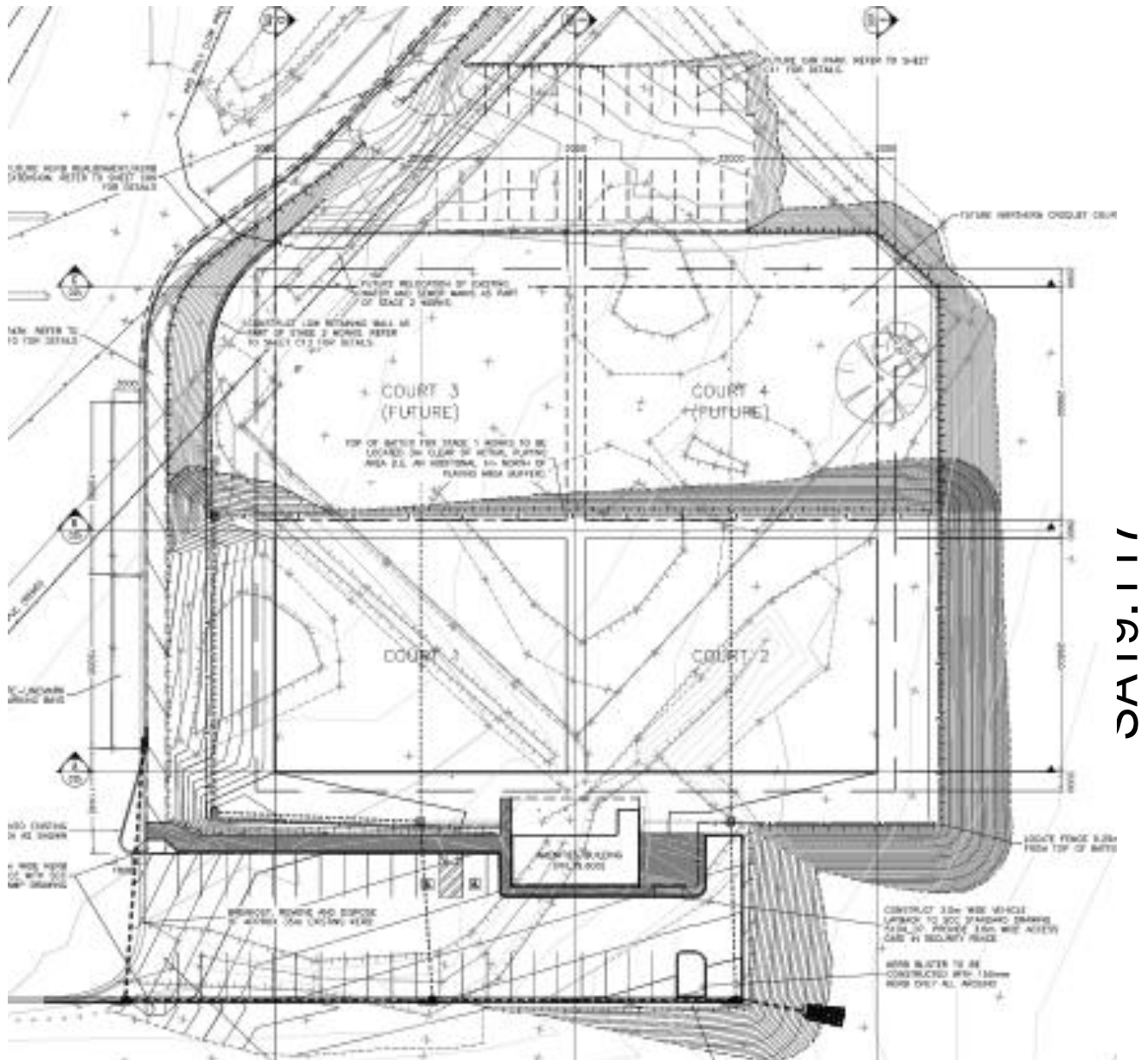


Figure 1. Original design.

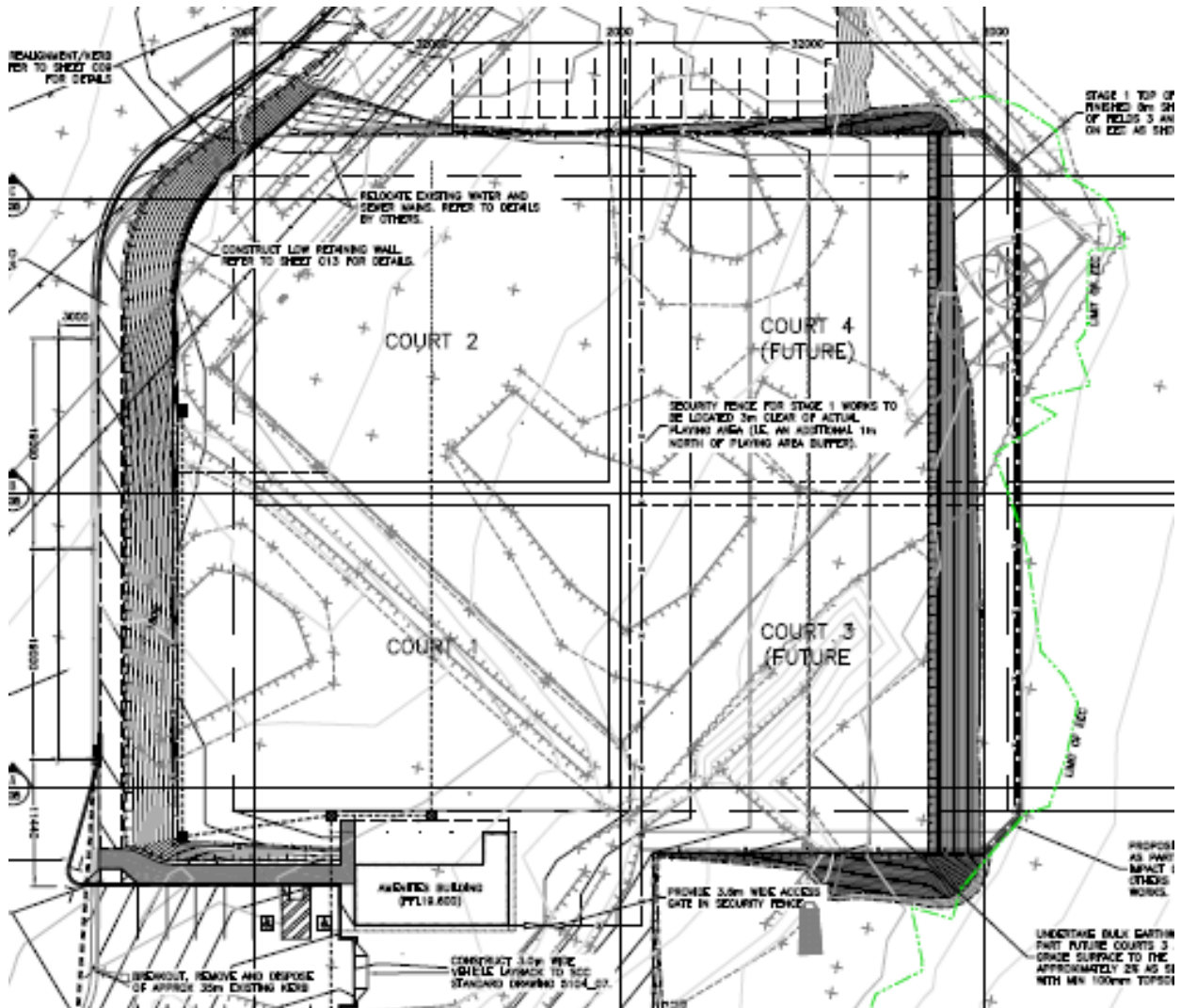


Figure 2. Updated design (post Stage 1 REF results).

- So that Council and MUCC have more certainty for future delivery of the additional 2 courts to complete the development of the full 4 courts, another REF is required to identify if there are any environmental or archaeological / heritage concerns for the site in the south east section.
- Stage 2 investigation and studies are estimated to cost \$15,000 and will take approximately 15 months to complete, this will include 12 months of environmental monitoring, however this could change as investigations progress and should be considered as a guide only.
- These studies will not impact on any works that commence for Stage 1; however, the outcome of this further REF may impact on the future deliverability of Stage 2 (i.e. courts 3 & 4).

Further details of REF timelines for Stage 2 are detailed below:

- **Review of Environmental Factors, including Archaeological Investigation (REF)**
  - Investigation into using an external consultant was estimated an additional 2 months. To avoid further delays, this is scheduled to be completed by Council staff and is in the current work plan.

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- 3-4 months for environmental review, if significant species (flora or fauna) is found, estimated additional 12 months from discovery, if environmental monitoring will be required.
- If artefact found (highly possible) additional time will be needed, up to an estimated 9 months from discovery, to secure Aboriginal Heritage Impact Permit (AHIP)
- Cost estimated to be a minimum \$15,000 (based on previous costs)
- Scope of works, the requirement for this study and estimated timelines have been confirmed externally through a peer review process.
- **Electrical Substation Upgrades:** The review of the electrical capacity for the site identified that there is not enough power to support the proposed facility, including the clubhouse, floodlights and three-phase power.

An investigation to upgrade the pole-mounted substation was completed in March 2018. Council staff have identified a budget of \$50,000, from the Active Recreation Minor Improvements Budget in 2019/20, to undertake the required upgrades to the substation.

This work commenced in May 2019 and will not have an impact on the development of the croquet courts. It is due for completion before the end of 2019.

The upgraded substation will increase capacity from 200kVA to 400kVA and will support the broader Ulladulla Sports Park.

- **Irrigation:** Council staff have investigated the opportunity of designing the irrigation system for the croquet courts to Council's Recycled Effluent Management System (REMS).

Currently, Rugby League and AFL fields have REMS-supported irrigation, an upgrade to the filtration systems is necessary for additional irrigation systems to be added.

However, this is not an option for croquet at this time. A review of REMS irrigation will be addressed when Council staff update the site Master Plan. This will not be undertaken for the Croquet Court development.

To address the current inability to connect to REMS, staff have investigated connecting to town water for the irrigation system. This has required additional time and budget to complete the investigation.

An irrigation system has been designed and includes a tank and a pump system to provide adequate pressure for irrigation of the croquet courts. The costs for a tank and pump system were not included in the original cost estimates.

- **Clubhouse and Grant Funding Opportunities:** Council staff have been proactive in investigating grant opportunities. It was identified once detail design was completed that the funding would not be sufficient to provide clubhouse facilities. To date no grant funding has been achieved. In 2018, Council staff were unsuccessful in the Community Sport Infrastructure Grant for the clubhouse facilities.

The Clubhouse is estimated to cost \$323,000 according to the cost estimates from the detail design, however this estimate is subject to confirmation at the time of Tender.

Council staff recently requested the assistance of the Club in a recent grant program, 'My Community Project'. The grant program offered \$20,000-\$200,000 for eligible applications. The Club indicated that Council's minute resolved to deliver the facility inclusive of the clubhouse and therefore believed it was Council's responsibility to identify a budget to deliver on the Council minute. However, the Club have advised they are happy to provide letters of support for any submissions Council make.

Options have been considered to relocate the existing MUCC Clubhouse from Milton Showground to Ulladulla Sports Park; however, given the age and structural integrity of

the building, this is not considered a viable option. This is not supported by MUCC as they have identified the need for a larger clubhouse to support their club's needs.

Discussion have been held with Holiday Haven about the possibility to secure a cabin that is being decommissioned from their stock. This is dependent on the availability and suitability of a cabin as they turnover and replace ageing infrastructure. This remains a possible option.

### Regional Croquet Facilities – a new approach

Council are currently finalising detailed design of the Artie Smith Oval, on Cambewarra Road Bomaderry, which is a component of SCARP. This design will deliver a regional centre of excellence for croquet with 4 new courts, carparking, clubhouse, and associated facilities such as storage areas, kitchen, outdoor areas. The Nowra Croquet Club, who currently occupy the facilities on Cambewarra Road, has 69 members, has its own webpage and is sponsored by local companies. They are active in grant writing and membership growth. Below is a breakdown of various courts and membership totals in the Shoalhaven, Illawarra and Southern Highlands.

Regional Croquet Clubs	Membership	Quantity of Courts
Nowra	69	Currently 2 Total of 4 at a new site (with SCARP)
West St	14	1
Milton Ulladulla	39	1 (with outcomes to be decided from this report)
Jamberoo	76	3
Narooma	24	1
Southern Highland	49	2
Wollongong	57	2

### Community Infrastructure Strategic Plan (CISP)

Council has developed the Community Infrastructure Strategic Plan as an evidence-based approach to identify passive and active recreational infrastructure needs in the Shoalhaven. The future direction according to the CISP is that community infrastructure is built, upgraded or embellished on an "as needs" basis and as multi-purpose facilities wherever possible. SCARP is in line with the CISP. As part of the CISP, community consultation identified that people would prefer to see Council create and fund larger and higher quality facilities rather than several smaller facilities in more places. People also indicated that if such facilities existed, they are willing to travel.

### A Regional Facility at Artie Smith

It is proposed that Council prioritise the Artie Smith site as a regional centre of excellence for croquet and maintain status quo with our other facilities at this time. This will provide opportunity for strategic grants and resource allocation.

## Community Engagement

### MUCC

Community and Recreation staff continue to meet and liaise with the Milton Ulladulla Croquet Club to discuss the progression of the infrastructure project, including discussing the issues raised in this report. The club have provided a concept floor plan for the clubhouse facility and supported the reorientation of the revised layout for courts 1 and 2. In addition, monthly updates are provided prior to club meetings.

MUCC Registered membership, as of July 2019 reported on the NSW Croquet website, is reported to be 39 registered members.

Council's CEO and Acting Director of Finance, Corporate and Community Services met with the executive and representatives of the MUCC on 28 June 2019. At this meeting the club reaffirmed their requirement for a 4 court facility at the Ulladulla Sports Park.

### Milton Show Society

Council's CEO and Acting Director of Finance, Corporate and Community Services met with representatives from the executive of the Show Society on 18 July 2019. At this meeting the Show Society reaffirmed their preference not to have a second croquet court at the Milton Showground, and for croquet in its entirety to be relocated to another site.

### Milton Showground Management Committee

Council's CEO and Acting Director of Finance, Corporate and Community Services met with the chair of the Milton Showground Management Committee on 18 July 2019. At this meeting the Chair reaffirmed their preference not to have a second croquet court at the Milton Showground, and for croquet in its entirety to be relocated to another site.

### SCARP

Council have undertaken extensive community consultation over several years in relation to the SCARP facility. This includes ongoing consultation with the Nowra Croquet Club, who are in support of the project and are actively working with staff and seeking grant funding opportunities wherever possible.

## Breakdown of Ulladulla Sports Park Croquet Facility Costs

Council voted an initial budget of \$765,000 for the croquet facility and \$350,000 for stockpile removal, totalling \$1,115,000.

The initial cost estimates were \$1,366,437 for a 2-court facility, inclusive of a clubhouse and associated infrastructure that meets the needs of the Club to deliver Stage 1 (being 2 croquet courts, 10 parking spaces including 2 accessible spaces, landscaping, drainage, irrigation, floodlighting, and clubhouse).

The project to date has cost Council \$555,424, comprising:

- Stockpile removal \$443,207 (this includes \$93,207 for the stockpile over budget)
- Design, preliminary investigations (survey, REF, geotechnical) and project management have cost to date a total of \$132,722

Some of the costs for the stockpile reallocation were covered by Council's operational budget. At the time of writing this report, Finance have verified that the remaining budget for the construction of the Milton Ulladulla Croquet Facility is \$722,278.

The revised cost estimate for Stage 1 is \$1,942,366

- Works to date have cost a total of \$575,929 (stockpile, design and investigation works etc)
- Balance of funds remaining in the job number is \$722,278

- Current shortfall for Stage 1 of the project, including initial investigations for Stage 2, is \$644,159

Should Council determine to undertake Stage 1 and later complete Stage 2, the construction of a further 2 courts (if permitted) is currently estimated to be an additional \$461,866. (costings as at April 2019).

Hence, the total cost for a 4-court croquet facility with clubhouse and associated infrastructure (if decision to proceed to Stage 1 and 2) is estimated to cost \$2,388,760 (based on costings as at April 2019).

The costs identified below are for delivery of Stage 1 only – 2 croquet courts, clubhouse and associated infrastructure.

Task	Estimated Costs as per Original Minute	Actual Budget Allocated as per Original Minute	Actual, Commitment and Revised Estimated* Costs	Actual & Potential* Budget Shortfall
Stockpile Removal	\$350,000	MIN 17.788 \$350,000	\$443,207	\$93,207
<b>Sub-total</b>			<b>\$443,207</b>	
MUCC Clubhouse and Facilities Original budget including Detail Design Cost	\$765,000	MIN 17.788 \$15,000 Detail Design \$240,000 Courts \$500,000 Clubhouse	\$1,366,437* Refer to Attachment 1 \$168,723.50 - Bulk Earthworks \$874,713.95 - Southern Car Park & courts 1&2 Refer to Attachment 2 \$323,000 - Clubhouse as per MUCC design	\$601,437*
Geotechnical Investigations	NIL	NIL	\$9,230	\$9,230
Project delivery Costs/REFS & Irrigation included (Stage 1)	NIL	NIL	\$46,822	\$46,822
Electrical Costs	NIL	NIL	\$47,490	\$47,490
Additional Design	NIL	NIL	\$14,180	\$14,180
Review of Environment Factors (for Stage 2 delivery)	NIL	NIL	\$15,000	\$15,000*
<b>Sub-total</b>			<b>\$1,499,159</b>	<b>\$734,159</b>

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<b>Less: Budget Transfer from Operational</b>				\$90,000
<b>Total Shortfall</b>				<b>\$644,159</b>

Due to the procurement requirements of the Local Government Act 1993 which inform Council's procurement procedures, staff could not proceed with a Request for Tender without an adequate allocated budget.

### Financial Implications

Options	Total Money Spent to Date	Existing Budget	Additional Request	Project Total
<b>Option 1</b> Accept the report for information, maintain status quo with the Milton Ulladulla Croquet Club continuing to use the court at the Milton Showground, whilst further investigation to confirm the possibility for 4 courts at the Ulladulla Sports Park. Report back to Council on outcomes of environmental investigation at Ulladulla Sports Park with the aim to definitively confirm the possibility of 4 courts at the site under the current legislation requirements.	\$575,929 (including stockpile removal)	\$722,278	NIL at this time pending outcomes of REF and further report to Council	<del>\$1,942,366</del> pending outcomes and future decisions of Council
<b>Option 2:</b> Accept the report for information and allocate an additional budget of \$644,159 to proceed with Stage 1 - the delivery of the 2 croquet courts, clubhouse and associated facilities at the Ulladulla Sports Park. (Stage 1 only)	As Above	\$722,278	\$644,159	<b>\$1,942,366</b>
<b>Option 3:</b> Deliver second croquet court at the Milton Showground as soon as possible and continue to liaise with MUCC. When demand requires, report back to Council on options to deliver two additional courts at the site.	As above	\$722,728	\$0	To be determined, however estimated to be within the remaining balance

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<b>Option 4:</b> Maintain status quo. MUCC to continue to use the existing court at Milton Showground.	As above	\$722,728	\$0	\$0 <i>Future report on remaining balance, \$722,728 reallocation to other active recreation priority projects.</i>
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Discussions have been held with Financial Services and at this time a funding source of \$644,159 required to deliver Stage 1 of this project has not been identified. Should Council decide to proceed with the project, there are options to review projects that are funded in the recently adopted DPOP and potentially reallocate money to facilitate this project. Alternatively, Council could consider borrowing funding, however further investigations and a future report to Council would be required if this was a potential way forward.

4. If Council decide to remain status quo for MUCC at Milton Showground, there is a balance of \$722,278 in funds that can be reallocated to other priority projects. Council staff will prepare a further report for Council to consider priority projects.

5. Given the uncertainty at this point in time around the ability of the Ulladulla Sports Park site to construct 4 croquet courts it is suggested that an appropriate way forward is to maintain the status quo with the MUCC remaining at Milton Showground on a single croquet court until the outcome of the REF is known.

6. It would not be appropriate to commit additional Council funding to this project without the certainty on the ability to deliver a 4-court facility that meets the MUCC expectations. A further report, and the associated funding implications, will be presented to Council when these investigations are completed.

### Risk Implications

- The Review of Environmental Factors (REF) and Archaeological Factors was for Stage 1 only. If Council determine to proceed the Stage 2 REF may result in an inability to deliver Stage 2 (courts 3 and 4).
- If limitations occur and Stage 2 cannot be completed at the site, the growth of MUCC membership would be limited by infrastructure and is not in line with community expectations, and Council will have expended funds on a 2 court facility. The infrastructure project, as per MIN17.788, cannot be delivered without provision of additional budget. This is not in line with the expectations of the Club or the broader community.
- A funding source of \$644,159 has not been identified in discussions with Financial Services, a review of the DPOP and currently funded projects would be required to facilitate securing this funding, however this may adversely impact on currently funded projects and community expectations.
- Whilst cost estimates are provided, these have not been market tested. There is a risk that actual costs will vary when the Tender goes to market. This will potentially impact the total budget costs.
- There is a risk that the MUCC may be divided on their aspirations. There is a risk that the club could split, and some will move to new facilities, if built, and some will

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request to stay at the Milton Showground. This will leave Council being responsible for two facilities.

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**PRELIMINARY CONSTRUCTION ESTIMATE**

**Ulladulla Croquet Courts**

**Stage 1A - Bulk Earthworks**



Item	Description	Quantity	Unit	Rate (\$)	Amount (\$)
<b>1</b>	<b>Preliminaries</b>				
1.1	Temporary Security Fence	4	weeks	\$ 250.00	\$ 1,000.00
1.2	Site Office and Amenities	4	weeks	\$ 300.00	\$ 1,200.00
<b>2</b>	<b>Earthworks</b>				
2.1	Allowance for Erosion and Sediment Controls to future detail	1	item	\$ 8,200.00	\$ 8,200.00
2.2	Clearing and Grubbing	6,500	m2	\$ 2.00	\$ 13,000.00
2.3	Strip Topsoil and Stockpile	6,500	m2	\$ 1.50	\$ 9,750.00
2.4	Cut to Fill (including compaction)	1,710	m3	\$ 25.00	\$ 42,750.00
2.5	Soil Remediation	1	allow	\$ 40,000.00	\$ 40,000.00
2.6	Geotechnical Testing	1	allow	\$ 1,500.00	\$ 1,500.00
2.7	Trim and Shape Batters	910	m2	\$ 3.50	\$ 3,185.00
2.8	Reinstatement of Disturbed Areas using Spraygrass	3,160	m2	\$ 5.00	\$ 15,800.00
<b>3</b>	<b>Service Relocation</b>				
3.1	Relocate existing 40mm HDPE sewer main	1	allow	\$ 2,500.00	\$ 2,500.00
3.2	Relocate existing 150mm PVC REMS main	1	allow	\$ 14,500.00	\$ 14,500.00
	<b>SUB TOTAL</b>				<b>\$ 153,385.00</b>
	Contingency (10%)				\$ 15,338.50
	<b>TOTAL ESTIMATED COST</b>				<b>\$ 168,723.50</b>
Notes:					
1. Based on Detailed Design Drawings 1754_C01 - C19, Revision C, dated 19/12/2018					
2. Excludes GST					
3. Removal of stockpiles and chainwire fence by others					
4. Excludes cost escalation from date of estimate					
5. Excludes contractor profits and overheads. Add 10% as necessary					

## PRELIMINARY CONSTRUCTION ESTIMATE

### Ulladulla Croquet Courts

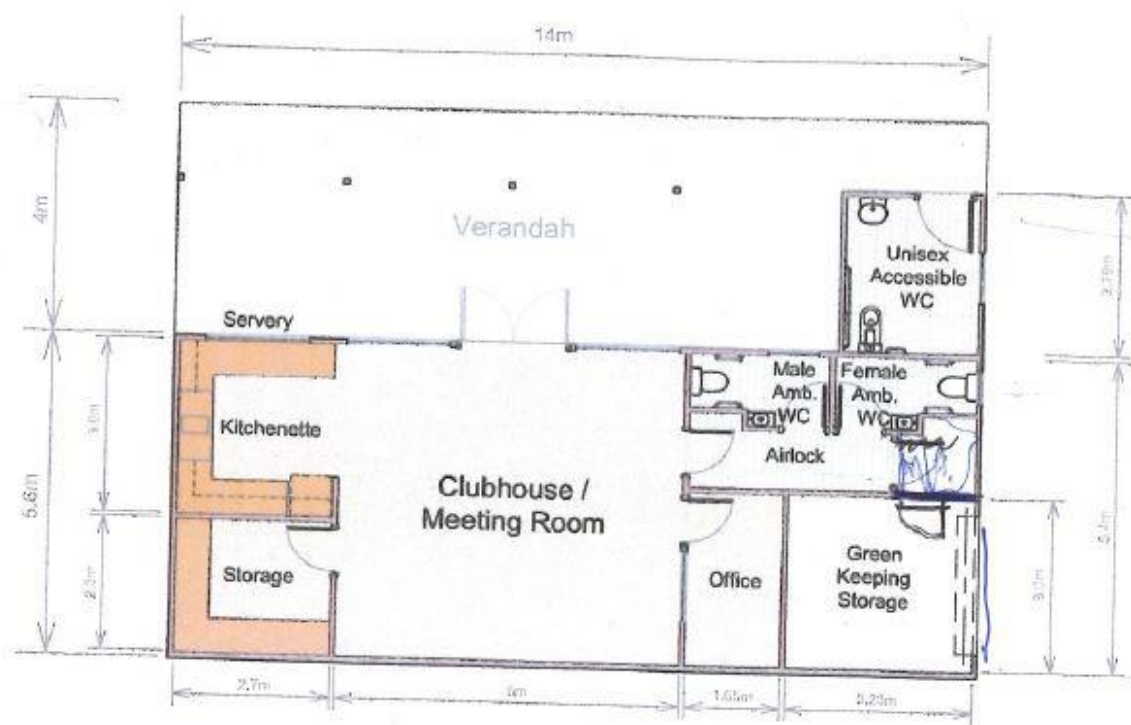
#### Stage 1B - Southern Car Park and Courts 1 and 2



Item	Description	Quantity	Unit	Rate (\$)	Amount (\$)
<b>1</b>	<b>Preliminaries</b>				
1.1	Preparation of CEMP, ESCPs, WHS, TCP	1	item	\$ 2,500.00	\$ 2,500.00
1.2	Site Office and Amenities	12	weeks	\$ 300.00	\$ 3,600.00
1.3	Temporary Security Fence	12	weeks	\$ 250.00	\$ 3,000.00
<b>2</b>	<b>Demolition</b>				
2.1	Breakout, remove and dispose of existing K&G	52	m	\$ 20.00	\$ 1,040.00
2.2	Breakout remove and dispose of existing concrete apron	20	m2	\$ 20.00	\$ 400.00
<b>3</b>	<b>Earthworks</b>				
3.1	Trim and Compact Subgrade	3,400	m2	\$ 2.50	\$ 8,500.00
<b>4</b>	<b>Drainage Works</b>				
4.1	Supply, Excavate, Bed, Lay and Backfill 150mm SN8 POLY	72	m	\$ 80.00	\$ 5,760.00
4.2	Supply, Excavate, Bed, Lay and Backfill 225mm SN8 POLY	48	m	\$ 100.00	\$ 4,800.00
4.3	Supply, Excavate, Bed, Lay and Backfill 225mm RCP	22	m	\$ 150.00	\$ 3,300.00
4.4	Supply, Excavate, Bed, Lay and Backfill 375mm RCP	59	m	\$ 200.00	\$ 11,800.00
4.5	Supply and Install Subsoil Drainage	640	m	\$ 25.00	\$ 16,000.00
4.6	Supply and Install Precast Headwall to suit 375 RCP	1	ea	\$ 450.00	\$ 450.00
4.7	Rip Rap outlet Scour Protection	8	m2	\$ 160.00	\$ 1,280.00
4.8	Grated Gully Pit with 1.8m lintel	1	ea	\$ 2,500.00	\$ 2,500.00
4.9	Grated Gully Pit with 3.0m lintel	2	ea	\$ 500.00	\$ 1,000.00
4.10	600x600 Precast Concrete Pit	4	ea	\$ 1,500.00	\$ 6,000.00
<b>5</b>	<b>Roadworks</b>				
5.1	Construct 200mm FCR subbase pavement layer	430	m2	\$ 30.00	\$ 12,900.00
5.2	Construct 200mm FCR base pavement layer	390	m2	\$ 30.00	\$ 11,700.00
5.3	Primer and 30mm Asphalt Wearing Surface	390	m2	\$ 30.00	\$ 11,700.00
5.4	Geotechnical Testing	1	item	\$ 1,000.00	\$ 1,000.00
<b>6</b>	<b>Kerb and Gutter</b>				
6.1	Construct 150 Barrier Kerb and Gutter	103	m	\$ 125.00	\$ 12,875.00
6.2	Construct 150 Kerb Only	50	m	\$ 100.00	\$ 5,000.00
6.3	Construct 3.0m wide vehicle layback	1	ea	\$ 800.00	\$ 800.00
6.4	Construct 6.0m wide vehicle layback	1	ea	\$ 1,500.00	\$ 1,500.00
6.5	Construct pram ramps	2	ea	\$ 400.00	\$ 800.00
<b>7</b>	<b>Playing Field</b>				
7.1	Supply and Place Drainage Layer	2,780	m2	\$ 25.00	\$ 69,500.00
7.2	Supply and Place Transition Layer	2,780	m2	\$ 12.00	\$ 33,360.00
7.3	Supply and Place Topsoil Layer	2,780	m2	\$ 36.00	\$ 100,080.00
7.4	Supply and Place Turf	2,780	m2	\$ 10.60	\$ 29,468.00
<b>8</b>	<b>Concrete Works</b>				
8.1	Construct variable width footpath	49	m2	\$ 100.00	\$ 4,900.00
8.2	Construct 130 thick slab SL72 mesh central (shed 13m2/tank pad 16m2)	29	m3	\$ 125.00	\$ 3,625.00
<b>9</b>	<b>Signage and Linemarking</b>				
9.1	100mm thick lines to car parking bays	105	m	\$ 1.50	\$ 157.50
9.2	Disabled Parking and Shared Space Marking	1	item	\$ 500.00	\$ 500.00
9.3	Parking Signs	2	ea	\$ 250.00	\$ 500.00
<b>10</b>	<b>Landscaping</b>				
10.1	Security Fencing (including gates)	205	m	\$ 200.00	\$ 41,000.00
10.2	Mass Planting of Batters	330	m2	\$ 30.00	\$ 9,900.00
<b>11</b>	<b>Miscellaneous</b>				
11.1	Construct Concrete Blockwork Gravity Retaining Wall	18	m2	\$ 250.00	\$ 4,500.00
11.2	Irrigation Supply and Installation	1	item	\$ 51,000.00	\$ 51,000.00
11.3	Electrical Supply and Installation	1	item	\$ 50,000.00	\$ 50,000.00
11.4	Amenities Building	1	item	\$ 200,000.00	\$ 200,000.00
11.5	Sewer Connection to amenities	1	item	\$ 15,000.00	\$ 15,000.00
11.6	Water Connection to amenities	1	item	\$ 2,000.00	\$ 2,000.00
<b>12</b>	<b>Project delivery costs</b>	1	520 Hours	\$95/hr	\$49,499
	<b>SUB TOTAL</b>				<b>\$ 795,194.50</b>
	Contingency (10%)				\$ 79,519.45
	<b>TOTAL ESTIMATED COST</b>				<b>\$ 874,713.95</b>

Notes:

- Based on Detailed Design Drawings 1754\_C01 - C19, Revision C, dated 19/12/2018
- Excludes GST
- Excludes cost escalation from date of estimate
- Excludes contractor profits and overheads. Add 10% as necessary



Concept Floor Plan C

## SA19.118 Council and local communities having greater access to School Facilities.

**HPERM Ref:** D19/77626

**Group:** Finance Corporate & Community Services Group  
**Section:** Recreation Community & Culture

**Attachments:** 1. Collated Responses from Schools [↓](#)  
2. Department of Education Policy - Community Use of School Facilities. [↓](#)

### Purpose / Summary

To provide information to Council on the outcome of inquiries related to the potential for greater use of public-school facilities for the broader community in accordance with MIN17.645.

### Recommendation (Item to be determined under delegated authority)

That Council receive the report on investigation into the greater use of public-school facilities for broader community access for information.

### Options

1. Council receive the report for information.

Implications: This will ensure Council understands that Public Education facilities are currently, and have provision to continue to be, utilised by the community.

2. Council provide an alternative resolution.

Implications: This is unknown.

### Background

A Notice of Motion was put to the Ordinary Meeting in July 2017 relating to the following.

*That*

1. *Council write to our local state members of parliament seeking their in-principle support for investigating ways that the wider community can have greater access to facilities in our public schools. This may include libraries, halls, meeting rooms and sporting fields*
2. *Our CCB's, School Principals, P&Cs and Youth Advisory Committee be asked to contribute to the discussion and offer any ideas they may have regarding possible duplication of facilities*
3. *A report be provided to Council on where any local communities have embarked up a similar project in their area.*

### In relation to Part 1:

In August 2017 the then Director of Finance Corporate and Community wrote to local State Member of Parliament shortly after the Notice of Motion.

In relation to Part 2:

In August 2017 the then Director of Finance Corporate and Community wrote to public Primary and Secondary School Principals and P&Cs in the Shoalhaven requesting the following information.

*“..... I seek your advice with respect to the application of the current NSW Department of Education Policy, Community Use of School Facilities Reference Number: PD/2009/0400/V03 and specifically advice as to how your school allows and encourages use of your facilities by the wider community.*

*Can you please advise*

- 1. Do you actively encourage community groups using your facilities?*
- 2. Do you currently have community groups utilising the school facilities and during which days and hours?*
  - a. If so what types of activities take place?*
  - b. What groups use the facilities?*
  - c. What are the rules / restrictions?*
- 3. How do you determine what activities are permissible?*
- 4. What fees if any are in place?”*

Council received eight (8) responses from Primary Schools only. The collated responses are attached to this report, see Attachment 1. The inquiry showed that of the schools who responded, they allow community groups to use their facilities and have current hirers. Groups are using them for a broad range of community projects and programs. Anecdotally, it has also been reported that our high schools currently also hire to groups such as karate and dance classes.

In addition, Council currently have a licence with two local high schools, Nowra and Shoalhaven High, for use of their sporting facilities for the community. Nowra High had been utilised by Cricket and Shoalhaven High School is utilised by Athletics. Council pays a yearly fee to the Department of Education for both sites and undertakes mowing and maintenance at Nowra High.

In relation to Consultative Community Bodies hiring and utilising facilities, Executive Strategy along with Council's Booking Officer often direct community members to the Department of Education Facilities if Council owned facilities are not suitable or unavailable.

In relation to Part 3:

The NSW Education System provide and encourage the use of their facilities outside school times such as halls and sports fields. The Department of Education has a policy, which is attached to this report, Attachment 2, regarding the Community Use of School Facilities.

From our inquiries, public schools are readily available and are being utilised by our communities. The Department of Education's website <https://education.nsw.gov.au/policy-library/policies/community-use-of-school-facilities> has significant resources to enable and assist the public for this to occur. As it is common practice for schools to allow access to facilities for community groups, there are many communities across NSW who make use of this service.

Library

In relation to the use of school libraries by the public, our investigation indicated there were two examples in NSW that were started but are no longer operating due to a number of

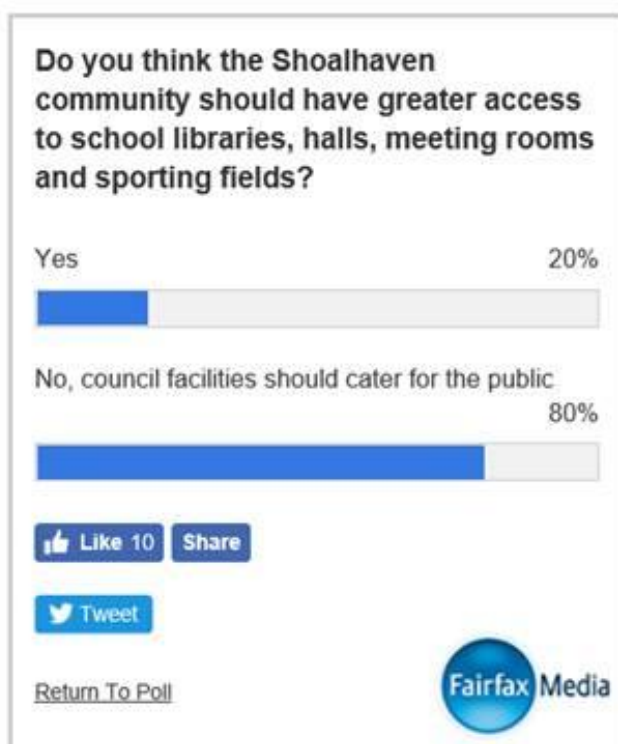
factors such as: working with children checks, having access to the libraries out of school hours, and the content of school libraries not meeting the requirements of the public.

The NSW Teachers Federation's current position on joint use libraries is:

1. That the school library and the public library are two separate concepts with different, although complementary, roles.
2. That school libraries and public libraries make two separate systems, neither of which is fully developed on the Australian scene.
3. That any process of amalgamation - whether it be glorified by the name "community library" or not - which attempts to web the concepts of school and public library will only make certain that neither system is ever fully developed.

This advice was presented to Councillors in August 2017 during a Councillor Briefing on libraries.

A poll was undertaken by the South Coast Register in August 2017 regarding community having access to school libraries halls etc with the results below.



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#### The Youth Advisory Committee

The Youth Advisory Committee, at their meeting on 26 July 2017, discussed the Notice of Motion. The committee thought that this was a good idea and offered their support formally.

At the time, the YAC committee were considering annual partner funding grant applications from their budget. These projects are implemented to provide programs, projects and activities for young people in the LGA.

The committee resolved to fund an application from Ulladulla High School's P&C for some bike racks outside the high school, commenting that they felt that this showed good faith and a good example of how facilities could be better utilised by the whole community.



### **Community Engagement**

Council will continue to seek opportunities and inform the public, as well as internal staff, of the potential of schools for hiring as the need arises.

<b>Community Use of Public School Facilities</b>	
<b>Nowra Public School</b>	Nowra Public School encourages community use of school facilities. Presently we have Peak Before and After School Care service 5 days per week. We also have a Judo class operating one day after school each week.
<b>Milton Public School</b>	Milton Public School allows community use of our facilities. Currently we have different groups using various parts of the school after hours every week day. In addition to the schedule attached, we have musicians offering tuition through lunchtimes and an OT who visits weekly for clinical sessions. Our general practice is not to charge, or if we do, it is a minimal payment to cover cleaning costs. This is in line with the Community use of School Facilities Policy.
<b>Cambewarra Public School</b>	<ol style="list-style-type: none"> <li>1. Yes we encourage community groups to use our hall.</li> <li>2. a &amp; b. We have a variety of users, sometimes they are weekly regular bookings such as dance lessons. Sometimes one offs such as fundraisers for church groups, AECG weekend meetings, Kids Festivals (South Coast Kids), 150 years anniversary of local church and book launches etc. The hall is periodically used for government election / voting purposes and annual Christmas/religious celebrations.</li> <li>c. I have attached the documents regarding use agreements.</li> <li>3. The activities permitted have to abide by the Community Use Agreement and we use a common sense approach to make sure our hall is cared for appropriately.</li> <li>4. I have included the Hall Charges document and the total cost depends on the extra facilities used such as urns, canteen facilities, tables etc.</li> </ol>
<b>Kangaroo Valley Public School</b>	<ol style="list-style-type: none"> <li>1. Kangaroo Valley School does not actively encourage community groups to use our facilities.</li> <li>2. Community Groups do use facilities on an irregular basis for meetings and music group end of year activities and yoga. The group has access to one room and toilet facilities and if requested the staff kitchen.</li> <li>3. Activities that are permissible are determined when requested. No set determination. Kangaroo Valley School does not have a hall as such and no spare rooms.</li> <li>4. Fees vary from summer to winter.</li> </ol>
<b>Callala Public School</b>	<ol style="list-style-type: none"> <li>1. We encourage community groups to contact us if they are interested in hiring our school facilities</li> <li>2. We currently have a community sports group that hires our school facilities</li> <li>3. The Department of Education have a strict policy in place that we follow before approval is given to hire our facilities. Guidelines/Policy can be found on the department website</li> <li>4. Cost is dependent on what is hired and for how long (based on department recommendations)</li> </ol>

**Vincentia Public School**

1. Yes we encourage community use, however we approve on a case by case basis - an refer to our NSW policy.
2. We have karate, dance and after school care using the facilities after hours.
3. We use the toolkit.
4. Fees are charged according to the toolkit (\$14 per hour).

**Bomaderry Public School**

1. We encourage use of our facilities. We advertise it to our local community through our newsletter and word of mouth with local groups, clubs and organisations.
2. We currently lease our school facilities to Out of School Hours Care (BOOSHC) and JD Dance school.  
BOOSHC hours of use during the school term are Monday to Friday 6.30am to 8.30am and 3.00pm to 6.30pm, Staff Development Days and Vacation Care hours are from 6.30am to 6.30pm. The rooms used in the current agreement are one classroom, the hall and the canteen, as well as toilet blocks and all outside areas.  
JD Dance currently use the school hall all year round Monday/Tuesday evenings 6.30pm to 8.30pm, Wednesday evenings 6.30pm to 9.30pm and Friday evenings from 6.30pm to 8.00pm. JD Dance also use the school hall on weekends as required for rehearsals.
3. 4. Please find attached previous lease agreement for BOOSHC. Still waiting on copy of current agreement from our Department's Assets Management Unit. I have included this documentation as a sample giving you some idea of the paperwork and fees involved with a lease through our Department. Please do not share this lease information elsewhere, it is simply to help you with information gathering purposes (particularlry costs).

**Sanctuary Pt Public School**

Our school hall is used by a before and after school group during school terms and is available to all the community. This is done through a formal licence agreement with the Department of Education. The current agreement is for a 3 year period commencing 2017. Hours of operation are 7 a.m. to 8.30 a.m. and from 3.35 p.m. to 6 p.m. We now offer vacation care during school holiday periods.

We do not have any other community groups using the school out of hours at the moment and all enquiries are considered individually. We have previously had church groups, dancing schools and music tuition groups using our facilities. Our P & C uses our hall for various fundraising activities throughout the year. The school Hall is also used for all elections, i.e. council, state and federal.

The school does offer parent courses throughout the year which are advertised through our school newsletter and social media page. These are held during the day in our "Welcome Space". Such groups include Anglicare and the AMS. We do not charge any community service group for use of our facilities as they provide support to our students and community.

Our sporting field is not used by any group presently.

## Community Use of School Facilities

Schools are encouraged to make their facilities available for use by the community. This must be for appropriate purposes and must not interfere with the school's provision of quality learning programs.

### 1. Policy statement

**1.1** Schools are valuable community assets which should be available for community use, when not required for school purposes.

**1.2** Schools support families and communities by making facilities available for children's services.

**1.3** School facilities must only be used for activities that do not interfere with the school's teaching and learning programs.

**1.4** School facilities must only be used for activities which are consistent with the values of Public Education and the school's purpose and goals.

**1.5** Community use applications are determined on whether facilities are fit for the proposed use, the proposed use is appropriate and the proposed community user is suitable.

**1.6** Priority is given to applications from community groups and organisations as listed in the implementation procedures.

**1.7** Any necessary consultation between the school principal, other departmental officers, the community use applicant and other key stakeholders should be conducted prior to any agreement being signed.

**1.8** A written agreement for the community use of school facilities is made to formalise the rights and obligations of both parties.

**1.9** Community use involving the upgrading of facilities, children's services, commercial ventures or uses for durations over 12 months should be referred to the local Assets Management Unit.

**1.10** Community use agreements are subject to suspension or termination in circumstances of emergent school and department requirements.

**1.11** Schools will charge appropriate fees for the use of their facilities. Community Languages Schools approved by the department:

- have free access to school facilities for community language classes during school terms.
- are not charged costs for utilities for community language classes during school terms.

1.12 The department provides funding to schools to assist in meeting additional costs in utilities arising from the free use of school facilities by approved Community Languages Schools.

## **2. Audience and applicability**

2.1 The policy applies to all NSW public schools.

2.2 The policy relates to not-for-profit and for-profit community use of school facilities.

## **3. Context**

3.1 School facilities are primarily for educating children and young people, however there are many times when school facilities are not in use.

3.2 The department encourages community and education groups to use school facilities in accordance with this policy when they are available.

3.3 This sharing of resources strengthens the partnership between schools and local communities.

3.4 Community use of school facilities benefits both schools and their communities through:

- access to services to support families and communities.
- enhanced co-operation and goodwill between the school and the community.
- the provision of additional extracurricular learning opportunities.
- better access for communities and schools to state-of-the-art facilities.
- opportunities for parents and the broader community to become better informed about and participate in the school's operation and activities.
- more effective use of valuable school facilities and
- opportunities for the community to play a positive part in school security through out-of-hours use of the facilities.

## **4. Responsibilities and delegations**

### **4.1 Principals**

4.1.1 Work collaboratively with the local community to address identified needs through the use of school facilities.

4.1.2 Plan and promote mutually beneficial community use of school facilities. Manage community use of school facilities to the mutual benefit of the school and the community.

4.1.3 Receive applications for community use and evaluate each application in accordance with the implementation procedures, consideration of the needs of the local community and child protection requirements. When needed, consult with the local Asset Management Unit.

**4.1.4** Adopt a risk management approach to community use of school facilities, including conducting a risk assessment, before approving any application.

**4.1.5** Approve applications for community use and sign community use agreements consistent with their delegation.

**4.1.6** Endorse and refer community use arrangements involving upgrading of facilities, children's services, commercial ventures, or uses exceeding 12 months' duration to the local Asset Management Unit.

**4.1.7** Where the community user is an approved Community Languages School:

- ensure that the department is notified of any variation in the use of school facilities.
- allow free access to school facilities for community language classes during school terms.
- disclose funding information in the annual financial statements.

## **4.2 Directors, Public Schools NSW**

**4.2.1** Liaise with the school and the community to resolve issues of availability or management of community use of school facilities and assist in dispute resolution.

**4.2.2** Monitor the effective implementation of this policy and procedures.

## **4.3 Local Asset Management Units**

**4.3.1** Provide principals and Directors, Public Schools NSW with support and advice on proposals to enter into community use agreements, licences, leases and project deeds.

**4.3.2** Assist principals and Directors, Public Schools NSW in the development, review, approval and termination of community use agreements, licences, leases and project deeds.

**4.3.3** Review architectural plans for any proposed upgrade of facilities and ensure that they meet school, department and legal requirements and that the project has the approval of the Minister if required.

## **4.4 Asset Management Directorate**

**4.4.1** Assess and approve community use arrangements involving upgrading of facilities, children's services, commercial ventures, or uses exceeding 12 months' duration and all proposals by schools or community partners to terminate such an agreement before the end of the agreement.

**4.4.2** Record details of all approved community use agreements, leases, licences, and project deeds on the Asset Management System.

## **4.5 Director, School Policy and Information Management**

**4.5.1** Develop and maintain policies, procedures and associated documentation relating to community use of school facilities.

**4.6 Legal Services Directorate**

**4.6.1** Provide principals and directors with legal support and advice for community use agreements and assist with the drafting of complex agreements, licences and leases relating to community use of school facilities.

**5. Monitoring, evaluation and reporting requirements**

**5.1** Directors Public Schools NSW, in association with the Asset Management Directorate, will monitor the implementation of this policy.

**5.2** The Manager, Schools Finance, will monitor the implementation of funding to schools hosting approved Community Languages Schools.

## SA19.119 Waiving & Discounting of Fees for Open Space & Community Facilities

**HPERM Ref:** D19/226228

**Group:** Finance Corporate & Community Services Group  
**Section:** Recreation Community & Culture

**Attachments:**

1. Waiving of Fees for Monthly Markets & Community Events in Public Spaces 2018-2019 [↓](#)
2. Waiving of Fees for Open Space Venues and Community Services 2018-2019 [↓](#)
3. Waiving of Fees for Shoalhaven Libraries 2018-2019 [↓](#)
4. Waiving of Fees for Shoalhaven Entertainment Centre 2018-2019 [↓](#)

### Purpose / Summary

To inform Council of fees that were waived or discounted during the period 1 July 2018 to 30 June 2019 for the use of Council's open space and community facilities.

### Recommendation (Item to be determined under delegated authority)

That Council note that a total of \$47,286.73 of fees were waived or discounted during the period of 1 July 2018 to 30 June 2019 for the use of Council's open space and community facilities.

### Options

1. Council receive this report for information.  
Implications: The report is provided for information and hence there are no actions required from its acceptance.
2. Council provide an alternative recommendation with direction to staff.  
Implications: The implications will be dependent on the form of the resolution.

### Background

In accordance with Council's policies:

- Fees – Waivers, Subsidies and Support Policy – POL18/30
- Film & Video Production in Public Reserves & Public Places – POL16/62
- Shoalhaven Entertainment Centre Hiring Policy - POL16/122

The Director Finance, Corporate and Community Services has the delegation to waive fees for bona fide charities or fundraising activities for the use of Council's open space and community facilities upon application. The Director may exercise their discretion or may report to Council for consideration and/or endorsement.

The attached tables show the fees waived and discounted that were approved in the period of 1 July 2018 to 30 June 2019. They are broken down into:

- Open Space Venues and Community Services
- Monthly Markets and Community Events in public Spaces
- Shoalhaven Libraries

SA19.119



- Shoalhaven Entertainment Centre

Attachment A - Waiving of Fees for Monthly Markets & Community Events in Public Reserves 2018/2019	\$1,758.00
Attachment B – Waiving of Fees for Open Space Venues and Community Services 2018/2019	\$8,932.60
Attachment C – Waiving of Fees for Shoalhaven Libraries – Community Events in Council Facilities 2018/2019	\$187.00
Attachment D – Waiving of Fee for Shoalhaven Entertainment Centre 2018/2019	\$36,409.13

The fees waived or discounted during the period of 1 July 2018 to 30 June 2019 are for not for profit organisations, charities, schools, government organisations, and small commercial entities.

Examples of the community events being held requesting waivers were musicals, theatre, concerts, fun days and community meetings. These events add benefit to the community by educating and providing activities in which the community can come together to celebrate, entertain, network and socialise.

Several organisations received support from Council through fee waiver / fee discount in addition to their annual allocated donation from Council

### Financial Implications

A total of \$47,286.73 of fees were waived or discounted during the period 1 July 2018 to 30 June 2019. A breakdown is provided in the attachments.

SA19.119

<b>Attachment A</b>								
<b>Waiving of Fees for Monthly Markets &amp; Community Events in Public Spaces - 2018 / 2019</b>								
<b>Name of Organisation</b>	<b>Date of Application</b>	<b>Type of Organisation</b>	<b>Type of Event</b>	<b>Date of Event</b>	<b>Location of Event</b>	<b>Has Council Previously Assisted</b>	<b>Is the Event Open to the Community</b>	<b>Amount of Assistance</b>
Australian Red Cross	03/09/2018	Government	Women's Wellness Festival	21/03/2019	Nowra Showground	YES	YES	\$779.00
NSW Rural Fire Service Australia	25/05/2019	Government	RFS Volunteer Family Day	16/06/2019	Nowra Showground	NO	YES	\$954.00
Vincentia Village Chamber of Commerce	22/10/2018	Community Group	Vincentia Village Burton St Courtyard	03/11/2018	Burton Street Courtyard Vincentia	YES	YES	\$25.00
<b>Total</b>								<b>\$1,733.00</b>

<b>Attachment B</b>		<b>Waiving of Fees for Open Space Venues &amp; Community Services 2018 / 2019</b>						
<b>Name of Organisation</b>	<b>Date of Application</b>	<b>Type of Organisation</b>	<b>Type of Event</b>	<b>Date of Event</b>	<b>Location of Event</b>	<b>Has Council Previously Assisted</b>	<b>Is the Event Open to the Community</b>	<b>Amount of Assistance</b>
Ulladulla Aboriginal Land Council		Government	NAIDOC Day Celebration	13.07.18	Ulladulla Civic Centre	Yes	Yes	\$427.70
Rotary Club of Milton Ulladulla		Community Group	Blessing of the Fleet Ball, Festival & Dance Practices	17.03.19, 01.04.19	Ulladulla Civic Centre	Yes	Yes	\$5,285.00
Cancer Council		Charity	Relay for Life	17.11.18	Ulladulla Civic Centre	Not at the Civic Centre	Yes	\$250.65
Milton Ulladulla Business Chamber		Community Group	Christmas Carols	01.12.18	Ulladulla Civic Centre	Yes	Yes	\$68.25
Bell's Carnival		Business	Carnival	23.12.18 - 07.01.19	Ulladulla Civic Centre	Yes	Yes	\$1,980.00
Rotary Club of Berry	14/08/2018	Community Group	Opening of Town Clock	18/08/2018	Apex Park Berry	No	Yes	\$91.00
Christian Churches of Berry	24/09/2018	Community Group	Christmas Carols	24/12/2018	BSA	Yes	Yes	\$125.00
Technical Aid for the Disabled (TAD)	26/09/2018	Charity	Freedom Wheels Assessment	24/10/2018	Nowra Showground Committee Room	No	Yes	\$273.00

Vincentia Village Chamber of Commerce	22/10/2018	Community Group	Vincentia Village Burton St Courtyard	03/11/2018	Burton Street Courtyard Vincentia	Yes	Yes	\$25.00
St Georges Basin Public School	18/01/2019 - applied to have fee waived due to event being washed out	School	End of year picnic	19/12/2018	Plantation Point & Palm Beach	Yes	No – School children only	\$182.00
Shoalhaven Women's Health Centre	25/02/2019	Community Group	High Tea for International Women's Day	02/03/2019	Nowra School Arts	Yes	Yes	\$250.00
<b>Total</b>								<b>\$8,957.60</b>

Attachment C		Waiving of Fees for Shoalhaven Libraries - 2018 / 2019						
Name of Organisation	Date of Application	Type of Organisation	Type of Event	Date of Event	Location of Event	Has Council Previously Assisted	Is the Event Open to the Community	Amount of Assistance
Wrap With Love	14/11/2018	Non Profit	Group of ladies knitting items for local charities, hospital & nursing homes - Monthly Meeting	1st Tuesday each month - Feb to Dec	Nowra Library Meeting Room	Yes	Yes	\$187.00
<b>Total</b>								<b>\$187.00</b>

Attachment D		Waiving of Fees for Shoalhaven Entertainment Centre - 2018 / 2019						
Name of Organisation	Date of Application	Type of Organisation	Type of Event	Date of Event	Location of Event	Has Council Previously Assisted	Is the Event Open to the Community	Amount of Assistance
Albatross Musical Theatre Company	07/07/2018	Not for Profit	Mary Poppins	13 - 22/07/2018	SEC	Yes	Yes	\$10,193.75
Nowra RSL Sub Branch	28/07/2019	Not for Profit	Victoria Cross Dinner	28/07/2018	SEC	No	Yes	\$467.50
Wakakirri	09/04/2018	Not for Profit	School Wakakirri	29/08/2018	SEC	Yes	Yes	\$1,945.00
Albatross Musical Theatre Company	07/08/2018	Not for Profit	Shrek	6-7/10/2018	SEC	Yes	Yes	\$918.50
Southern Fitness & Martial Arts Centre	06/07/2018	Commercial	Total Havoc	20/10/2018	SEC	No	Yes	\$2,107.50
The Bloc Dance Academy	24/09/2018	Commercial	End of Year Performance	03/11/2018	SEC	No	Yes	\$2,340.00
Albatross Musical Theatre Company	22/08/2018	Not for Profit	Les Mesirables	16 - 24/11/2019	SEC	Yes	Yes	\$10,218.00
Australian Trade & Investment Commission	26/11/2018	Commercial	Australia FTA Seminar	11/12/2018	SEC	No	Yes	\$100.00
Dance Sensations	23/08/2018	Commercial	End of Year Performance	8 & 15/12/2018	SEC	No	Yes	\$1,031.00
Southern Fitness & Martial Arts Centre	06/03/2019	Commercial	Total Havoc 2019	04/05/2019	SEC	Yes	Yes	\$250.00
City of Shoalhaven	15/02/2019	Not for Profit	Schools Dance Competition	19/05/2019	SEC	Yes	Yes	\$425.00

City of Shoalhaven	15/02/2019	Not for Profit	Dance Troupes	19/05/2019	SEC	YES	Yes	\$595.00
NSW Cancer Council	15/02/2019	Not for Profit	Shoalhaven Stars	25/05/2019	SEC	Yes	Yes	\$1,937.88
Nowra Anglican School	05/03/2019	Not for Profit	Beauty and the Beast	31/5 to 2/06/2019	SEC	Yes	Yes	\$1,424.00
Shoalhaven City Council	23/04/2019	Not for Profit	Environmental Expo	05/06/2019	SEC	Yes	Yes	\$1,606.00
SK Entertainment	20/11/2018	Not for Profit	The Tap Pack	14/06/2019	SEC	No	Yes	\$850.00
<b>Total</b>								<b>\$36,409.13</b>

## SA19.120 Public adoption of Asset Accounting Policy

**HPERM Ref:** D19/254792

**Group:** Finance Corporate & Community Services Group  
**Section:** Finance

**Attachments:** 1. Asset Accounting Policy - draft (under separate cover) [⇒](#)

### Purpose / Summary

This report provides Council with an opportunity to consider adopting the Asset Accounting Policy as a public policy rather than retaining it as an internal corporate policy.

### Recommendation (Item to be determined under delegated authority)

That Council adopt the Asset Accounting Policy provided as an attachment to the report as a public policy.

### Options

1. Resolve, as recommended.

Implications: The policy will be adopted as a public policy.

2. Not adopt the recommendation.

Implications: The policy will not be publicly adopted and will continue to operate as an internal corporate policy.

### Background

All public and internal policies at Council include review cycles. The internal Asset Capitalisation Policy was adopted in 2015 and was identified as a corporate policy due for review earlier this year.

As part of the review, the opportunity was taken to do three things:

1. Consolidate associated policies, where possible, to create one reference document, rather than multiple.
2. Identify policy elements – the framework within which decisions and actions take place – and separate these from the specific methods used to express policies in day-to-day operations that are more appropriate to procedures and guidelines.
3. Frame the policy in clear and concise language.

During the review, it became apparent that the Asset Capitalisation Policy was limited to a particular part of the asset lifecycle and contained many procedural elements. The draft Asset Accounting Policy at Attachment 1 replaces two internal corporate policies – POL15/8 Asset Capitalisation Policy and POL15/37 Disposal of Assets (other than Land and Buildings) – and was developed collaboratively by staff in Finance, Assets and Works and Shoalhaven Water. It has been reviewed and endorsed by the Chief Executive Officer and Group Directors.



While researching the approach of other Councils, variations of the Asset Accounting Policy appear as public policies in many of the ‘better practice’ councils used as benchmarks for Council’s own policy.

Currently, Shoalhaven City Council has the following related policies listed as public policies:

- POL16/79 Asset Management Policy
- POL17/67 Asset Management Strategy (AMS)
- Asset Management Plans (AMPs)

To complement these policies, and contribute to transparency, Council is asked to consider adopting the Asset Accounting Policy as a Public Policy.

### **Community Engagement**

Although this is a public policy of the Council, it is not envisaged that public consultation is required because the policy is a technical document that complies with legislative requirements.

## SA19.121 IPART Final Report on the Review of the Local Government Rating System

**HPERM Ref:** D19/224937

**Group:** Finance Corporate & Community Services Group  
**Section:** Finance

**Attachments:**

1. Submission for the review of the Local Government Rating System [↓](#)
2. Letter to IPART re. the Review of the Local Government Rating System - Draft Report [↓](#)
3. IPART rating report summary [↓](#)
4. IPART recommendations not available for consultation [↓](#)
5. Draft Feedback to OLG [↓](#)

### Purpose / Summary

To seek Council approval to provide feedback to the Office of Local Government regarding the recommendations available for consultation in IPART's Review of the Local Government Rating System – Final Report and, thereby, inform the NSW Government's response to the Report recommendations.

### Recommendation (Item to be determined under delegated authority)

That Council approve the provision of the suggested feedback on the recommendations made by IPART via the feedback form on OLG's website and as presented as Attachment 5.

### Background

In April 2016, the Independent Pricing and Regulatory Tribunal (IPART) released an issues paper into a review of the local government rating system in NSW, with the aim to recommend reforms to improve the system's efficiency and equity and to ensure that councils can implement sustainable fiscal policies over the longer term. Council resolved to make a submission to IPART (MIN16.353) and a letter was sent to IPART in May 2016 ([Attachment 1](#)).

Subsequently, a draft report covering the recommended changes to the Local Government Rating System was issued to all interested parties in August 2016, for feedback by 14 October 2016. This report included 34 recommendations covering the following areas:

- The use of Capital Improved Value in setting rates
- Allowing councils' general income to grow as communities grow
- Giving councils greater flexibility when setting residential rates
- Improved rate exemption eligibility
- A replacement of the pensioner subsidy scheme
- An increase in the number of rating categories
- Recovery of outstanding rates
- The introduction of the Emergency Services Property levy.

Following consideration of the Draft Report, Council resolved to make a submission to IPART (MIN16.725) commenting on the 34 proposed recommendations ([Attachment 2](#)).

In July 2019, the Office of Local Government (OLG) commenced a consultation process following the public release of three final reports from IPART.

A summary of the key proposed changes to the rating system covered by the Final Report of the Local Government Rating System is available at [Attachment 3](#). However, it should be noted that not all the recommendations contained in the Report are available for consultation.

The feedback form from OLG specifically **excludes** the fourteen (14) recommendations listed at [Attachment 4](#) because they have already been implemented or do not require feedback because “...*they may have adverse impacts on vulnerable members of the community, affect regional jobs and economies, or substantially increase costs for taxpayers and the broader community.*”

In its Council Circular, 19-11 Release of IPART Reports into rating and compliance matters for consultation, OLG encouraged councils to provide feedback on the remaining recommendations and this needs to be provided via an online feedback form on the OLG website by 5pm on Friday 13 September 2019.

Consistent with its previous feedback to IPART, a draft response has been prepared for Council’s consideration at [Attachment 5](#). The feedback shows that Council supports eighteen (18) of the recommendations available for comment, partially supports two (2) and does not support four (4).

### Financial Implications

Given that the implementation of the recommendations from the IPART Final Report will have a direct impact on Council’s revenue and net operating result, it is important that Council provide feedback to the proposed recommendations. Any changes will have an impact on Council’s ability to make and collect rates and the concessions and exemptions that apply.

**ATTACHMENT 1**

IPART  
Level 15, 2-24 Rawson Place  
SYDNEY NSW 2000

Council Reference: 8923E (D16/136903)  
Your Reference: Rating Review

Attention: IPART

**Review of Issues Paper for the Review of Local Government Rating System**

List of Issues on which comment is requested.

**Taxation Principles**

1. Do you agree with our proposed tax principles? If not, why?

*Yes Council agrees with the proposed principles of taxation:*

- *Efficiency – given they are a wealth tax on land or property values*
- *Equity – given they are based on the property value, therefore increase with greater land value or implied greater wealth.*
- *Simplicity – they are easily understood, they are difficult to avoid, as property is immovable*
- *Sustainability, they are enduring and should grow with economic development.*
- *Competitive neutrality should be maintained as Councils have the ability to establish rates based on levels of service and based on similar amounts in like business areas.*

*They are reasonably stable, visible and accountable.*

**Assessing the current method for setting rates**

2. What valuation method should be used as the basis for determining the ad valorem amounts in council rates? Should councils be given more choice in selecting valuation method, as occurs in other states, or should a valuation method continue to be mandated?

*The valuation method currently in use ie unimproved land value (UCV), does not adequately cover undeveloped land and land with multi-story buildings. To cover for these examples and other development / property or rating anomalies the capital improved value (CIV) may be a better basis for rates calculations, and is more readily understood by the public.*

*The use of CIV adding value to a number of issues is raised throughout this paper.*

*Important to note that if the same valuation method is not mandated then neighbouring councils may implement very different models for their ratepayers and hence drive behaviours across council borders, causing competitive neutrality issues, along with inequities and inconsistencies, particularly when comparing the basis of rates for different council areas.*

*The negative in using a CIV is a possible detrimental impact on investment within the Local Government area.*

3. Should councils be required to use the Valuer General's property valuation services, or should they also be able to use a private valuation firm (as occurs in Victoria and Tasmania)?

*Most valuations are done by local firms on behalf of the Valuer General, so making a change to who can do these valuations may not make a significant difference to the work being carried out. Given that most of these valuations are now a desk top review, as opposed to field work, a review of the costing structure might also be timely. In conjunction with this more regulation over the increases to valuation might be opportune to keep these within a "rate peg" structure. Any objections to valuations would still need to go through the Valuer General Department.*

4. What changes (if any) should be made to the Local Government Act to improve the use of base and minimum amounts as part of the overall rating structure?

*The use of a base or minimum rate ensures that all rate payers are paying the same amount to cover public good or those which provide collective benefits ie parks, roads etc.*

*However the maximum of 50% towards base rate could be more flexible in terms of allowing a slightly higher proportion of rates to be collected as a base to cover public goods provided and less reliance on the ad valorem driving incremental income which is based on the wealth of the landowner. ie if land values go up higher in one area over another there will be a greater shift in rates, with a higher ad valorem. But overall no significant issues to this remaining as is.*

5. What changes could be made to rating categories? Should further rating categories or subcategories be introduced? What benefits would this provide?

*There are a couple of issues with rating categories which needs to be addressed:*

- a. *Currently bed and breakfast, serviced apartments and holiday accommodation is rated within either the business or the residential rating category, depending upon whether the definitions can be established. However to have clarity or further definitions around these type properties would benefit when trying to rate these dwellings, therefore a separate category/ies for Bed and Breakfast/Serviced Apartments/Holiday accommodation is recommended, with clarity around the definitions to enable ease of definition and therefore rating. Some of the criteria which could be used in determining these type dwellings would be:*
  - I. *The property is advertised for use*
  - II. *They have 3 beds or more available for use*
  - III. *They are utilised for more than 100 nights per year*

- IV. They are registered as business with an ABN
- V. They can be managed or owned
- VI. Links to the ATO data for level of income ie over \$20,000 from these type activities.

*These properties would be rated within this category in the first instance and then have an option to appeal if they can prove they are residential or business*

- b. *Everything that does not fall into the Residential, Farming or Mining categories falls by default into the Business category, however some things do not fit within this category ie grave sites, jetties, non-descript small parcels of land of low value would be unfairly rated if a base or minimum rate were to be applied. Another category for low value, low usage land would improve equity of these ratings.*
- c. *The Centre of Activity wording for the basis of a rate sub category can also cause issues as some categories would be better placed being based on the type of activity or population as opposed to where they are located, eg industrial properties might be scattered in a number of different locations within the Local Government area as opposed to one location, therefore 2 (or more) sub categories would be required, as opposed to one for the like type businesses.*
- d. *The Rural Residential Rate Sub Category causes a lot of confusion with ratepayers and councils alike particularly with the definition surrounding the restriction on land size and occupation conditions. Either the conditions need to be reviewed and amended or this Sub Category should be removed.*
- e. *There could be some merit to a “vacant land” category also, (only applied if UCV is maintained and Developer Allowances removed) to allow a lower rate to be charged where land is not in use. However, this may increase speculative holding of lands, and may increase incentives to hold lands and by default discourage development.*
- f. *The Mining category should be expanded to allow for types of mines other than that of metalliferous and coal (including sand mining).*
- g. *Separate categories for Crown land/Reserves, Defence, Private Schools / Universities or Government Organisations which may be valued at a subsidised level to other rating categories. Much of this land would need to have new valuations done by the Valuer General, as currently many of these properties are not valued. Rates should be charged at full commercial rates where the State/Federal Government are operating commercial activities eg State Forests.*
- h. *A full review of the criteria defining non rateable properties is required as Section 555 & 556 are outdated and onerous. ie a building occupied by a teacher or caretaker, land belonging to a school being a government school or a non – government school, land belong to a public benevolent institution or charity particularly given the current concerns with CHP’s having such a large impact on council revenue etc etc*

- 6. Does the current rating system cause any equity and efficiency issues associated with the rating burden across communities?

*With the current system and the proposed merger of councils one of the key issues raised has been the level of rates in one LG area to the other merger proposal area.*



*This is obviously driven by the level of service provided in each council, along with differing land values in each Local Government area. However there will be significant issues when trying to bring the two disparate systems together into one rating system. Given that the Shoalhaven is a major tourist attraction during the summer season, Council spends significant monies during these months to cater for tourists, at the expense of local rate payers. This is not something which can be fixed through the rating system, however Grant funding from State and Federal Government (currently via FAGS) should cater for this cross subsidisation.*

7. What changes could be made to current rate pegging arrangements to improve the rating system, and, in particular, to better streamline the special variation process?

*In terms of the rate peg the IPART calculations for the Local Government Cost Index do not take into consideration key variations to costs within specific Councils, see examples below for Shoalhaven City Council:*

- a. The award increase for wages will be 2.8% for 2016/17. The LGCI used 2.4%
- b. Step changes for employees were not considered which are 2.5% for approx. 50% of the employee base ie an additional 1.25% increase in wages
- c. Contracted electricity increases at a maximum of 27% over the next three years. The LGCI used a reduction of 6.6%
- d. The requirements to maintain expenditure on roads and infrastructure at 3% incrementally year on year, as well as try to increase the overall maintenance carried out across Council. The LGCI used 1.3% for Road, footpath, kerbing, bridge and drain building materials
- e. Increases in depreciation due to revaluation of assets, which can add millions to Council's cost structure, thereby affecting the operating result before capital grants, which is one of the key measures for Fit for the Future.
- f. Emergency Services Levy at 1.5%, whereas the increase for Shoalhaven for Emergency services was \$811k, an increase of 79% on the out year budget.

*It would be more beneficial to allow Councils to make the calculation as to what the rate peg should be, taking into account Council specific costs and then putting a proposal to IPART to approve the recommended adjustment to rates.*

*Perhaps a template to capture this data would be appropriate for comparative purposes with other Councils. The requirement to submit this document might only apply if the increase to be requested is over a certain threshold ie > 2% of average household income.*

*With regard to Special Rate Variations, there are a number of factors to consider – there is considerable effort involved in applying for a special rate variation from both a Council and an IPART perspective, a simpler approach is required.*

*If a Council has included the Special Rate into their IP&R documentation, held community consultation and the increase is within the 2% of average household income then there should be no need for further approval, as covered above.*

*If the increase is above this amount the process could be streamlined to the following:*

- a. Confirmation the proposed rate increase is included in IP&R documentation
- b. Confirmation that community consultation has been carried out

- c. Completion of the Local Government Cost Index (LGCI)
- d. Acceptance of proposal by IPART

8. What changes could be made to the rating system to better encourage urban renewal?

*By utilising Capital – Improved Value, it may assist mums and dads and Developers until developments are up and running or homes completed, as they would be rated on land value which will be lower than the improved value. Administering this process could be difficult although some suggestions are:- at practical completion of the project or occupancy certificate (interim or final) stage for a residential dwelling or when bins are being ordered for a property a CIV is requested from the VG or Council apply a higher ad valorem rate to vacant land (no base rate) or two valuations are granted for vacant land with the second valuation being a proposed valuation for a developed site based on surrounding CIV which the property owner could have the option of objecting to based on VG criteria for objections.*

*Incentives might be better placed in the contributions plan for Developers.*

9. What changes could be made to the rating system to improve council's management of overdue rates?

*Agree the current process of accumulating interest at 8.5% does deter somewhat from speeding up collections. It also is a constant issue with rate payers the high level of interest charged. The rate is so far out of alignment to current interest rates also, given that returns from banks on large investments are in the high 3's.*

*The recent increases in legal costs to take overdue rates through court are as a deterrent for Councils.*

*Any pensioner deferral policies in place also make it difficult to manage debts.*

*One area for improvement would be coordinating with Centrelink to take rates payments out of all pensions before payment to the individual. This would speed up collection processes, spread payments out for pensioners and reduce outstanding. If this were to happen, a review of the current cost per transaction would need to be carried out, given that the current charge is .90 cents per transaction per month.*

*Another ongoing issue for Council is electronic serving of rates notices, this needs to be addressed in any changes to the rating system, such that the guidelines are very clear. This should by default speed up delivery and payment of rates if using electronic means and be more cost effective based on the increasing cost of postal services.*

**Assessing exemptions, concessions and rebates**

10. Are the land uses currently exempt from paying council rates appropriate? If a current exemption should be changed, how should it be changed? For example, should it be removed or more narrowly defined, should the level of government responsible for providing the exemption be changed, or should councils be given discretion over the level of exemption?

*All properties categorised as residential or business and occupied should be rateable regardless of ownership as ALL such properties utilise Council services, and in some cases provide a greater drain on Council resources than rateable properties. See below examples of issues with the current arrangement which need to be addressed to relieve the burden on local ratepayers within the LG area.*



- a. Defence land being non rateable where there is significant impact on local infrastructure, eg the Beecroft Weapons Range in Currarong, NSW (Land holding of \$2.8m). Defence are carrying out works within the range which results in substantial road activity by large truck and trailer combinations. This causes the condition of the road to deteriorate, requiring Council to allocate funds for its repair. Defence should work with Councils in areas of substantial activity to devise a long term plan to upgrade roads and maintain them accordingly. To upgrade roads to cater for increased activity would possibly be funded by Grant funding, however from an ongoing perspective Defence should be accountable for paying rates to maintain the road quality. This area is also a tourist site and attracts large numbers of tourists to the area who utilise (but do not pay for) Council resources.
- b. Burrill Lake Tourist Park is owned by Royal Australian Navy Central Canteen Board. They have been receiving non rateable status from at least 2002. The current land value on the property is \$1,500,000. Although the park gives priority to Defence Force personal the park is very popular with the general public and is regularly booked to capacity generating presumably very high returns. The returns from this investment are taken out of the community and result in increased rates for local residents. Any Commercial enterprises, regardless of owner should be rateable.
- c. Department of Housing currently does not gain exemptions from rating, however when they vest these properties to Community Housing Organisations, these organisations are requesting non-rateability, although the houses are being used for the same or similar purpose. This issues revolve around the definition of benevolent associations, but from a Council perspective to change these properties from rateable to non-rateable would impact significantly on Councils rating income. Regardless of ownership these properties should continue to be rateable.
- d. From a Department of Housing perspective also they only pay rates when the property in question is occupied. They are very quick to let us know when a property has no tenants but not so quick informing Council when a new tenant has been placed in the property. This results in less revenue for Council. There is no incentive to turn these properties over quickly, so the rateable/non rateable status should not exist.
- e. For private schools to be non-rateable they must not be operating commercial activities, where they do have commercial operations than they should be rated accordingly.
- f. Land uses for religious or charitable purposes, if there is a portion of their operations which are profit generating then they should pay rates for this portion.
- g. Oyster farmers have the ability to earn income from commercial operations so should not be exempt from paying rates. The value of their properties need to be included in the Capital Value and rates charged accordingly.
- h. Private hospitals and Universities both are commercial operations, so should not be exempt from paying rates, but perhaps are charged under another category at a lower rate.
- i. National Parks and Crown hold vast areas of land in the Shoalhaven area and need to be rated even if at a reduced rate.

11. To what extent should the exemptions from certain state taxes (such as payroll tax) that councils receive be considered in a review of the exemptions for certain categories of ratepayers?

*No comment*

12. What should the objectives of the pensioner concession scheme be? How could the current pensioner concession scheme be improved?

*The financial contribution from Councils to support this scheme increases as the population of the Local Government area ages. The effect on this is further burden on less tax payers, so is neither sustainable nor equitable.*

*In addition to these limitations, the Council Rebate for water and sewer is a fixed concession for eligible pensioners jointly funded by the NSW State Government and Local Councils. The rebate a pensioner in an area not serviced by Sydney Water or Hunter Water is based on the following as contained within the Local Government Act:*

- 50% of a water charge up to a maximum \$87.50 concession*
- 50% of a sewerage charge up to a maximum \$87.50 concession*

*So an eligible pensioner in these areas can receive a maximum of \$175 off their total water and sewer charges.*

*These maximum available concessions have been in place for many years, without any adjustments. Therefore, as water and sewerage bills have increased in real terms over time, pensioner rebates decline in value relative to the total water and sewerage bills. Councils contribute 45% of these concession costs, through lost income to the water and sewer funds.*

*The pensioner rebates for eligible Sydney Water customers are calculated in a different way, and are far greater. Those rebates are 100% of the water access charge and 83% of the sewer access charge. These rebates are funded from the state government as CSOs. It is noted that in the 2008 IPART pricing determination for Sydney Water, the following was stated by IPART:*

*“IPART considers that customer-impact mitigation is primarily the responsibility of the Government as part of its broader social policy. IPART recommends that the Government evaluates the current suite of social programs, along with the enhancements proposed by Sydney Water in its initial submission, to ensure that appropriate measures are in place to assist financially disadvantaged customers.....*

*The Pension Rebate should be increased with CPI or in line with the Rate Peg and should only apply to aged pensioners or those on disability pensions, therefore not include unemployed or sole parents unless asset tested.*

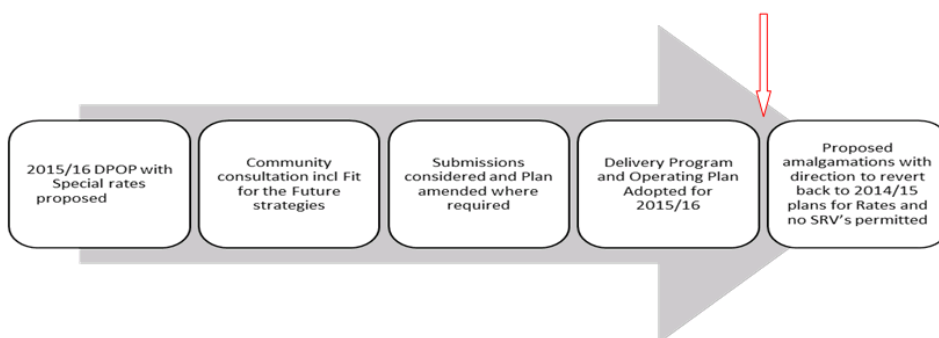
#### **Freezing existing rate paths for newly merged councils**

13. We have interpreted the rate path freeze policy to mean that in the four years after a merger, the rating path in each pre-merger council's area will follow the same trajectory as if the merger had not occurred. Do you agree with this interpretation?

*Yes we agree with that interpretation. The issue is where one interprets the starting point of the trajectory from. The current information stated publically indicates the starting point is if an IPART SRV has already been approved. This is not the starting point of the trajectory for the rating path. If a Council has undertaken the necessary planning, has consulted with the community, included the proposed rate increases in their DPOP and their Fit for the Future applications then these rate increases are clearly*

on the Council's rating path and should be permitted in the merged Council. These strategies included a Special rate over 2 years to achieve the desired outcomes. These had been communicated to the community as part of the Delivery Program from 2015/16. However, these plans seem to have been totally ignored from an OLG/IPART perspective and in their place the OLG/IPART have reverted to plans from 2014/15. If Council is to merge or not then the trajectory from 2015/16 plans should allowed to be followed.

Below is a diagrammatic of the process followed and the point at which the process has been aborted.



14. Within the rate path freeze period, should merged council's be permitted to apply for new special variations:

- For Crown Land added to the rating base?
- To recover amounts that are "above the cap" on development contributions set under the Environmental Planning and Assessment Act 1979?
- To fund new infrastructure projects by levying a special rate?

Yes, no further comment.

15. Are there any other situations where merged councils should be able to apply for new special variations within the rate path freeze period?

**Merged Councils should also be able to apply for a new special variation under the additional scenarios below:**

- a. If it was in their Long Term Financial Plans and community consultation had been previously carried out
- b. If it is for new infrastructure projects where a special rate is required to be levied ie paper subdivisions
- c. If an extraordinary situation arises that requires Council to take immediate action to increase the rating base ie a natural disaster or community or global crisis, where funds need to be raised to rebuild infrastructure.
- d. In circumstances where a local community wants an additional service and is prepared to pay an additional special rate – i.e. Sussex Canal development area to pay a special rate to replace Jetty fees.

16. During the rate path freeze period, should merged councils only be able to increase base amounts and minimum amounts each year by the rate peg (adjusted for any permitted special variations)?

*No, pre-merged Councils should still have the ability to make changes within each individual councils rating structure to account for reallocation of service costs, or more equitable distributions of the rating burden within each of the individual councils. These type changes are made on an annual basis within an individual council and this process should not be stymied.*

*If a revaluation occurs during the “freeze” period, which for Shoalhaven Council it will then dependent upon how the land values are affected, the current rating structure may need to be reallocated to maintain a fairer rating system.*

17. During the rate path freeze period, should merged councils be able to allocate changes to the rating burden across rating categories by either:
- Relative changes in the total land value of a rating category against other categories within the pre-merger council area, or
  - The rate peg (adjusted for any permitted special variants)?

*See response to question 16. above.*

18. Do you agree that the rate path freeze policy should act as a ‘ceiling’, so councils have the discretion to set their rates below this ceiling for any rating category?

*Agree but don't see this as a practical option for our Council, given the deficits we will be running if a special rate is not permitted. The current rating path trajectory includes a SRV rate increases of at least 7.5%*

19. What other discretions should merged councils be given in setting rates during the rate freeze period?

*If Councils advance in their merger proposal and start to bring the disparate rating systems onto one system, then Councils should be able to start aligning rates for the two councils into the one structure earlier than the expiration of the “freeze” period. Council should also be permitted to include any catch-up from previous rating years into their rating base.*

20. We considered several options for implementing the rate path freeze policy. Our preferred option is providing the Minister for Local Government with a new instrument-making power. What are your views on this option and any other options to implement the rate path freeze policy?

*Preferred option would be the one:*

- With the least administration requirement*
- Which can happen in the shortest timeframe*
- One which can be reverted back easily if/when required.*

**Establishing new, equitable rates after the 4-year freeze**

21. Should changes be made to the LG Act to better enable a merged council to establish a new equitable system of rating and transition to it in a fair and timely manner? If so, should the requirement to set the same residential rate within a centre of population be changed or removed?

*Being able to levy rates within a centre of population will allow Councils to levy rates on two or more distinct pre-merged council areas, so this requirement should be acceptable although not mandatory as it may be more practical to base the rates on like type activities or use which would be more flexible and reduce the need for multiple categories.*

22. Should approved special variations for pre-merger councils be included in the revenue base of the merged council following the 4-year rate path freeze?

*Yes any special variations approved either prior to the merger or after the merger should be included in the revenue base for the merged council. These increases should only apply to the Council which had them in their plans.*

23. What other rating issues might arise for merged councils after the 4-year rate path freeze period expires?

*Aligning rates from the two disparate councils will require significant consultation and if a decision is made to align the rates into one residential rate as opposed to two rates for the separate centres of population, then one rate goes up and the other down and if this is the case then a full review of service levels would also be required in both LG areas. If two different residential rates prevail then the argument will always be there with regard to the different levels of service provided.*

*Any review of the services provided by either council with a view to include, eliminate or modify services will be a costly and time consuming exercise, given that a lot of community consultation will have to be undertaken. A poor decision by council will have a very negative effect on the ratepayers which will reflect badly on the new council.*

If you need further information about this matter, please contact Pamela Gokgur, Corporate & Community Services Group on (02) 4429 3322. Please quote Council's reference 8923E (D16/136903).

Yours faithfully

**Pamela Gokgur**  
**Chief Financial Officer**  
12/05/2016

**ATTACHMENT 2**

Review of Local Government Rating System  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
Haymarket Post Shop NSW 1240

12<sup>th</sup> October 2016  
Ref: D16/319537  
02 4429 3322

To whom it may concern

Please find attached Shoalhaven City Councils response to the recommendations on the review of the Local Government Rating System

Feedback in terms of the 34 draft recommendations which have come out of the Draft report on the Local Government Rating System, are below. Where Council is in agreement with the recommendation – minimal comment is made. Where Council thinks there are other issues to consider, comments have been made to state Councils position.

**Recommendations**

1. Councils would be able to choose either the Capital Improved Value, based on its market value (ie land value plus capital improvements) or Unimproved Value method to set a property's rates. A council's maximum general income should not change as a result of the valuation method they choose.
  - a. This recommendation is in line with Councils Submission to the review and is a much more equitable approach
  - b. It caters for undeveloped land, strata property and multi-story building issues
  - c. However may impact on investment within the Local Government area, as rates increase when capital constructions are carried out.
  - d. AGREE
2. Minimums amounts should be removed from the rate structure, as councils would have the option to use CIV there would be no need to retain this fixed rate component in the system. Section 497 of the Local Government Act 1993 (NSW) should be amended to remove minimum amounts from the structure of a rate, and Section 548 of the Local Government Act 1993 (NSW) should be removed.
  - a. Council does not currently utilise Minimum rates and therefore is not impacted by this recommendation

- b. Given the changes to the Valuation method and also the inclusion of new categories for land, this inferior method of recovering fixed costs would no longer be required.
  - c. It will simplify the rating structure
  - d. AGREE
3. Councils' general income would increase (outside the rate peg) in line with the growth in CIV which arises from new development in their area. The growth in rates revenue outside the rate peg should be calculated by multiplying a council's general income by the proportional increase in Capital Improved Value from supplementary valuations.
  - a. This would allow rates to increase to match costs of new development
  - b. Councils Income would increase in line with the increase in rateable properties
  - c. Would not impact on rates per household
  - d. Special Rates would only be required when increases in service levels are required or for major infrastructure projects
  - e. AGREE
4. The Local Government Act 1993 (NSW) should be amended to allow councils to levy a new type of special rate for new infrastructure jointly funded with other levels of Government. This special rate should be permitted for services or infrastructure that benefit the community, and funds raised under this special rate should not:
  - Form part of a Council's general income permitted under the rate, nor
  - Require councils to receive regulatory approval from IPART
  - a. More information is required on how this would work and what would be required if not a Special Rate Variation.
  - b. AGREE in principle
5. Section 511 of the Local Government Act 1993 (NSW) should be amended to reflect that, where a council does not apply the full percentage increase of the rate peg (or any applicable Special Variation) in a year, within the following 10 year period, the council can set rates in a subsequent year to return it to the original rating trajectory for that subsequent year.
  - a. This would increase flexibility in setting rates and effectively increase the catch-up period to be 10 years rather than a 2 year period.
  - b. AGREE
6. Councils would have the option to set different residential rates to reflect differences in access, demand or costs across their area. The Local Government Act 1993 (NSW) should be amended to remove the requirement to equalise residential rates by "centre of population". Instead, councils should be allowed to determine a residential subcategory, and set a residential rate, for an area by:
  - a separate town or village, or



- a community of interest
  - a. This recommendation is in line with Councils Submission to the review and is a much more equitable approach, particularly for Merger Councils
  - b. It allows for different residential rates for new developments as opposed to established suburbs or for different levels of service in disparate villages.
  - c. AGREE
  
- 7. An area should be considered to have a different “community of interest” where it is within a contiguous urban development, and it has different access to, demand for, or costs of providing council services or infrastructure relative to other areas in that development. New Councils, formed by the recent mergers, would also be able to choose to keep existing rate structures where there are different communities of interest, or equalise residential rates and transition to the new rates over time.
  - a. This was highlighted as an issue as part of Councils submission, so this approach will allow a smoother transition for merged councils
  - b. AGREE
  
- 8. The Local Government Act 1993 (NSW) should be amended so, where a council uses different residential rates within a contiguous urban development, it should be required to:
  - ensure the highest rate structure is no more than 1.5 times the lowest rate structure across all residential subcategories (ie, so the maximum difference for ad valorem rates and base amounts is 50%), or obtain approval from IPART to exceed this maximum difference as part of the Special Variation process, and
    - publish the different rates (along with the reasons for the different rates) on its website and in the rates notice received by ratepayers.
  - a. Council sees no issue with this recommendation
  - b. AGREE
  
- 9. At the end of the 4-year rate path freeze, new councils should determine whether any pre-merger areas are separate towns or villages, or different communities of interest.
  - In the event that a new council determines they are separate towns or villages, or different communities of interest, it should be able to continue the existing rates or set different rates for these pre-merger areas, subject to metropolitan councils seeking IPART approval if they exceed the 50% maximum differential. It could also choose to equalise rates across the pre-merger areas, using the gradual equalisation process outlined below.
  - In the event that a new council determines they are not separate towns or villages, or different communities of interest, or it chooses to equalise rates, it should undertake a gradual equalisation of residential rates. The amount of rates a resident is liable to pay to the council should increase by no more than 10 percentage points above the rate peg (as adjusted for permitted Special Variations) each year as a result of this equalisation. The



Local Government Act 1993 (NSW) should be amended to facilitate this gradual equalisation.

- a. Shoalhaven City Council are not affected by this recommendation
  - b. AGREE in principle
10. Sections 555 and 556 of the Local Government Act 1993 (NSW) should be amended to:
- Exempt land of the basis of use rather than ownership, and to directly link the exemption to the use of the land, and
  - Ensure land used for residential and commercial purposes is rateable unless explicitly exempted.
- a. This is a good start to correcting the inequities currently in place around exemptions, both result in private benefit and therefore should not be eligible for exemptions at all
  - b. A pro-rata approach to rates is a fairer model
  - c. We need further clarity around Defence and the types of activities they carry out on currently exempt land, these activities can have a detrimental impact on council services and there is no recovery, resulting in higher rates for all other rate payers.
  - d. Making non rateable properties now rateable should be reflected in an overall increase in Council income, rather than having to be built in with no increase, resulting in a reduction of rates to all other ratepayers.
  - e. AGREE to part of the recommendation but there are specific areas which are still unclear and the restriction on an increase to the Councils income should not be part of the recommendation.
11. The following exemptions should be retained in the Local Government Act 1993 (NSW):
- Section 555(e) Land used by a religious body occupied for that purpose
  - Section 555(g) Land vested in the NSW Aboriginal Land Council
  - Section 556(o) Land that is vested in the mines rescue company, and
  - Section 556(q) Land that is leased to the Crown for the purpose of cattle dipping.
- a. Section 555(g) applies only to vacant land so should not apply to land that is being used for a commercial or residential purpose.
  - b. AGREE
12. Section 556(i) of the Local Government Act 1993 (NSW) should be amended to include land owned by a private hospital and used for that purpose.
- a. Agree to this change, as long as the land used is not for commercial purposes, if however the land is used for Commercial purposes than it should be rateable.
  - b. Clarity may also be required for Nursing Homes linked to Private and Public Hospitals.
  - c. CLARITY required.
13. The following exemptions should be removed:

- Land that is vested in, owned by, or within a special or controlled area for, the Hunter Water Corporation, Water NSW or the Sydney Water Corporation (Local Government Act 1993 (NSW) section 555(c) and section 555 (d))
  - Land that is below the high water mark and is used for the cultivation of oysters (Local Government Act 1993 (NSW) section 555(h))
  - Land that is held under a lease from the Crown for private purposes and is the subject of a mineral claim (Local Government Act 1993 (NSW) section 556(g)), and
  - Land that is managed by the Teacher Housing Authority and on which a house is erected (Local Government Act 1993 (NSW) section 556(p))
- a. Shoalhaven City Council does have some oyster leases that would be rateable if this exemption is removed
  - b. AGREE
14. The following exemptions should not be funded by local councils and hence should be removed from the Local Government Act and Regulation
- Land vested in the Sydney Cricket and Sports Ground Trust (Local Government Act 1993 (NSW) section 556(m))
  - Land that is leased by the Royal Agricultural Society in the Homebush Bay area (Local Government (General) Regulation 2005 reg 123(a))
  - Land that is occupied by the Museum of Contemporary Art Limited (Local Government (General) Regulation 2005 reg 123(b)), and
  - Land comprising the site known as Museum of Sydney (Local Government (General) Regulation 2005 reg 123(c)).
  - The State Government should consider whether to fund these local rates through State taxes.
- a. Shoalhaven City Council are not impacted by this recommendation.
  - b. AGREE
15. Where a portion of land is used for an exempt purpose and the remainder for a non-exempt activity, only the former portion should be exempt, and the remainder should be rateable.
- a. This was part of Shoalhaven City Councils submission
  - b. Clarity around how will this be audited
  - c. AGREE in principle
16. Where land is used for an exempt purpose only part of the time, a self-assessment process should be used to determine the proportion of rates payable for the non-exempt use.
- a. More detail is required on appeals to assessments/audits.
  - b. Clarity required around the method of self-assessment and how this will work.
  - c. AGREE in principle

17. A Council's maximum general income should not be modified as a result of any changes to exemptions from implementing our recommendations.
  - a. The recommendation includes a statement that "Removing some exemptions means that rates would go down for ordinary ratepayers"; however if exemptions increase one would assume that rates would go up for ordinary ratepayers, is this correct.
  - b. Council's position is that regardless of changes in categories the current base rate and ad valorem would not change and any changes to rateability would be picked up in either less revenue or additional revenue.
  - c. DISAGREE with this
18. The Local Government Act 1993 (NSW) should be amended to remove the current exemptions from water and sewerage special charges in section 555 and instead allow councils discretion to exempt these properties from water and sewerage special rates in a similar manner as occurs under section 558(1).
  - a. No issues from a Shoalhaven Water perspective
  - b. AGREE
19. At the start of each rating period, councils should calculate the increase in rates that are the result of rating exemptions. This information should be published in the council's annual report or otherwise made available to the public.
  - a. To allow this to be calculated we would need to maintain a register to record the land values of the exempt properties along with the rating category applicable if there was no exemption.
  - b. This will increase the administrative burden
  - c. DISAGREE
20. The current pensioner concession should be replaced with a rate deferral scheme operated by the State Government.
  - Eligible pensioners should be allowed to defer payment of rates up to the amount of the current concession, or any other amount as determined by the State Government
  - The liability should be charged interest at the State Government's 10-year borrowing rate plus an administrative fee. The liability would become due when property ownership changes and a surviving spouse no longer lives in the residence.
  - a. This recommendation needs more information on how this scheme would operate ie:
    - i. Clarity around who would be responsible for what components and when these concessions would be "reimbursed" is required?
    - ii. In which books will the interest from deferred rates sit?
    - iii. The draft is unclear whether the reference to 'liability' is the State Government or Council. Will the State be providing payments of the deferred rates to councils or will they simply be paying interest? Or is the interest to be charged

- to the pensioner or Council? If the State does not pay Council the amount of the deferred rates what happens to the interest charged by Council?
- iv. Would this information then need to go on the Section 603 certificates, as it will ultimately be a debt to the property?
  - v. How will this debt be communicated from the Office of State Revenue to Council
  - vi. This would slow the Section 603 certificate process down considerably
  - vii. Would/could this be managed by a caveat on the property?
- b. From a Water perspective, the recommendation has not made reference to the water and sewer concession. As water and sewerage charges are directly necessary for the provision of this essential service, it is not recommended that it be treated in the same manner as the general rate.
  - c. Submissions to the LG Act review have previously been made to alter the method of calculating the concession for eligible pensioners in respect of water and sewerage charges. The concession available being allowed on the basis of 50% of a charge should be removed to ensure the concession can be applied efficiently and in a manner understood by concession holders.
  - d. AGREE in principle to the NSW Government fully funding the rebate scheme but further detail required, particularly with regards to impacts on Council's cash flow and operating result.
21. Section 493 of the Local Government Act 1993 (NSW) should be amended to add a new environmental land category and a definition of "Environmental Land" should be included in the LG Act.
- a. This would replace the "Residential – Non Urban" category which Council currently has in place
  - b. This would allow a reduced charge against this land, the use of which is restricted.
  - c. AGREE with the change
22. Section 493, 519 and 529 of the Local Government Act 1993 (NSW) should be amended to add a new vacant land category, with subcategories for residential, business, mining and farmland.
- a. As part of Council's submission it was highlighted that there was a need for a vacant land category
  - b. However Council did raise issues of speculative holding of land by developers, if they had lower rates for vacant land ie this may lower development
  - c. However if rates on vacant land are made higher it might encourage development and urban renewal but is not consistent with taxation principles when assessing the level of council services provided. As per the recommendations guidelines should be introduced to ensure these rates are not excessive.
  - d. AGREE in principle but very aware of the implications for ratepayers and getting the balance correct.

23. Section 518 of the Local Government Act 1993 (NSW) should be amended to reflect that a council may determine by resolution which rating category will act as the residual category.
- The residual category that is determined should not be subject to change for a 5 year period
  - If a council does not determine a residual category, the Business Category should act as the default residual rating category.
- a. At present the business category acts as the default location for all properties difficult to classify.
  - b. Most of these properties fall into the definitions of jettys, burial plots etc
  - c. The introduction of choice will allow greater flexibility
  - d. The introduction of a vacant land sub category will assist in this area more than a choice of residual category.
  - e. AGREE in principle.
24. Section 529 (2)(d) of the Local Government Act 1993 (NSW) should be amended to allow business land to be subcategorised as “industrial” and or “commercial” in addition to centre of activity.
- a. This was covered in Council’s submission, particularly with regard to the current restriction of having to use a “centre of activity” for subcategorization
  - b. This will assist with equitable allocations based on the level of service provided in the two different types of business activities.
  - c. AGREE
25. Section 529 (2)(a) of the Local Government Act 1993 (NSW) should be replaced to allow farmland subcategories to be determined based on geographic location.
- a. Council had not requested changes in this area in its submission, as this level of subcategorization is not required
  - b. A further categorisation by geographic area may assist if like farming enterprises are centred around different locations but this may not always be the case
  - c. A subcategorization based on farmland type might be a better indication of intensity of usage eg dairy farmers, wineries etc
  - d. NOT REQUIRED
26. Any difference in the rate charged by Council to a mining category compared to its average business rate should primarily reflect differences in the council’s costs of providing services to the mining properties.
- a. No mining properties in the Shoalhaven, so Council are not impacted
  - b. AGREE in principle

27. Councils should have the option to engage the State Debt Recovery Office to recover outstanding council rates and charges.
  - a. It is unclear how this would operate in practical terms
  - b. There are some concerns about the recovery rate of 75% of all debt through the SDRO, Council currently recovers 94.5% of all debt
  - c. How would this debt be transferred or will factoring arrangements be put in place?
  - d. There are substantial volumes of debt which council currently chases up, what would be the cost if these debts were transferred to the SDRO, or would this all be recovered as part of the debt?
  - e. What time limit would be put in place before a debt would be transferred to the SDRO?
  - f. What would be the mechanism to ensure that debts with the SDRO are shown as part of the Section 603 process and recovered when properties are sold.
  - g. When the SDRO negotiates flexible payment plans will they take into consideration that instalments fall every 3 months. Council would not want an extended payment period which would then lead to the ratepayer accruing more overdue rates and again be subject to debt recovery action.
  - h. The idea is worth considering but does need more detail to allow Councils to make an informed decision.
28. The existing legal and administrative process to recover outstanding rates should be streamlined by reducing the period of time before a property can be sold to recover rates from five years to three years.
  - a. AGREE – this would improve recovery times for outstanding rates
29. All councils should adopt an internal review policy, to assist those who are late in paying rates, before commencing legal proceedings to recover unpaid rates.
  - a. Councils Hardship Policy does allow ratepayers to apply for hardship and put payment plans in place to pay off outstanding Debt
  - b. Council will not take any further action if payment plans are maintained
  - c. Council will waive interest if payment plans are met
  - d. Council has a hardship committee which reviews any hardship applications and what plans are put in place for payment
  - e. This committee always takes a lenient view to ratepayers who are genuine in terms of their circumstances.
  - f. DISAGREE – the internal review policy should be part of the Hardship and Debt Recovery Policies
30. The Local Government Act 1993 (NSW) should be amended or the Office of Local Government should issue guidelines to clarify that councils can offer flexible payment options to ratepayers.
  - a. Clarity around the Local Government Act 1993 (NSW) would be beneficial

- b. Council does currently offer flexible options to ratepayers, but it would be good if this were consistent with the Act or Local Government Guidelines.
  - c. It would also be beneficial for all other payment options and garnishee arrangements to be covered in the LG Act.
  - d. AGREE
31. The Local Government Act 1993 (NSW) should be amended to allow councils to offer a discount to ratepayers who elect to receive rates notices in electronic formats eg via email.
- a. This would result in a saving to Council of approximately \$4 per ratepayer, so any discount offered would be minimal
  - b. Clarity around issuing electronic notices needs to be covered as part of the Local Government Act 1993 (NSW) review. Particularly where services such as BPay View are used. This service sends an SMS or email advising a bill is available to be paid and the ratepayer needs to login to their internet banking portal to download the rate notice.
  - c. Amendments are required in relation to requests in writing to commence or withdraw the electronic delivery of notices. Most systems in place at the moment seem to allow the ratepayer to opt in or out of the service electronically.
  - d. AGREE, but perhaps not enough incentive for individual ratepayers to change to electronic notices, an alternative may be to charge more for paper notices, as is the case with Telstra
32. The Local Government Act 1993 (NSW) should be amended to remove section 585 and section 595, so that ratepayers are not permitted to postpone rates as a result of land rezoning, and councils are not required to write-off postponed rates after five years.
- a. This would decrease administrative burden of Council
  - b. AGREE
33. The valuation base date for the Emergency Services Property Levy and council rates should be aligned.
- The NSW Government should levy the Emergency Services Property Levy on a Capital Improved Value basis when Capital Improved Value data becomes available state-wide.
  - a. Levying at a different time would be confusing for ratepayers
  - b. It would add additional costs of sending out separate notices, it just makes sense to align the two dates.
  - c. Councils need clarity around whether the Capital Improved Value or the Unimproved Land Value will be used. This will need to be flexible in the Act.
  - d. AGREE
34. Councils should be given the choice to directly buy valuation services from private valuers that have been certified by the Valuer General.

- a. This is in line with Councils submission to the review
- b. Valuation services need to be accredited and align to the Valuer Generals approach for consistency
- c. AGREE

Regards

Pamela Gokgur  
Chief Financial Officer

SA19.121 - Attachment 2



### ATTACHMENT 3

#### IPART Review of the Local Government Rating System – Final Report

##### *Summary of key proposed changes to rating system*

Issue	Proposal	Other considerations
Valuation method to levy rates	Use Capital Improved Value (CIV), rather than Unimproved Value, for setting ad valorem rates at rating category level	Mandated for metropolitan and large regional councils (includes Shoalhaven City Council)  Optional for non-metropolitan councils at rating category level
Growth in rates outside the rate peg	Rates income can increase in proportion to increase in CIV from new development, rather than being restricted to rate peg	May decrease need for upfront developer charges Better reflects demand for council services and associated costs than supplementary valuation process
Setting rates below the rate peg or any applicable Special Variation	Where a council does not apply the full percentage increase of rate peg (or any applicable Special Variation) in a year, the council can set rates in a subsequent year(s) to return it to the original rating trajectory for that subsequent year(s); allow to be done within a 10-year period, rather than the existing two-year period under s511	Intended to provide flexibility to councils with farmland and mining, in particular, due to greater exposure to drought and changes to commodity prices
Rating categories	New category for Environmental Land	Remove rating exemption for land with a conservation agreement
Options to set rates within categories	New subcategories <ul style="list-style-type: none"> <li>Industrial and commercial under business</li> <li>Vacant land for residential, business and mining land</li> <li>Farmland based on geographic location</li> </ul> <p>Greater flexibility to set residential rates by separate town/village or residential</p>	For residential rates, highest rate structure cannot be more than 1.5 times average rate structure across all residential subcategories, without IPART approval  Different rates, and reasons for them, to be published on council website and in rates notices

### ATTACHMENT 3

Issue	Proposal	Other considerations
	area, rather than “centre of population”, to reflect costs of providing services and infrastructure Residual category set for four-year period; default is “business”	
Special rates for works or services provided or proposed to be provided	New special rate type for new infrastructure jointly funded with other levels of Government	Doesn't form part of general income permitted under the rate peg Discretion remains with councils whether to partner or not
Rate exemptions	Eligibility modified to land use rather than ownership	Land used for residential and commercial purposes is rateable unless explicitly exempted Following land becomes rateable but subsidy issues to be addressed by NSW Government: <ul style="list-style-type: none"> <li>○ Commercial logging in state forests</li> <li>○ Retirement villages</li> <li>○ Child care centres charging market rates</li> <li>○ University student accommodation</li> <li>○ Land used by a water corporation</li> <li>○ Social housing owned by PBIs</li> <li>○ Land under high water mark used for oyster cultivation</li> </ul> Land used for residential care be proportionally rateable Private hospitals be exempt General income not be changed due to changes to exemptions; streamlined Special Variation process to take account of exemption changes Exemptions from water and sewerage exemptions only be allowed at council's discretion

### ATTACHMENT 3

Issue	Proposal	Other considerations
		Requirement to report estimated value of rating exemptions in annual report
Assistance to pensioners	Grandfather \$250 pensioner concession rate and introduce deferral of payment of rates up to \$1,000 per year (indexed to CPI)	Deferral scheme to be funded by NSW Government and loan charged at NSW Government 10-year borrowing rate Due when property changes hands Optional for existing pensioners
Discounts	Available to ratepayers who elect to receive notices by electronic formats	
Recovery of rates	Reduce period before property can be sold to recover rates from five to three years	Option to engage State Debt Recovery Office Internal review policy to be adopted before commencing legal proceedings Rates cannot be postponed due to land rezoning
Transition	Rates to increase by no more than 10% above rate peg (adjusted for special variations) each year	Upfront cost for establishing CIV database to be funded by NSW Government

## ATTACHMENT 4

### List of recommendation in IPART's Review of the Local Government Rating System – Final Report that are not available for consultation:

- 14 Sections 555 and 556 of the Local Government Act 1993 should be amended to:
  - o exempt land on the basis of use rather than ownership, and to directly link the exemption to the use of the land, and
  - o ensure land used for residential and commercial purposes is rateable unless explicitly exempted.
- 15 Land that is used for residential care as defined in Section 41-3(1) of the Aged Care Act 1997 (Cth) be proportionally rateable according to the share of places whose maximum Refundable Accommodation Deposit is above the level set by the Minister for Health and Aged Care (currently \$550,000).
- 17 The following exemptions be removed:
  - o land that is vested in, owned by, or within a special or controlled area for, the Hunter Water Corporation, Water NSW or the Sydney Water Corporation (Local Government Act 1993 section 555(1)(c) and section 555(1)(d))
  - o land that is below the high water mark and is used for the cultivation of oysters (Local Government Act 1993 section 555(1)(h))
  - o land that is held under a lease from the Crown for private purposes and is the subject of a mineral claim (Local Government Act 1993 section 556(1)(g)), and
  - o land that is managed by the Teacher Housing Authority and on which a house is erected (Local Government Act 1993 section 556(1)(p)).
- 19 The following exemptions not be funded by local councils and hence should be removed from the Local Government Act and Regulation:
  - o land that is vested in the Sydney Cricket and Sports Ground Trust (Local Government Act 1993 section 556(1)(m))
  - o land that is leased by the Royal Agricultural Society in the Homebush Bay area (Local Government (General) Regulation 2005 reg 123(a))
  - o land that is occupied by the Museum of Contemporary Art Limited (Local Government (General) Regulation 2005 reg 123(b)), and
  - o land comprising the site known as Museum of Sydney (Local Government (General) Regulation 2005 reg 123(c)).

The NSW Government should consider whether to fund these local rates through State taxes.
- 20 Where a portion of land is used for an exempt purpose and the remainder for a non-exempt activity, only the former portion should be exempt, and the remainder should be rateable.
- 21 Where land is used for an exempt purpose only part of the time, a self-assessment process should be used to determine the proportion of rates payable for the non-exempt use.
- 26 For new and existing eligible pensioners, introduce a rate deferral scheme operated by the NSW Government, where:
  - o Eligible pensioners would be allowed to defer payment of ordinary council rates up to \$1,000 per annum and indexed to CPI, or any other amount as determined by the NSW Government.
- 27 If the NSW Government supports Recommendation 26, should the NSW Government give existing eligible pensioners the option to access, either:
  - o the current pensioner concession, or
  - o the rate deferral scheme, as defined in Recommendation 26.
- 28 If the NSW Government supports Recommendation 26, should the NSW Government support funding pensioner assistance through:
  - o Continuing the current pensioner concession funding arrangements.
  - o The rate deferral scheme (defined in Recommendation 26) funded by the NSW Government. The loan should be charged interest at the NSW Government's 10-year borrowing rate, and could become due when property ownership changes.

**ATTACHMENT 4**

- 35 Councils have the option to engage the State Debt Recovery Office to recover outstanding council rates and charges.
- 37 All councils adopt an internal review policy, to assist those who are late in paying rates, before commencing legal proceedings to recover unpaid rates.
- 38 The Local Government Act 1993 should be amended or the Office of Local Government should issue guidelines to clarify that councils can offer flexible payment options to ratepayers.
- 39 The Local Government Act 1993 should be amended to allow councils to offer a discount to ratepayers who elect to receive rates notices in electronic formats, eg, via email.
- 41 The valuation base date for the Emergency Services Property Levy and council rates be aligned.
  - The NSW Government should levy the Emergency Services Property Levy on a Capital Improved Value basis when Capital Improved Value data becomes available state-wide.

## ATTACHMENT 5

### Suggested responses for Feedback Form

#### ORGANISATION

<b>**Council – Metropolitan</b>	
<b>**Council - Metropolitan Fringe</b>	
<b>**Council – Regional</b>	✓
<b>**Council – Rural</b>	
<b>Business or Industry Group</b>	
<b>Business Resident/Ratepayer</b>	
<b>Community Group</b>	
<b>Community Resident/Ratepayer</b>	
<b>Other (specify)</b>	

#### IDENTIFYING INFORMATION

<b>Organisation name (if applicable)</b>	Shoalhaven City Council
<b>Contact name</b>	Stephen Dunshea
<b>Contact position title</b>	Chief Executive Officer
<b>Contact phone number</b>	(02) 4429 3111
<b>Contact email address</b>	council@shoalhaven.nsw.gov.au

\*\* If you are a council officer submitting a personal response, please check the 'Other' box above.

All responses marked as 'Council' will be assumed to be an officially endorsed response on behalf of the council represented.

#### Recommendations

<b>1</b>	<b>The Local Government Act 1993 should be amended to mandate Capital Improved Value (CIV) as the basis for setting ad valorem rates in the metropolitan council areas as defined by IPART.</b>
	<div> <input checked="" type="checkbox"/> Support           <input type="checkbox"/> Don't Support           <input type="checkbox"/> Partially Support           <input type="checkbox"/> Unsure         </div>
	<b>COMMENT:</b>  As a large Regional Council, the use of Capital Improved Value (CIV) would be mandated for Shoalhaven City Council. Council agrees that the use of CIV is a much more efficient and equitable basis for setting ad valorem rates because it better aligns the provision of council services to the ratepayers who benefit from those services, particularly for strata property and land with multistorey buildings. While the Report downplays the impact on investment from the use of CIV, Council remains concerned about the potential negative impact on development in the LGA.

## ATTACHMENT 5

3	<b>If Recommendation 1 and/or 2 are supported by the NSW Government, should the Local Government Act 1993 be amended to facilitate a gradual transition of rates to a Capital Improved Value method?</b>
	Support      Don't Support      ✓ Partially Support      Unsure
	<b>COMMENT:</b>  The introduction of CIV could result in a redistribution of the rates burden among ratepayers. In principle, Council agrees to a gradual transition that allows ratepayers to adapt to changed arrangements. However, given the asymmetric treatment of increases and decreases to rates for individual ratepayers, Council prefers to have flexibility to manage the offsets required under this recommendation without the need to apply to IPART to exceed the proposed 10% increase limit. An appeals process may result in greater community benefit than a regulatory process.

4	<b>If Recommendation 1 and/or 2 are supported by the NSW Government, should section 497 of the Local Government Act 1993 be amended to remove minimum amounts from the structure of a rate, and section 548 of the Local Government Act 1993 should be removed?</b>
	✓ Support      Don't Support      Partially Support      Unsure
	<b>COMMENT:</b>  Council does not use minimum amounts and, therefore, is not impacted by this recommendation. It supports the recommendation on the basis that it simplifies the rating structure.

5	<b>If Recommendation 1 and/or 2 are supported by the NSW Government, should the Local Government Act 1993 be amended so that the growth in rates revenue outside the rate peg is calculated using the formula based on changes in CIV, as defined by IPART?</b>
	✓ Support      Don't Support      Partially Support      Unsure
	<b>COMMENT:</b>  The proposed formula would allow rates income to increase in a way that better matches the additional cost to provide services to new developments, not just increases resulting from an increased number of rateable properties. Council agrees that this approach reduces the impact on rates per household and means that Special Rates are only required when increases in service levels are required or for major infrastructure projects.

## ATTACHMENT 5

6	<b>If Recommendation 1 and/or 2 are supported by the NSW Government, should the NSW Government fund the NSW Valuer General for the upfront cost of establishing the database to determine Capital Improved Values?</b>
	<div> <div>✓ Support</div> <div>Don't Support</div> <div>Partially Support</div> <div>Unsure</div> </div>
	<p><b>COMMENT:</b></p> <p>Estimates for the upfront cost range from \$10m to \$100m. Council suggests an independent review of the costs to set up a suitable database and supports State funding for its establishment. However, given the infrastructure backlog experienced by Council, it does not support cuts to the local government programs suggested in the Report, specifically, Local Infrastructure Growth Scheme (LIGS) and Local Infrastructure Renewal Scheme (LIRS) funding.</p> <p>Furthermore, to support councils in their decision making, the nature of the direct ongoing costs of the CIV system recovered through pricing for valuation services needs to be developed transparently and communicated to stakeholders. In particular, a possible increase of 10% or more to current costs of the valuation system, in the absence of a demonstrated competitive mechanism, needs to be revisited.</p>
8	<b>The Local Government Act 1993 should be amended to allow councils to levy a new type of special rate for new infrastructure jointly funded with other levels of Government. This special rate should be permitted for services or infrastructure that benefit the community, and funds raised under this special rate should not:</b> <ul style="list-style-type: none"> <li>• form part of a council's general income permitted under the rate peg, nor</li> <li>• require councils to receive regulatory approval from IPART.</li> </ul>
	<div> <div>✓ Support</div> <div>Don't Support</div> <div>Partially Support</div> <div>Unsure</div> </div>
	<p><b>COMMENT:</b></p> <p>Council supports this recommendation in principle but would like more information about the proposed mechanism, including any proposed constraints to discourage cost shifting from levels of government beyond a presumed discretion in participation in such jointly funded projects.</p>
9	<b>Section 511 of the Local Government Act 1993 should be amended to reflect that, where a council does not apply the full percentage increase of the rate peg (or any applicable Special Variation) in a year, within the following 10-year period, the council can set rates in a subsequent year to return it to the original rating trajectory for that subsequent year.</b>
	<div> <div>✓ Support</div> <div>Don't Support</div> <div>Partially Support</div> <div>Unsure</div> </div>
	<p><b>COMMENT:</b></p> <p>Council agrees that this measure will allow it to be more responsive to local conditions, while maintaining fiscal discipline, over the medium- to long-term.</p>



## ATTACHMENT 5

10	<p>The Local Government Act 1993 should be amended to remove the requirement to equalise residential rates by 'centre of population'. Instead, the Local Government Act 1993 should allow councils to determine a residential subcategory, and set a residential rate, by:</p> <ul style="list-style-type: none"> <li>• separate town or village, or</li> <li>• residential area.</li> </ul>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p>
	<p><b>COMMENT:</b></p> <p>This is a much more equitable approach that allows different residential rates to be made for new developments, as opposed to established suburbs, or for different levels of service in disparate towns and villages.</p> <p>The use of a spatially defined 'residential area' is preferred to 'community of interest'. To ensure fairness, Council suggests that the establishment of 'residential areas' should be subject to a process of community consultation as part of the Integrated Planning and Reporting process.</p>
11	<p>The Local Government Act 1993 should outline that:</p> <ul style="list-style-type: none"> <li>• A 'residential area' is an area within a contiguous urban locality that has, on average, different access to, demand for, or costs of providing council services or infrastructure (relative to other areas in that locality).</li> <li>• Councils could use geographic markers to define the boundaries for a residential area, including postcode boundaries, suburb boundaries, geographic features (eg, waterways, bushland) and/or the location of major infrastructure (eg, arterial roads, railway lines).</li> </ul>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p>
	<p><b>COMMENT:</b></p> <p>This definition supports Recommendation 10.</p>
12	<p>The Local Government Act 1993 should be amended so, where a council uses different residential rates within a contiguous urban locality, it should be required to:</p> <ul style="list-style-type: none"> <li>• ensure the highest rate structure is no more than 1.5 times the average rate structure across all residential subcategories (ie, so the maximum difference between the highest and average ad valorem rates and base amounts is 50%), or obtain approval from IPART to exceed this maximum difference, and</li> <li>• publish the different rates (along with the reasons for the different rates) on its website and in the rates notice received by ratepayers.</li> </ul>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p>
	<p><b>COMMENT:</b></p> <p>Council agrees with the principle of capping the spread of differential rates within a contiguous urban locality that contains separate and defined residential areas. However, it suggests that the mechanism for determining the spread be refined to capture the intent of the mechanism to establish the maximum difference. The example in the IPART Report makes it clear that the (weighted) average across residential subcategories used as the base is the one that exists before the determination, and inclusion, of the highest rate.</p>

## ATTACHMENT 5

	<p>Council requests further information on the nature of the disclosure on the rates notice to ensure that information is communicated to the affected ratepayers but the notice isn't unduly cluttered and difficult to understand.</p> <p>Council supports a review of this arrangement after three years to ensure that it is operating, and provides outcomes, as intended.</p>			
<b>16</b>	<p><b>Section 556(1)(i) of the Local Government Act 1993 should be amended to include land owned by a private hospital and used for that purpose.</b></p>			
	Support	✓ Don't Support	Partially Support	Unsure
	<p><b>COMMENT:</b></p> <p>The provision of health services is not the responsibility of local government. Given that private hospitals are commercial businesses, the land should be rateable irrespective of the public benefits identified in the IPART Report. Other mechanisms to directly fund costs associated with the realisation of the identified public benefits should be explored.</p>			
<b>18</b>	<p><b>Section 555(1)(b1) of the Local Government Act 1993 should be amended to remove the current rating exemption for land that is the subject of a conservation agreement and instead require it to be rated using the Environmental Land category.</b></p>			
	✓ Support	Don't Support	Partially Support	Unsure
	<p><b>COMMENT:</b></p> <p>Council supports the reasoning provided in the IPART Report regarding the limited private benefits enjoyed by affected landowners.</p>			
<b>22</b>	<p><b>A council's maximum general income not be modified as a result of any changes to exemptions from implementing IPART's recommendations.</b></p>			
	Support	Don't Support	✓ Partially Support	Unsure
	<p><b>COMMENT:</b></p> <p>The net impact on Council's maximum general income of the remaining proposed changes to exemptions is uncertain. As a matter of principle, councils should not be worse off from any changes to exemptions. However, general income should be able to increase, if exemptions are removed and the number of rateable properties increases.</p>			

## ATTACHMENT 5

23	<p>A council may apply to IPART for a Special Variation to take account of the changes in exemptions using a streamlined process in the year that IPART's recommended exemption changes come into force. The council would need to demonstrate:</p> <ul style="list-style-type: none"> <li>• it satisfies the first criteria for Special Variation applications in the OLG guidelines relating to the need for and purpose of a different revenue path for the council's General Fund, and</li> <li>• that any subcategory rating structure applied to previously exempt properties is no greater than the average rate structure across the relevant rating category.</li> </ul>
	<p>Support      ✓ Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>If IPART expects the impact of exemption changes to be small, the regulatory burden created by even a streamlined process seems disproportionate to the impact. Council believes it can better manage the process through disclosure and community engagement via the Integrated Planning and Reporting framework.</p>
24	<p>The Local Government Act 1993 should be amended to remove the current exemptions from water and sewerage special charges in section 555 and instead allow councils discretion to exempt these properties from water and sewerage special rates in a similar manner as occurs under section 558(1).</p>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>Council has previously reported that it has no issues with this recommendation from a Shoalhaven Water perspective.</p>
25	<p>At the start of each rating period, councils calculate the estimated value of rating exemptions within the council area. This information should be published in the council's annual report or otherwise made available to the public.</p>
	<p>Support      ✓ Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>While Council supports transparency, this recommendation requires the maintenance of a register to record the land value of exempt properties and the rating category and subcategory otherwise applicable, even under the simplified approach advocated by IPART. The increase in information requirements and administrative burden does not justify the increase in transparency, particularly when the Act dictates exemptions, not councils.</p>

## ATTACHMENT 5

29	<p><b>Section 493 of the Local Government Act 1993 should be amended to add a new environmental land category and a definition of 'environmental land' should be included in the Local Government Act 1993.</b></p> <ul style="list-style-type: none"> <li>Land subject to a state conservation agreement is categorised as 'environmental land' for the purposes of setting rates.</li> </ul>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>The introduction of this category would replace Council's "Residential – Non Urban" category and facilitate a reduced charge against this land, the use of which is restricted.</p>
30	<p><b>Section 529(2)(d) of the Local Government Act 1993 should be amended to allow business land to be subcategorised as 'industrial' and or 'commercial' in addition to centre of activity.</b></p>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>The introduction of the additional subcategories will assist with more equitable allocations based on the level of service provided to the two different types of business activities.</p>
31	<p><b>Sections 493, 519 and 529 of the Local Government Act 1993 should be amended to add an optional vacant land subcategory for residential, business and mining land.</b></p>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>Council agrees, in principle, with this recommendation but is aware of the need to get the balance right between the reasonable impost on landowners and incentive effects. Lower rates for vacant land, especially under CIV, may encourage speculative land holding, while higher rates may be inconsistent with taxation principles but encourage development and urban renewal.</p> <p>To allow Council flexibility to manage this proposed new subcategory, Council notes favourably its optional application and its exclusion from the rate protections proposed under Recommendation 12.</p>
32	<p><b>Section 529 (2)(a) of the Local Government Act 1993 should be replaced to allow farmland subcategories to be determined based on geographic location.</b></p>
	<p>Support      ✓ Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>Council does not require this level of subcategorization. Geographic location might assist if like farming enterprises were concentrated in particular areas but this is not always the case. As previously suggested, a subcategorization based on farmland type – dairy farming, wineries, etc- might be a better indication of intensity of use.</p>

## ATTACHMENT 5

33	<p>Section 518 of the Local Government Act 1993 should be amended to reflect that a council may determine by resolution which rating category will act as the residual category.</p> <ul style="list-style-type: none"> <li>• The residual category that is determined should not be subject to change for a 4-year period.</li> <li>• If a council does not determine a residual category, the business category should act as the default residual rating category.</li> </ul>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>At present, the business category is the default category for all properties difficult to classify. Most of these properties fall into the definitions of jetties, burial plots, etc. Council supports the introduction of increased flexibility to determine the residual category and agrees, in principle, with this recommendation.</p>
36	<p>The existing legal and administrative process to recover outstanding rates be streamlined by reducing the period of time before a property can be sold to recover rates from five years to three years.</p>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>Council agrees that this proposed change would improve recovery times for outstanding rates.</p>
40	<p>The Local Government Act 1993 should be amended to remove section 585 and section 595, so that ratepayers are not permitted to postpone rates as a result of land rezoning, and councils are not required to write-off postponed rates after five years.</p>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>Council agrees that this proposed change would decrease its administrative burden and improve equity. Associated sections of the Act will also need to be amended.</p>
42	<p>After the NSW Valuer General has established the database to determine Capital Improved Values for rating purposes, councils be given the choice to directly buy valuation services from private valuers that have been certified by the NSW Valuer General.</p>
	<p>✓ Support      Don't Support      Partially Support      Unsure</p> <p><b>COMMENT:</b></p> <p>Council supports this recommendation in principle. Valuation contractors will need to be accredited and align their approach to that of the Valuer General for consistency. However, Council suggests further analysis of the proposal to take into consideration: the public benefit of a unitary data source; data maintenance and documentation costs incurred by councils; the costs associated with inconsistent valuations and dispute resolution; incentive effects created for both the Valuer General and valuation contractors; and the regulatory burden created by the negotiation and determination of maximum prices.</p>

## SA19.122 Donation Request - Salt Care RE-BOOT Program - Training Costs

**HPERM Ref:** D19/200517

**Group:** Finance Corporate & Community Services Group  
**Section:** Human Resources, Governance & Customer Service

**Attachments:** 1. Application for Financial Assistance [↓](#)

### Purpose / Summary

To advise Council of a donation request received from Salt Care to contribute to travel and accommodation costs of training in the delivery of a community reintegration service for people who are homeless, and to seek Council's decision in relation to that request.

### Recommendation

That Council provide a donation of \$2,000 to Salt Care to contribute to travel and accommodation costs of training in the delivery of a community reintegration service for people who are homeless, from the Unallocated Donations Budget.

### Options

1. As recommended.

Implications: The unallocated donations budget would be reduced by \$2000.

2. Provide a donation of another amount.
3. Not provide a donation.

### Background

Salt Care (Salt Ministries) will be sending a team of 13 volunteers to be trained in a re-entry program for the homeless run by Homeboy Industries in Los Angeles. This program will equip them in delivering Salt's proposed "Salt RE-BOOT" initiative in the Shoalhaven, which will offer accommodation, job skills training and mentoring to rehabilitate homeless people back into the community.

The overall cost of the training will be approximately \$30,000. Salt Care are requesting a donation of \$2,000 towards this total cost of training individuals under this scheme. Their application is outlined in the attachment to the report.

### Policy Implications

The application for donation has been completed and is compliant with the current [Donations Policy \(POL12/299\)](#).

### Financial Implications

The remaining 2019/2020 Unallocated Donations budget at the time of writing this report totals \$16,030.20.

SA19.122



**Appendix C**



**Application for Financial Assistance/Donation**


**File 4771E**

**Financial Year** \_\_2019\_/\_\_2020\_\_

Please complete the following application form where assistance from Council is requested. This information is the minimum required for an application. Please attach additional information as requested within the Guidelines and Procedures for Annual Donations, Sponsorships and Subsidies document under "Checklist of documents to be forwarded with application".

**Date:** .....11 July 2019.....

**Details of Organisation/Individual:**

1. Name of Applicant/Organisation responsible for the event/activity: Salt Care Limited  
ABN:66 625 075 890  
 Contact person: Peter Dover Signature:   
 Mailing address: P.O. Box 2340 Bomaderry NSW 2541  
 Phone: (Home) 0457130880 (Business) 44805028  
 Amount of assistance being sought: \$ 2000.00  
 Organisation composition  

Non Profit/Charity	
Commercial undertaking	NO
Do membership fees apply	NO
Amount charged for membership	\$ _____
Number of people in organisation/members	300__
6. Office bearers of organisation (President, Secretary, Treasurer or Project Manager):  
.President Peter Dover, Secretary Mitch Hudson, Treasurer Judy Waite.....  
 .....  
 .....

**Title of Event/Project**

1. Please give a brief description of the event/project for which assistance is sought: .....  
Taking a team of 13 people to LA to be trained for the Salt Reboot Program,  
...which is a rehabilitation program for the homeless of the ShoalHaven.....
2. Is this proposed to be an annual event/project? NO

*Shoalhaven City Council – Donations Policy – Application for Financial Assistance/Donation*

3. Date/s of the proposed event/project ..... 08/08/2019 -17/08/2019 .....
4. Where will the event/project take place? ...Event: LA USA Project: NOWRA.....
5. Name of Public Liability Insurer .....
6. Amount of insurance cover ..... \$ 50,000.00 .....
7. Will the event/project support charities ..... YES/NO
- If YES, value of support ..... \$ .....

**Funding**

1. Cost of the total event/project ..... \$ 32,000.00 .....
2. Funds available at present to go towards event ..... \$ 18,000.00 .....
3. How are funds to be raised? ...Through community funding, and church funding.....  
.....  
.....
4. Has Council previously assisted your organisation? ..... NO
5. What was the amount (per annum) of the assistance from Council? ..... \$ .....
6. What were the dates for the assistance?.....
7. Is funding from Council for this activity likely to be ongoing? ..... NO
8. Have you applied for funding from other Sections of Council or other organisations? ..... NO
9. Was your application successful? ..... YES/NO
- If YES, what was the amount allocated ..... \$ .....
- Name of Council Section or organisation.....
10. Will this event/project be self-funding in the future? ..... NO
- If NO, will the event/project be dependent of future funding from Council? ..... NO
11. If Council assisted your event previously, please provide a cash flow statement of income and expenditure for the event.
12. How do you intend to give public recognition to the financial assistance received from Council and acknowledge Council's financial assistance on any related promotional or other material...Salt partners with council in its work to help the poor and the homeless in the ...  
Shoalhaven, we will promote council on facebook and to the community  
.....  
.....  
.....



*Shoalhaven City Council – Donations Policy – Application for Financial Assistance/Donation*

**Please provide details of how this event/project will meet Council's objectives of the financial assistance/donations program:**

**Objective 1:** To consider financial assistance by way of donations, sponsorships and subsidies to local service, cultural, sporting, charitable or non-profit organisations who operate within or provide benefit to the residents of Shoalhaven City.

.....  
Salt Reboot program will benefit our local community by rehabilitating the  
homeless into contributing members of our community.  
.....  
.....

**Objective 2:** To consider assistance to organisations to conduct quality cultural, sporting and community service programs or events who cannot attract sufficient funds from other sources.

.....  
These funds will help go towards to cost of the 13 local residence traveling to  
.....  
USA for training.  
.....  
.....

**Objective 3:** To address targets specified within the Council's Community Strategic Plan or Shoalhaven City Council's Operational Plan objectives including access and usage of community resources, services and facilities, and equity of access for special needs groups.

.....  
This program is supported in the Shoalhaven City Council Homeless  
Strategy.  
.....  
.....

**Objective 4:** To consider funding to encourage and enable broad community participation in cultural, sporting and community service programs.

.....  
.....  
.....  
.....

*Shoalhaven City Council – Donations Policy – Application for Financial Assistance/Donation*

**Event/Project Budget Information**

<b>Expenditure</b>	<b>Amount</b>
1. Wages/Salaries/Contractors (give details)	
2. (a) Other staff related costs:	
On Costs	
Travel	\$34,000.00
Other	
(b) Value of voluntary labour	
3. Administration	
Accountant/Audit fees	
Other	
4. Hire of Hall/Venue	
5. Equipment/Materials	
Purchase	
Hire	
6. Advertising/Promotion	
7. Other Project/Operating Costs (give details)	
.....	
<b>TOTAL</b>	<b>\$ 34,000.00</b>

<b>Income</b>	<b>Amount</b>
1. Sponsorship (nominate sponsor) Salt	\$ 20,000.00
2. Donations	\$ 8,000.00
3. Sales	
4. Admission Fees/Ticket Sales	
5. Other Income (give details)	
.....	
<b>TOTAL</b>	<b>\$28,000.00</b>

SA19.122 - Attachment 1

*Shoalhaven City Council – Donations Policy – Application for Financial Assistance/Donation*

In making this application I confirm that this event will comply with Councils Sustainable Events policy. I also confirm that no other financial assistance is being sought from Council for this event and undertake to provide an acquittal of the funding within 60 days of the event.

Signed by .....Peter Dover on behalf of .....Salt Care Limited (name of organisation)



20/07/2019

Signature.....

Date.....

**Checklist of documents to be forwarded with application:**

1. For first time applicants, a copy of their organisation's constitution and if that constitution changes then an updated copy of it is to be forwarded with any subsequent application.
2. A copy of the most recent annual report (including financial statements of income and expenditure) – preferably audited.
3. Copy of notification of ABN No. and GST registration (if applicable) from the Australian Tax Office.
4. Evidence of incorporation.
5. A copy of the applicant's current public liability insurance policy (ie Certificate of Currency).
6. Where the applicant is a registered public charity, a copy of the registration certificate.

## SA19.123 Traineeship, Apprenticeship and Cadetship Programs

**HPERM Ref:** D19/227953

**Group:** Finance Corporate & Community Services Group  
**Section:** Human Resources, Governance & Customer Service

### Purpose / Summary

The purpose of this report is to provide further information on Council's Traineeship, Apprenticeship and Cadetship Programs in response to a Notice of Motion submitted to the Ordinary Meeting held on 25 June 2019.

### Recommendation (Item to be determined under delegated authority)

That Council receive the report on Traineeship, Apprenticeship and Cadetship Programs for information.

### Options

1. As recommended above.

Implications: Nil

2. Council resolves otherwise.

Implications: Unknown as dependent on resolution.

### Background

A Notice of Motion was submitted at the Ordinary Meeting of 25 June 2019 seeking further information regarding Council's Traineeship, Apprenticeship and Cadetship Programs. Council subsequently resolved (MIN19.413):

*That the General Manager (Finance Corporate and Community Services) provide a report to Council that:*

1. *Provides details of the current traineeship, apprenticeship and cadetship programs within Council; and*
2. *Identifies any opportunities for potential expansion of current programs in place.*

Council has a number of youth employment programs and initiatives in place including:

- (i) Traineeship and Apprenticeship Programs through Hunter Valley Training Company
- (ii) Student Work Placement Program through Workplace Learning (Illawarra, Shoalhaven, Southern Highlands)
- (iii) Cadetship Program
- (iv) High School Student Work Experience Program and University Internship opportunities
- (v) Participation in the University of Wollongong Careers Expo and individual school Careers Expos to promote the opportunities within Council
- (vi) Mock interview program at local high schools

(vii) Creation of & participation in Shoalhaven Aboriginal and Youth Employment Forum (SAYE)

In accordance with the above resolution, this report will focus primarily on the programs detailed in (i) to (iii) above.

#### Traineeship and Apprenticeship Programs (through Hunter Valley Training Company)

Council Traineeship and Apprenticeship Programs are run through Hunter Valley Training Company (HVTC) with Council taking on the role as host employer. The benefits of placing traineeship and apprenticeship programs through HVTC include the following:

- Allows Council to leverage HVTC's expertise in managing the whole apprenticeship or traineeship cycle
- HVTC is a specialist in Vocational Education and Training regulations and requirements
- HVTC manage competency-based completions and progression, training plan and RTO requirements
- Provide support in the unique challenges of working with youth
- Address any performance management issues
- Handle all employment related matters including payroll processing

Council provides a large number of opportunities per annum under these programs as can be seen in the table below.

Table 1: Number of traineeships and apprenticeships

Cal Year	No. of new trainees that commenced	No. of new apprentices that commenced	Total No. trainees and apprentices – ongoing & new	No. new trainees/ apprentices who identified as indigenous	No. who secured ongoing position within Council
2014	15	0	15	3	9
2015	28	6	38	3	5
2016	26	4	57	4	12
2017	28	6	58	8	12
2018	27	8	61	4	12
2019	26	8	68	7	8

Table 2: Qualifications provided under Traineeship and Apprenticeship Programs

Certificate II in Water Industry Operations
Certificate II in Conservation and Land Management
Certificate II in Civil Construction
Certificate II in Construction Pathways
Certificate III in Carpentry
Certificate III in Civil Construction
Certificate III in Painting and Decorating
Certificate III in Electronics and Communications

Certificate III in Horticulture
Certificate III in Arboriculture
Certificate III in Electrotechnology Electrician
Certificate III in Engineering - Mechanical Trade
Certificate III in Light Vehicle Mechanical Technology
Certificate III in Engineering - Fabrication Trade
Certificate III in Water Industry Operations
Certificate III in Information, Digital Media and Technology
Certificate III in Surveying and Spatial Information Services
Certificate III in Business Administration
Certificate IV in Business Administration

### Work Placements Program (through Workplace Learning)

Council is a host employer for industry-based VET (Vocational Education and Training) courses students choose as part of their studies for the Higher School Certificate. The table below provides details of the number of placements at Shoalhaven City Council.

Table 3: No. Work Placements (data available and provided by Workplace Learning)

Calendar Year	No. Students
2019	15
2018	20
2017	28

### Cadetship Program

Council currently has 10 cadet positions (persons studying degree qualifications) across the organisation in the areas of:

- Planning and Development,
- Environmental Services,
- Engineering, accounting,
- IT/GIS and
- Human Resources.

The organisation provides generous study support as part of this program.

### Opportunities for potential expansion

Council already has in place extensive traineeship, apprenticeship and work placement programs. In considering any potential expansion of these programs consideration needs to be given to the current and potential capacity of the organisation and funding available as it is critical that appropriate on-the job supervision and training is provided to these young people to ensure:

- Appropriate coaching and mentoring is provided;
- They receive relevant on the job experience and obtain required competencies;
- They are safe in our workplace.

Council currently operates its traineeship and apprenticeship programs through HVTC as its does not have the capacity to manage these programs (and associated requirements) in-

house. A large proportion of the current traineeships and apprenticeships are within the outdoor workforce and therefore consideration is being given to any further traineeship opportunities within customer service and administrative functions. Just recently Council has taken on additional new administration trainees. Council is also working with HVTC and SAYE to identify opportunities to increase the application rate of indigenous youth.

Council is constantly monitoring opportunities for cadetships as part of a 'grow your own strategy' for positions where Council is unable to attract qualified resources; however, such programs can be restricted at times by the tertiary course offerings available locally. Some key initiatives to date have included:

- Graduate engineering positions offered within Shoalhaven Water and Assets and Works;
- Grade range positions to allow people to commence or continue with formal study to obtain qualifications and gain experience within the workplace at the same time and be provided the opportunity to progress and be rewarded as they achieve their qualifications and experience.

Council has a policy position that is very supportive in relation to both study time and financial assistance to cadets. Council is continuing to actively identify opportunities to bring young people into the organisation as it is very cognisant of the current age profile of the workplace and the challenges that will present to the organisation in the future. However, it is always a balance with ensuring there are adequately qualified and experienced people within the organisation to ensure Council can maintain service levels to the community, deliver key infrastructure and not place the organisation at unnecessary risk.

## SA19.124 Local Government Parking Summit

HPERM Ref: D19/264137

**Group:** Finance Corporate & Community Services Group  
**Section:** Human Resources, Governance & Customer Service

### Purpose / Summary

To consider Councillor attendance at the Local Government Parking Summit scheduled for 6-8 November 2019 in Sydney.

### Recommendation (Item to be determined under delegated authority)

That Council

1. Notes the details of the Local Government Parking Summit scheduled for 6-8 November 2019 in Sydney.
2. Authorises available Councillors to attend the conference and such attendance be deemed Council Business.
3. Travel, registration fees, accommodation and all reasonable out-of-pocket expenses be met in accordance with its adopted policy.
4. Request Councillors attending the conference to provide a written report within 30 days of returning from the conference.

### Options

1. As per the recommendation.
2. That Council limit the number of Councillors attending the Conference and such attendance be deemed Council Business.
3. That Council not approve Councillor attendance at the Conference as Council Business.

### Background

The Local Government Parking Summit is considered relevant to local government, Information in relating to the conference can be found on the [summit website](#).

Costs associated with the conference are estimated as follows:

- Registration as follows:

	Registration before 6 September	Registration before 4 October	Regular price
3 day ticket	\$1,895	\$2,595	\$2,995
2 day ticket	\$995	\$1,595	\$1,895
Workshop day only	\$995	\$1,295	\$1,595

Note: Group discounts are available

- Travel, accommodation and out of pocket expenses: not yet determined.

An option available to Council is to define the number of Councillors attending the conference and for Council to determine the appropriate Councillors authorised to attend.

SA19.124



This option is presented having regard to the increase in Councillor expenses in recent years, so that Council may pro-actively control this area of expenses when appropriate.

The following Council Business is scheduled within the period of the conference:

- Nowra CBD Revitalisation Strategy Committee 6 November 2019.
- Councillor Briefing 7 November 2019.

### **Policy Implications**

The Council Members – Payment of Expenses and Provision of Facilities Policy limits attendance at conferences to three per annum per Councillor exclusive of any conference arranged by either the State or National Local Government Associations.

### **Financial Implications:**

Funds are available for Councillors to attend this conference.

## SA19.125 Comerong Island Ferry - Service Review

**HPERM Ref:** D19/176914

**Group:** Assets & Works Group  
**Section:** Commercial Services

**Attachments:**

1. Comerong Island Ferry History [↓](#)
2. Comerong Island Land Holdings [↓](#)
3. Comerong Island Ferry Ramps [↓](#)
4. Extract from Transport Maritime Navigation Map [↓](#)
5. Email Extract - Tono Group [↓](#)
6. Letter to Residents [↓](#)
7. Comerong Island Ferry Usage Graph [↓](#)
8. Comerong Island Ferry User Survey [↓](#)
9. Example - Submission [↓](#)

### Purpose / Summary

This report allows Council to consider the operation of the Comerong Island ferry service given the age of the current vessel named the “Cormorant”.

### Recommendation (Item to be determined under delegated authority)

That

1. Council notes that the key aspects of the current Comerong Island Ferry arrangements are as follows:
  - a. The service operates between 6am and 10pm, 7 days a week, with afterhours call out service available to residents on the island. This call out fee is \$120/hour, and this charge is not in Council’s “Fees and Charges Document”.
  - b. The Ferry has a design load limit of 36 tonnes but, given its age, has been operating at a 20-tonne limit since 2010. This limit is sufficient to service the maintenance needs of Council, the response needs of the Rural Fire Service (RFS) and general truck needs of residents (i.e. water delivery). Loads larger than 20 tonnes need to be broken down or special punt arrangements need to be made by the entity requiring the larger load.
  - c. The current ferry is approaching the end of its life and is due for replacement, preferably before the next “out of water service” which his due in November 2020.
  - d. The service is operated via a contract with Tono Group Pty Ltd which commenced on 19 July 2017 and will conclude on the 30 June 2022. The cost to operate and maintain the Ferry is approximately \$420,000 per year (including depreciation).
  - e. The residents, their visitors and contractors travel at no cost. For other visitors to the island, the cost of a return ticket is \$10, payable by EFTPOS only.
  - f. The income generated from the return ticket arrangement is approximately \$19,000 (exc. GST) per year.
  - g. The residential property which used to be available to the operator at no cost is now available at “market rates”, and if the operator wants to utilise the residence they were required to build that into their costing structure.
2. Council endorse the current Comerong Island Ferry operating arrangements (described by the contract with Tono Group Pty Ltd) as being the preferred arrangements to operate

the ferry and that the Chief Executive Officer (Director Assets and Works) take the necessary steps to replace the existing Comerong Island Ferry with a vessel that has a load limit of 20t and dimensions capable of carrying at least two passenger vehicles or a council grader, or a tipper truck or a 13 tonne fire truck, prior to November 2020.

3. The CEO (Director Assets and Works) look to make savings by reviewing the operating times and usage costs and report back to Council.

## Options

### 1. Business as usual option – Council subsidised

Replace the ferry with a vessel that has a load limit of 20t and dimensions capable of carrying at least two passenger vehicles or a council grader, or a tipper truck or a 13-tonne fire truck. With Council continuing to budget for a user income of approximately \$19,047 (exc GST per year).

Implications: Tenders for the supply of a new ferry will need to be called and Council will still be exposed to an annual cost to operate the ferry of approximately \$420,000 (inc depreciation) per year.

#### Recommendation:

1. *That Council endorse the current Comerong Island Ferry operating arrangements (described by the contract with Tono Group Pty Ltd) as being the preferred arrangements to operate the ferry and that the Chief Executive Officer (Director Assets and Works) take the necessary steps to replace the existing Comerong Island Ferry with a vessel that has a load limit of 20t and dimensions capable of carrying at least two passenger vehicles or a council grader, or a tipper truck or a 13 tonne fire truck, prior to November 2020.*
2. *The CEO (Director Assets and Works) look to make savings by reviewing the operating times and usage costs and report back to Council.*

### 2. Business as usual option – User Pays

Replace the ferry with a vessel that has a load limit of 20t and dimensions capable of carrying at least two passenger vehicles or a council grader, or a tipper truck or a 13-tonne fire truck. With the cost of the service being predominately covered by a user pays system.

The following 2 scenarios provide some very rudimentary numbers for illustrative purposes:

- 2.1 Assuming 15,500 vehicle trips a year and an annual operating cost of cost (including depreciation) of \$420,000 per year plus an annualised “out of water” service of \$80,000 (\$400,000/5), each trip would cost \$32.30 (i.e. \$500,000/15,500). If the concrete remaps are included this would be an additional \$1.20 per trip, i.e. \$441,750\*2/50 years/15,500 vehicles.
- 2.2 The Total General Rate income from Comerong Island is currently \$36,770. Assuming that 10% of visits are not rateable property visits (i.e. tourists) Council could seek to recover 90% of \$420,000, i.e. \$378,000, by applying a special rate levy. Using simple maths to provide a guide \$378,000/27ratepayers = \$14,000, obviously the actual figure is more complicated than this.

Implications: This option would need further substantial development and consultation and has not been explored in detail in this report. If Council was serious about a higher cost recovery from users option, operating “essentials” and “priorities” may change.

The recommendation to pursue an option along these lines would be:

*“That CEO prepare a report outlining options for a user pay approach to operate the Comerong Ferry based on a vessel that has a load limit of 20t and dimensions capable of carrying at least two passenger vehicles or a council grader, or a tipper truck or a 13 tonne fire truck, operating between 6am and 10pm, 7 days a week, with afterhours call out service available to residents on the island, and such report be presented to a future meeting of Council for consideration before wider community consultation occurs and any final decision is made. Tender documents for such a vessel are to be prepared at the same time.”*

### 3. Buy back Option

Implement Option 1 but with a sunset clause on the operation of the ferry and progressively implement a property buy back strategy which would seek to return the island to a wilderness state with no ferry service provided.

The following scenario illustrates this option in a very basic manner:

- 3.1 Assuming that the annual Council “whole of life costs” to service the Comerong Island including the access ramps, ferry and road network on the island and all operating costs is say \$600,000
- 3.2 The total property value of all the privately-owned land on the Comerong Island is valued at approximately \$31,000,000.

Thus, using very basic maths as a ballpark guide the payback period of any buy back option would be in the order of 52 years (i.e. \$31,000,000 / \$600,000).

Implications: This option would need further substantial development and consultation and has not been explored in detail in this report. If Council was serious about a buy back option, a detailed business case, financial analysis and legal process would need to be prepared. Financing costs and asset decommissioning costs would add to the payback period.

The recommendation to pursue an option along these lines would be;

*“That CEO prepare a business case report outlining the possibility of buying back the existing private holdings on Comerong Island including an estimate of a payback period (due to saving in providing access etc) , and such report be presented to a future meeting of Council for consideration before wider community consultation occurs and any final decision is made.”*

### 4. Further Consideration Option

*That the CEO make arrangements to conduct the out of water service on the existing ferry (scheduled for November 2020) and conduct a workshop involving all Councillors and appropriate staff to discuss the future management of the Comerong Island Ferry.*

Implications: This option does not involve a wider audience in the process initially as this can raise expectations and concerns, community consultation would be a matter explored at the workshop, and it is conceivable that further wider meeting(s) may be an outcome of any workshop.

## Background

At the Strategy & Assets Committee on 17 April 2018 the Committee resolved (MIN18.268):

*“That:*

1. *Council retain the current services to Comerong Island.*
2. *Council defer the replacement of the ferry until a councillor briefing has been held.*

3. *A Councillor familiarisation tour to Comerong Island be organised.*
4. *The National Parks and Wildlife Service and Rural Fire Service be invited to the councillor briefing for comment."*

On 11 December 2018 a familiarisation tour was organised for Councillors. The familiarisation tour allowed staff to brief Councillors on the capacity of the existing ferry service to facilitate firefighting responses, and inspect the assets (ferry, ramps, road etc) and thus this report is now provided.

## Report

Council provides a ferry service to Comerong Island from the mainland at Numbaa and a timetable can be located on Council's website by following the link below:

<https://www.shoalhaven.nsw.gov.au/Discover-Shoalhaven/Getting-around>

The ferry links the road network between these locations, which are formed and maintained by Council.

The stretch of water between the mainland and the island is manmade and is approximately 165m long. It provides the only navigable water from Shoalhaven River, via Greenwell Point to the ocean and the canal is heritage listed as Australia's first man-made canal.

## Ferry History

Robyn Florance Ass/Dip LAH (UNE) has researched and prepared a history of The Comerong Island Ferry and this is attached for Councillors information (see Attachment 1).

It appears that in 1883 a small horse drawn punt was "gifted" to the Comerong Island residents by the Minister for Works.

The ferry was vested in the South Shoalhaven Council in 1905 and thus some form of Government ownership/responsibility has occurred since about that time.

The current ferry service is provided by a vessel named the "Cormorant". It was commissioned sometime around 1945 and thus is approximately 74 years of age. It has been in service with Shoalhaven City Council since 1 June 1993

The ferry is the maintained link between the mainland and the island for the island residents; a sand connection exists to Shoalhaven Heads. The western side of the island has numerous private property ownerships and the eastern side is a Nature Reserve, managed by the National Parks and Wildlife Service (NPWS). There are some basic services on the island for visitors.

Vehicle access via the sand beach was available and used for public access about 25 years ago before Comerong Island National Park was gazetted.

## Island Arrangements

Attachment 2 shows the current land holdings on the island and lists their ownership as private or government department and land size.

Currently there are 27 private properties on the island with a total value of these properties being approximately \$31 million.

## Approach Ramp and Cable Facilities

The current arrangement provides two concrete ramps at either end of the cable and a photo of this arrangement is provided in Attachment 3.

The cable is set at 2.4m below the low tide level. This cable restricts large vessel access to the Shoalhaven River and on occasions it must be lowered to allow for passage, which can be done on request. The cable is noted on navigation charts as per Attachment 4.

The ramps are approaching the end of their life and are likely to cost of the order of \$441,750 per ramp to replace. No capital reserve has been set aside for this liability.

The cable offers easy operation in the relatively fast flowing waters and facilitates the drive on drive off arrangement.

### Ferry Infrastructure

The “Cormorant” was formerly a spare ferry of the South Australian Roads Board, working on the Murray River, and was designed to carry a maximum load of 35 tonnes.

The ferry can carry vehicles and operates by pulling itself along a submerged cable that is anchored at each end. It is currently rated to carry a maximum of 6 passenger vehicles or 20t; this reduction in load capacity occurred in 2010. The ferry currently only carries one or two vehicles per trip, although there is intermittent need for maintenance and commercial operation vehicles.

The 20t carrying capacity caters for the realistic needs of Council and the RFS (i.e. can carry a grader, or tipper truck, or fire truck). At the RFS Strategic Planning Committee meeting (6 December 2018) the RFS confirmed that 13 tonne vehicles would be dispatched as a first response and this could be backed up by two other similar vehicles from different stations. The closest three stations that would provide an initial response are as follows:

Station	Vehicles	Response Times
Greenwell Point	Category 1 Tanker	10 mins
Culburra	Category 1 Tanker	17 mins
West Nowra	Category 1 Tanker	15 minutes

Should a larger project, commercial or emergency need arise other access and response vehicles would be accessed, and this would typically be at the expense of those who provided that service or generated that need.

It worth noting that the cable ferry option also “ties” the ferry operation to the current location and rules out future different or supplementary services from Shoalhaven Heads or Greenwell Point.

Attachment 5 is an email from the Tono Group (the current ferry operator) outlining their suggestions with regard to the operation of the ferry service and infrastructure into the future; these include suggestions in relation to:

- The size of the ferry and maintenance needs of the ferry
- Comments about the ramps and the benefits of boom gates
- The cottage use, and the faster response time that would result if the cottage was included in the contract for use by the operator
- Display boards, toilets, and BBQ facilities to increase patronage and thus revenue

### Contract Arrangements

Council has a 3-year (maximum 5 years) contract with Tono Ferry Services Pty Ltd to operate the ferry. The end of the third year is 30 June 2020 and the end of the fifth year period would be 30 June 2022.

Under the previous contract (expired 1st July 2017), the ferry operator was able to live in the dwelling adjacent to the ferry at no rent for the term of the contract. The new contract removed this arrangement and the property is now rented at market value, providing an additional revenue source.

Towards the end of 2018 this matter was a point of contention with residents when it became apparent to them that operators of the ferry could have to travel from Nowra and this would add to the time for an emergency response to be provided.

The following contract provisions currently apply as per **Section 5 Ferry Service**

*"I) The contractor shall operate the Ferry outside the core hours to provide access to or from the island in emergency situations. The contractor must supply, maintain and advertise a 7 day / week and 24 hours / day contact phone number for this purpose and respond to all requests within a reasonable time. Services provided outside the core hours will be paid as outlined in the Schedule of Rates."*<sup>4</sup>

The actual callout rate is \$120/hr and would operate from the time the operator left their home until the time they return.

The contract is unclear in that it refers to "a reasonable time", does not state who pays the callout, and is silent on the calculation of each callout cost.

The situation where the dwelling adjacent to the ferry was at no rent for the term of the contract meant that emergency situations were covered by the operator at no additional cost.

In January 2019 the Director Assets and Works sent two letters to residents outlining these arrangements, those letters are provided as Attachment 6.

### Financial Summary

A summary of the operating costs of the ferry is below:

Financial Year	Income (exc GST)			Expenditure (exc GST)
	Ferry	House	Total	
12/13	\$13,275	\$0	\$13,275	\$377,878.28
13/14	\$13,363	\$0	\$13,363	\$377,683.82
14/15	\$14,753	\$0	\$14,753	\$311,244.13
15/16	\$15,464	\$0	\$15,464	\$526,537.17 <sup>1</sup>
16/17	\$17,361	\$0	\$17,361	\$367,943.67
17/18*	\$19,526	\$12,059	\$31,585	\$416,691
18/19	\$20,736*	\$11,070	\$31,806	\$423,386

\* YTD

<sup>1</sup> Includes out of water survey and hull maintenance

SA19.125

The current year (19/20) operating budget is \$392,630 (exc GST and depreciation). A majority of the cost is payment to the contractor to operate the ferry. The balance is for maintenance, insurance and registration. In addition, Council's long term financial plan allows for 'out of water' servicing every 5 years, with an allocation of \$15,000 in 19/20 for preliminaries, and \$400,000 for 20/21. Each rolling 5 year cycle each year is indexed by CPI. The previous out of water survey and hull maintenance was in November 2015 and the out of water servicing cost for this exercise was \$200,000, given the pending "retirement" of the ferry. It is uncertain, until the vessel is removed from the water, as to the extent of maintenance that is required, so the costs can vary from service to service.

### Current Service

The ferry is operated between 6am and 10pm every day, with afterhours call out service available to residents on the island. The residents, their visitors and contractors travel at no cost. For other visitors to the island, the cost of a return ticket is \$10, payable by EFTPOS only.

It currently takes five (5) minutes for the ferry to load, travel and unload for a single crossing.

The graphs in Attachment 7 show the number of vehicles carried by the Ferry for FY12-13 to FY 17/18 (up to January 18).

In summary:

- The total number of vehicles using the service annually is approximately 15,500 (average). Thus, the total income should be approximately  $15,500/2 \times 10 = \$77,500$ .
- Revenue is of the order of \$19,000 exc GST (approx. 30% of what it could be if everyone paid)
- Use is higher between 9am and 3pm;
- There is low utilisation after 8pm.

The island residents and their visitors generated the bulk of ferry patronage.

### Council Obligations

In regard to the provision of the ferry service to the community, Council's obligations are governed by the *Local Government Act* (LG Act) and *Roads Act*.

There do not appear to be any statutory obligations for Council to provide the service, although there are a number of factors, with respect to these Acts, that need to be considered:

- In accordance with the Roads Act, the ferry is regarded as a "road-ferry" and therefore a "road" under the Act;
- Section 24 of the LG Act, indicates the provision of a ferry service is discretionary, but Council needs to make responsible decisions in considering removing or reducing the service. Relevant matters include:
  - Emergency egress (bushfire, flood);
  - Provision of emergency vehicle access to the island; and
  - Access for utility providers, including Council's own maintenance responsibilities of the public road network on the island.
- General requirement to ensure all residential lots have legal and practical access; and
- Council is able to charge a "toll" or fee for the use of the ferry.



### Vessel Inspection Requirements

Vessels in commercial use in Australia require a *Certificate of Survey* and require regular inspections. The certificate is required by the Australian Maritime Safety Authority (AMSA).

The Cormorant is classified as a 'high risk' vessel because it is able to carry up to 12 people, which includes 2 crew. This classification influences the maintenance and inspection regime.

The classification categories are provided can be found in the following link:

<https://www.amsa.gov.au/vessels-operators/domestic-commercial-vessels/vessel-classes-and-service-categories>

To keep the *Certificate of Survey*, the vessel is inspected by the AMSA approved surveyors every year in the water. In addition, there is a requirement for one 'out of water' inspection every 5-years. This has evolved from annual inspections to inspections every two years, to every three years, approval to conduct inspections greater than every five years are expected to be difficult to obtain.

Council's budget provides for inspections every 5 years (2021 \$400,000; 2025 \$440,000; 2029 \$480,000). These inspections need to be done by lifting the vessel out of the water with a crane. The crane cost alone can exceed \$60,000 for each out of water inspection.

The next "out of water service" is due in November 2020.

### Basic Cost Saving Analysis

#### **Ferry Size**

ARUP (Consulting Engineers) was engaged to consider a number of ferry configuration options and recommended that the current on-chain ferry was best solution for the current Comerong Island service, although there are opportunities for a smaller vessel and different propulsions (i.e. outboard and shaft driven).

Smaller vessels are less expensive to maintain, easier to slip and less weight to propel.

Two vessels were considered:

Vessel 1 – 5t carrying capacity, which is suitable for one passenger vehicle only.

Vessel 2 – 20t carrying capacity, with dimensions to suit maintenance plant (e.g. grader, tipper truck). This would be capable of carrying two passenger vehicles.

Further details for comparison to the existing vessel are provided below:

Specification	Existing Vessel	Vessel 1	Vessel 2
Passenger Vehicles	6	1	2
Plant items	Yes	no	Yes
Load Capacity (tonnes)	20	5	20
Deck Length (m)	18	7.8	13.9
Deck Width (m)	5.5	4.8	4.8
Estimated purchase cost	N/A	\$1.5m	\$1.8m

Vessel 2 provides a similar service level as the current vessel but is smaller to provide ongoing operating cost savings. The purchase price (estimated) difference is \$300k. The ongoing operational costs could only be assessed through a detailed design assessment of the options. The review also looked at options to reduce cost on slipping the vessel. Alternatives to using a large crane to remove the vessel are possible, but again actual solutions would need to be looked at with the vessel design.

### **Operating Hours**

The estimated cost savings for other operating scenarios are provided below:

Scenario	Possible Saving
6am to 10pm	Current Arrangement
6am to 8pm, 7 days	\$27,000
<u>Monday to Friday</u> 6am to 10am & 1pm to 8pm <u>Saturday &amp; Sunday</u> 6am to 8pm	\$37,000
<u>Monday to Friday</u> 6am to 8pm <u>Saturday &amp; Sunday</u> 6am to 10pm	\$15,000

There is limited saving in service level changes, unless significant changes are made to the number of days of operation.

### **Ticket Prices**

There are a number of car ferries in operation through NSW and most of these are operated by the AMSA at no cost to the user.

Port Macquarie-Hastings Council operate two ferries and Ballina Council operate one. Both have a full user pays system for the ferries and include causal and annual charges.

These are for the 17/18 financial year and are provided to give some context. Full details of tickets schedule are available on the respective Council's websites.

Type of Ticket	Cost	
	Port Macquarie Hasting	Ballina
Resident Concession	\$55 / year	Nil
Annual Pass	\$350	\$306
Concession Ticket Books	\$20 for 25 tickets (1 ticket for single car trip)	Not available for passenger vehicles
Monthly ticket	\$30 when purchased by a	Nil

Type of Ticket	Cost	
	Port Macquarie Hasting	Ballina
	resident	
Weekly Ticket	\$10 when purchased by a resident	\$56
Single Trip (one way)	Nil	\$6

Assuming two vehicles per dwelling both requiring an annual pass of \$300 and neither vehicle currently pays to cross the channel, the additional revenue to Council would be of the order of \$16,200 if a similar system was implemented for residents of Comerong Island.

The implementation of a permit system to better identify vehicles that are currently exempt from payment would be beneficial and capping the number of free travels is a possibility. Currently resident visitors and resident contractors travel at no cost. Attaching a permit arrangement would allow the claim for free travel to be verified by the ferry operator. Currently this is only an honesty system.

It is also possible to cap the number of free tickets to 50/property/year. It is difficult to measure the additional revenue that can be achieved but formalising the existing process would provide better data on which to make future decisions.

Further changes to the pricing are not recommended at this stage.

### Summary

The existing ferry is approaching the end of its commercial life and is due for a full out of water service in November 2020. The cost of this is estimated to be at least \$400,000.

There are a number of “new” options that Council could investigate in providing access to Comerong Island including (these have not been covered in this report and would take years to consult and develop and implement);

- Shoalhaven Heads to Comerong Island
- Greenwell Point to Comerong Island
- Road Access to Shoalhaven Heads

A new, smaller ferry that would be more reliable and cheaper to operate and could be repurposed to other routes or resold would allow Council to provide more certainty in relation to the existing service and allow evolution (or revolution) of Comerong Island Access to occur in the future.

There are various opportunities to reducing the net operating cost by changing the operating hours and pricing policy. The following scenario is provided for illustrative purposes:

Change Description	Estimated Cost Saving
Annual Pass for Residents (\$300 / year)	\$7,800

Change Description	Estimated Cost Saving
Reduce Operating Hours <u>Monday to Friday</u> 6am to 10am & 1pm to 8pm <u>Saturday &amp; Sunday</u> 6am to 8pm	\$37,000
Total	\$44,800

In the overall context of the ferry operation, this savings is relatively minor and is obviously not likely to be supported by the residents. The savings associated with replacing the Cormorant with a smaller vessel are likely to be more significant, but this will need to be verified through the procurement process.

### Community Engagement

From 1 March – 31 May 2016, a survey was conducted to better understand how the ferry is used. 174 completed surveys were returned. A template of the survey is included at Attachment 8.

In summary, of the surveys returned:

- 10% owned a property on the Island, with 16 indicating they lived part-time or full time or were a tenant.
- 67% identified as attending the island for Recreational Purposes (fishing, surfing, etc).
- 60% used the service up to 25 times a year.

Also, Council's contractor undertook a survey of on-board passengers over 62 days between March and May 2016 - 15 days in March (included Easter long weekend), 29 days in April (included ANZAC long weekend) and 18 days in May.

There was a total of 2,857 passengers (not vehicles) who identified as:

User Type	% of Total Passengers (NOT Vehicles)
Fee Paying User	
Recreational Users (Fisherman, Surfers etc)	46%
National Parks	1.5%
<b>Total</b>	<b>47.5%</b>
Non-Fee-Paying User	
Permanent Resident	36.3%

User Type	% of Total Passengers (NOT Vehicles)
Part-time Resident / Farmer	4.4%
Council	0.8%
Contractor (Resident Contractor / Service Provider)	10.9%
<b>Total</b>	<b>52.4%</b>

Note: Percentage is based on passengers and there were multiple passengers in some vehicles

Comments received during the survey are included and summarised following:

1. **Retain the ferry:** People were concerned that Council may be looking at taking the ferry service away.
2. **Fee:** A number of passengers commented that \$10 is a bit steep or the trip should be free.
3. **Connection:** A number of respondents commented that they have a family or familiar connection with the ferry e.g. used it since I was a boy, came over with my Dad to fish, been fishing off the Island since .... Or 38 years been visiting the island to fish.
4. **Positive comments** about the Ferry Operators and the service itself.
5. **Promotion as a tourism destination** – there are no facilities on the island in the Nature Reserve or any facilities, toilets or picnic facilities, supplied by Council.
6. **Weight limit** raised in reference to the transfer of cattle from the island or to the island by resident and off island ratepayer with rural interests on the island.
7. Most visitors go to the island to fish or surf and would like to continue to do so. They are concerned that they may not be able to access the island in the future.

Following this review and completion of the infrastructure review by ARUP, Council presented options on vessel size, pricing and operating hours to a meeting with the residents on 6 December 2017. The meeting was attended by 18 residents.

The residents did not support any changes to the ferry service. 7 written submissions were received, which were mostly a pro-forma email. An example is included at Attachment 9.

A suggestion from residents was to promote the island (and ferry service) to increase revenue. The main attraction on the island for tourists is the Nature Reserve managed by the National Parks & Wildlife Service (NPWS). Increased visitation may increase the demand for services and the level of maintenance currently provided by NPWS, so they have been consulted for their input to the suggestion and they provide the following response.

*“NPWS are bound by the status of Comerong Island Nature Reserve and also by what the Plan of Management for the reserve stipulates (as the POM is a legislative document). The primary purpose of nature reserves are conservation of wildlife, natural environments and significant cultural features. They provide opportunities for recreation where it does not conflict with the conservation objectives of the area.”*

Comerong Island is currently not promoted on NPWS public website, which relates to the objective to keep the reserve ‘low key’. Promotion of the island is unlikely to be supported by the NPWS, so is not being considered as a viable option for increased revenue.

**Financial Implications**

The ferry service is funded in the budget, with a provision for 'out of water' servicing in the long term financial plan, and there is no reserve to pay for a replacement ferry.

Due to the age of the vessel, it will need to be replaced in the short to medium term. This will provide an opportunity to reduce the vessel size to better match the current service requirements. Reducing the size is expected to reduce operating costs, maintenance costs and serving costs. This will provide the financial capacity to absorb price increases associated with full compliance with legislated inspection requirements.

## **THE COMERONG ISLAND FERRY**

Robyn Florance Ass/Dip LAH (UNE)

### **Comerong Canal**

On 21<sup>st</sup> June 1822, Alexander Berry accompanied by Hamilton Hume set out from Sydney on the sloop *Blanche* to set up a private settlement in the Shoalhaven. On reaching the Shoalhaven River, Berry sent a boat out to test the entrance with tragic results. The boat capsized in heavy seas and two men were drowned. The attempt to enter the Shoalhaven River was abandoned and turning south, the little ship entered the Crookhaven River where it anchored for the night.

The next day Hume was put in charge of operations to build a hunt and to cut a boat passage to joint the two rivers and get the *Blanche* into the Shoalhaven River. After 12 days of continuous labour by a mere handful of men the two rivers were joined. Within a short space of time a jubilant Berry and Hume watched as the swiftly flowing outgoing tides widened and deepened the cut. This was the first canal ever cut in Australia.

### **Comerong Island**

When Alexander Berry organised the cutting of a canal in June 1922 that effectively formed Comerong Island, it had several ramifications. With the land becoming an island it was removed from Berry's land grant and secured by the Crown in 1870. It was surveyed by Surveyor Binstead in 1871 and subdivided into farming lots and sold in 1872.

The residue remained in public ownership facilitating the establishment of a coal jetty in the south east corner. This was vitally important for the servicing of the steam dredges which were to play an important part in opening the river for navigation. Land for a wharf and Customs House was also reserved on the north western corner of the island to serve ships using the Shoalhaven entrance but the site was never used for these purposes. <sup>1</sup>

### **The Ferry/Punt**

Shortly after the bridge across the Shoalhaven River at Nowra was opened the Hon. Minister for Works, Mr Lackey, at the request of a number of residents of the district, met a deputation at the Central Hotel on 2<sup>nd</sup> August 1881 to discuss the necessity of a punt for Comerong Island residents. The deputation included Mr Z.G. Bice, J.P., and Mr Alexander McLean representing the residents of the Island.

The deputation related to the Minister the difficulties they had to put up with in getting to and from the island to transact business, for the want of a punt. If they had to go any considerable distance, requiring their horses, they were under the necessity of swimming them over the river at much risk and loss of time. What they wished to lay before Mr Lackey was that the Government punts now at Bomaderry were now no longer required there, and that if they were sent to Comerong Island they would suit the purpose and be no additional cost to the Government, as all that would be necessary would be to appoint a trust who would have charge of the punts. Mr Lackey in reply, said he would cause the necessary enquiries to be made respecting the representations made to him, and if their request was practical it would be granted. The names of trustees were then submitted. <sup>2</sup>

The request by the residents was granted a small horse punt was transferred from Bomaderry to Comerong Island in November 1883<sup>3</sup> There were only about 6- 8 families living on Comerong Island about 20 children attended the school at this time.<sup>4</sup>

Jack Higgins, known as “Tarbucket” by locals, was an Aborigine who became the first official ferry master of the Comerong Island Ferry. He was held in high regard for his reliability, being a tireless honest worker, although a man of small stature, often when floods in the canal would put the ferry/punt out of service, he would man the oars of a rowboat and convey supplies of bread, meat, groceries etc from the mainland to the residents on the Island.

The ferry originally operated from the Comerong Island side of the canal and Higgins lived in a small ferry master’s hut erected for the purpose on the Comerong Island side of the ferry landing but due to erosion of the canal bank the hut was removed to the mainland side of the canal.<sup>5</sup>

Higgins advertised in the local press in April 1891 that he the punt to Comerong Island had been done up and he was willing to take excursionist and picnickers to the island at all hours.<sup>6</sup>

Notice to Excursionists and Picnickers  
COMERONG PUNT

J Higgins begs to inform the public that the punt to Comerong Island has been thoroughly done up, and he will be there at all hours to convey parties across to that beautiful island

On 2<sup>nd</sup> June 1897 the river rose several feet and ferry punt at the canal, Comerong Island, broke away and was swept to sea.<sup>7</sup>

The punt was in rather a bad state of repair in October 1898 and Mr David Davis, M.P. addressed the following letter to Mr E. Hickson, the Under Secretary for Public Works:-

Sydney, 10<sup>th</sup> October 1898  
Robert Hickson, Esq.,  
Under Secretary for Public Works,  
Sydney

Dear Sir,

*I beg to call your attention to a letter (4813 Roads, Sydney, 9<sup>th</sup> June 1898) re the punt at Comerong Island, Shoalhaven district.*

*I may state that the punt is in rather a bad state of repairs and requires attending to. I may also stated that the trustees do not feel disposed to undertake the responsibility imposed upon them as per terms of your letter, and I therefore trust that the department will have the work attended to with as little delay as possible. I may add that there is a butter factory or creamery on the Island and a fairly large amount of traffic from the mainland to cross by the punt, so that if there were a road at this part it would require some attention. Therefore, trusting that the Department will see their way clear to assist the residents of this part of the district in granting the request asked for David Davis M.L.A.<sup>8</sup>*

This letter apparently fell on deaf ears as on response has been found.



Mr M.F. Morton M.P. wrote to the Public Works Department on 14<sup>th</sup> December 1901 requesting a new rope to be supplied for the Comerong Island Punt. The Public Works Department replied on 24<sup>th</sup> December and informed him that the Minister had approved of a new steel rope being supplied.<sup>9</sup>

The punt was in a very dangerous condition in January 1904 and it was decided to write to the authorities, through the member for the district, drawing attention to the bad state of repair of the punt.<sup>10</sup>

However the ravages of time took their toll, and there were patches upon patches, it became worm eaten and rotted so that in May 1907 it suddenly sank at its moorings into the canal. The punt, which had been used by them for 23 years, had gone to the bottom.

*The old ferry punt at the Canal which the South Shoalhaven Council Comerong residents for years unsuccessfully tried to get the Government to repair or replace, sank the other day near the eastern side of the stream and the resultant break in communication between Numba nd the Island is causing much public inconvenience.*<sup>11</sup>

The dilemma caused by this mishap was described in the *Shoalhaven Telegraph*:-

*'Since then the dozen families on Comerong, and those doing business with them, have had to make shift as best they can. The island people, coming Nowrawards, cross over in a rowing boat, and have to borrow a horse and trap to reach their destination; cream supplies have to be rowed across to Mr J. Beavan's, to be conveyed by him to the factory; and bread, meat and store goods are left on the mainland for distribution by Jack Higgins'.*<sup>12</sup>

A new punt was needed and the Mayor said that Council would arrange for a new one to be built for £150 and the Minister agreed. James Kennedy was awarded the contract to build the new punt, which he did with the assistance of his son Bill. The job was completed in 1908. On a site inspection Mayor Mackenzie said that Jimmy Kennedy's skill as a mechanic was only equaled by his good nature. "Strong and ironclad" was how the punt was described, and the Mayor expressed confidence that it would last a quarter of a century.<sup>13</sup>

In June 1908, the Minister informed South Shoalhaven Council that he had approved the payment of £65 towards the upkeep of the Comerong Island ferry for one year from 1<sup>st</sup> July, on condition that no tolls were charged. This was the amount of wages for John Higgins, the ferryman. This relieved both Council and residents of a toll charge to meet the ferryman's wages although the question of the ferry's upkeep was always a running score on the cash book of the Council. Recoupment's were made by the Department of Works but only after a battle of words and usually the services of the local member had to be sought to affect a satisfactory result.<sup>14</sup>

At it's meeting on 26<sup>th</sup> March 1914, Alderman Brice reported to Council that Higgins was unlikely to ever return to his duties, he then being a patient in the Berry Hospital. His relief was prepared to carry on at the same wage. It was decided to "leave things as they are until Jack gives up his job".<sup>15</sup> Jack apparently returned to work and continued as ferryman until 1922 when illness forced him to retire from the job. He was admitted to Berry Hospital in a

critical state of health in April 1922.<sup>16</sup> Joseph Holland was appointed in this place at the increased salary of £2 per week plus the cottage (hut) provided.<sup>17</sup>

Problems with the Comerong Island ferry were frequent; the Council had called tenders for the position of Ferryman in 1923 and had recommended that of William Clarke at £2/10/- per week and had duly appointed him. This action was later queried by the Department of Works as to why the other tender of £2 per week was not accepted and requested Council to call new tenders. After due advertisement, only one tender was received – that from William Clarke, but this time his tender price was £2/15/- per week, and playing safe, Council recommended his appointment to the Minister. While this matter was being resolved, Clarke continued to operate the ferry at the old remuneration of £65 per year; at the same meeting Council was informed by the Mayor that the ferry cable had been cut by the I.S.N. Company's *S.S. Narani* and it was being billed for the cost of repairs. At the following meeting the Company forwarded a copy of the report of the vessel's master which disclosed the fact that the ferry cable was not slack when the vessel was in the vicinity. This type of damage occurred on three occasions during the following 12 months and each time the cable was spliced it shortened and finally requiring a new rope which cost Council £11.<sup>18</sup>

Comerong Island ferry again caused problems. William Clarke submitted his resignation as ferryman effective from 21<sup>st</sup> March 1927 and was replaced by J. Carvis to complete the period to the end of June. Tenders called for the position brought in six applicants ranging from £1/12/- to £3/18/- per week. Carvis' tender was £3 per week and was accepted but it wasn't long before the Local Government Department, always on the watch for penny savings, demanded to know why the lowest tender of £2/12/- per week was not accepted. Council's reply, no doubt, satisfied the Department, and Carvis was confirmed in the appointment for 12 months. The following year he was reappointed at the same rate for a three-year term.<sup>19</sup>

At the South Shoalhaven Council meeting held on Tuesday 1<sup>st</sup> June 1933 it was reported that the ferryman's hut at Comerong Island was uninhabitable and required some attention to make it fit for occupation by the puntman and his family. After discussion as to whether it was a Council responsibility or whether to allow Carvis the timber to put the building in better order or whether to make the hut a store room to house the punt effects it was decided to that Council make an inspection before making a decision.<sup>20</sup>

Carvis resigned his position on 30<sup>th</sup> November 1936, having held the post for ten years and was replaced by Mr P.B. West, a returned sailor, at £3 per week, Council exercising the provisions of the Preference for Returned Servicemen Act. In September, West asked for an increase in pay of 5/- per week but was informed by Council that as he was under contract to the Department of Works, Council could not give him a raise. In November he resigned, not giving Council time to make a new appointment; as a temporary measure a Mr Lloyd was engaged for one week at the rate of £3. Meantime, in a response to an advertisement for the position, only one tender was received, that from Mr C.A. Thompson, at £4/4/- per week. Thompson continued in the position until 1946 when at its meeting on 5<sup>th</sup> June, Council received advice from the Minister that in future Council would have to finance the Comerong Island ferry from its own resources, including the wages of the ferryman. Being under contract to the Department of Works Thompson was automatically seconded to the

Council had his remuneration continued at his contract rate. In November 1947, fresh tenders were called and Thompson quoted £6/5/- per week, with one day off and working hours from 8am to 4pm daily. Cecil G. Matthews was the successful tenderer at £6 per week, but after three months he tendered his resignation and was replaced by a Mr Johnstone pending a permanent appointment which was given to C.A. Thompson, who was an unsuccessful tenderer in 1947. Thompson continued in the position up to the time of amalgamation when the ferry became the responsibility of the new Shoalhaven Shire Council.<sup>21</sup>

On Thursday morning, 25<sup>th</sup> August 1938, as a result of heavy rain locally and at Braidwood, the river rose rapidly, and by midday the water was well over the I.S.N. Coy's wharf at Nowra. Damage to Comerong Island was extensive and the ferry was washed away thus isolating the residents.<sup>22</sup>

Torrential rains during the three month period March-April-May, 1950 left Council with a tremendous problem of restoration of roads, bridges and culverts and the Comerong Ferry which had been washed away and ended up on a sand bank about one mile from where it normally operated. It was subsequently refloated and repaired by local residents of the island and put back into service in June.<sup>23</sup>

Over nine tons of lucerne was lost from a semi-trailer when the trailer portion slipped into the water as the vehicle was being driven on to the Comerong Ferry in June 1953. Quick thinking by the driver and his passenger, as the whole vehicle began to slide off the ferry into the water. They slashed the ropes holding the lucerne load and unhooked the trailer section. The trailer overturned and the lucerne bales hurtled into the water. A swift current carried the bales down stream and the receding tide left them on the foreshores for hundreds of yards. The ferryman, John Collins, brought the punt over from the Island to transport the semi-trailer across. The semi trailer was properly aboard the punt when the elevated entrance driveway of the punt embedded itself on the rock bank and the ferry would not move. The driver was instructed to move back and as he did so the rear wheels of the trailer slipped into the water, dragging the main unit with it. A mechanical crane hauled the trailer and the truck back onto the road.<sup>24</sup>

The torrential downpour in Nowra on Thursday night 31<sup>st</sup> October 1969 gave the heaviest rainfall in a 24-hour period for about five years. In the 24 hours from 9am on Friday a total of 625 points was recorded at Nowra Bowling Club to bring the total for the month to 810 points. It was the heaviest continuous rain since November 1966 when about 6½ inches was recorded in a two-day period. Although the rain caused considerable minor flooding there was no serious danger. The Shoalhaven River rose to 8ft 5in at its peak and large areas of the flats on both sides of the river were inundated. Roads suffered badly from washaways but the most serious effect was at Comerong Island where the ferry broke away from its guide cables and with a \$17,000 Nowra Dairy Company Milk Tanker on board drifted down the Shoalhaven Canal. Efforts to right the punt and restore the ferry service were still continuing on Sunday. On Friday, the 1750-gallon tanker was filled with water and tied down to the punt to prevent it floating free. Next morning, with the help of skin divers and a bulldozer on each bank, the punt was righted after the tanker was emptied and compressed air pumped into it. Late on Saturday a bulldozer which had been operating from the Nowra



side of the canal was taken on to the island over the sand bar at Shoalhaven Heads. Both dozers were being used to tow the punt back to its crossing point. The floodwaters had dropped considerably on Sunday and the current had slowed making the job less hazardous.<sup>25</sup>

In 1969 Shoalhaven Shire Council called for a report from the Shire Engineer on the possibility of closing off the Canal adjoining the Shoalhaven and Crookhaven rivers which had been dug by Alexander Berry almost 150 years before. The request stemmed from a demand by the residents of Shoalhaven Heads for Council to do something about the siltation problem which was turning their water frontages into a tidal flat. The sand was stretching back almost to the Canal itself. The Engineer reported on the probable causes of the siltation but could not make any suggestion as to how the Canal could be satisfactorily filled in other than it would be a costly and lengthy project with more side effects that it would achieve. Closing off the Canal would have the effect of creating a bar at the entrance to the Crookhaven River which was now being kept clear of sand build-up by the scouring effect of the outgoing tides twice each day.

The situation at Shoalhaven Heads was caused mainly by wind action and with the prolonged drought being experienced at that time the dryness of the beach made it a simple matter for the north-east winds to carry large quantities of sand into the river thus effectively raising the bed and creating large sand areas which could not be returned to the beach by normal river action, as the outlet to the sea for tides was through the Canal and thence via the Crookhaven River. The major problem, and a continuing one, was communication with Comerong Island residents. The ferry had been in operation for something like a hundred years and had had many replacements, some because of damage through floods others by progressive deterioration mainly from toredo worms.

Council considered the alternative of constructing a bridge over the Canal but baulked at the probable expense, and finally decided that a ferry was the cheapest way out. This cost about \$9,000 a year which was found jointly between Council and the Department of Public Works, against a rough estimate of hundreds of thousands of dollars for a flood-free bridge and approach. The Department of Public Works advised Council in February 1970, that the possibility of replacing the Comerong Island Ferry with a bridge "May be several years off". In the matter of replacing the ferry with bridges, the Department bears the full cost and does not make a subsidy to Councils for that type of project.<sup>26</sup>

## References and End Notes

- <sup>1</sup> Evans, Russ, *Sail and Steam on the Shoalhaven River*, Shoalhaven Historical Society, Nowra, 2005, p 35
- <sup>2</sup> *The Telegraph and Shoalhaven Advertiser Thursday 11<sup>th</sup> August 1881*
- <sup>3</sup> *The Shoalhaven Telegraph Thursday 22<sup>nd</sup> November 1883*
- <sup>4</sup> Postal Service Comerong Island – Nowra Museum
- <sup>5</sup> Tom O’Keefe recollections – Nowra Museum
- <sup>6</sup> *The Shoalhaven Telegraph 4<sup>th</sup> April and 11<sup>th</sup> April 1891*
- <sup>7</sup> *The Sydney Morning Herald Thursday 3<sup>rd</sup> June 1897*
- <sup>8</sup> *The Shoalhaven Telegraph Saturday 22<sup>nd</sup> October 1898*
- <sup>9</sup> *The Shoalhaven Telegraph Wednesday 1<sup>st</sup> January 1902*
- <sup>10</sup> *The Shoalhaven Telegraph Wednesday 13<sup>th</sup> January 1904*
- <sup>11</sup> *The Shoalhaven News and South Coast Districts Advertiser Saturday 1<sup>st</sup> June 1907*
- <sup>12</sup> *The Shoalhaven Telegraph Wednesday 5<sup>th</sup> June 1907*
- <sup>13</sup> Clark Alan Historical Happenings No. 221 8<sup>th</sup> November 2006
- <sup>14</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 74
- <sup>15</sup> *The Shoalhaven Telegraph Thursday 23<sup>rd</sup> April 1914*
- <sup>16</sup> *The Shoalhaven Telegraph Wednesday 26<sup>th</sup> April 1922*
- <sup>17</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 70
- <sup>18</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 76
- <sup>19</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 77
- <sup>20</sup> *The Shoalhaven News and South Coast Districts Advertiser Saturday 3<sup>rd</sup> June 1933*
- <sup>21</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 77
- <sup>22</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 49
- <sup>23</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, p 208
- <sup>24</sup> *The Braidwood Dispatch and Mining Journal Friday 23<sup>rd</sup> January 1953*
- <sup>25</sup> *The South Coast Register Monday 3<sup>rd</sup> November 1969* – Four Swim for their lives as punt drifts
- <sup>26</sup> Antill Robert G., *Settlement in the South*, Weston & Co., Kiama, 1982, pp 258-259

ATTACHMENT 3

Land Size for Private and Government Holdings

	Sum of Hectares	Sum of Shape Area (sq m)
Government	521	5,211,793
Private	302	3,016,023
<b>Grand Total</b>	<b>823</b>	<b>8,227,816</b>

Current Land Holdings Private/Government by Lot and DP number and size

Govt/Private Lot Details	Sum of Hectares	Sum of Shape Area (sq m)
<b>Government</b>	<b>521.18</b>	<b>5,211,793</b>
	158.75	1,587,479
DP 1034968	0.52	5,163
DP 755953	2.18	21,823
Lot 106 DP 755953	0.10	1,034
Lot 107 DP 755953	0.10	1,019
Lot 108 DP 755953	0.09	892
Lot 109 DP 755953	0.08	836
Lot 110 DP 755953	0.07	715
Lot 111 DP 755953	0.06	626
Lot 112 DP 755953	0.05	512
Lot 113 DP 755953	2.32	23,175
Lot 114 DP 755953	0.13	1,293
Lot 115 DP 755953	0.13	1,277
Lot 116 DP 755953	0.10	959
Lot 25 DP 755953	29.84	298,429
Lot 26 DP 755953	33.36	333,599
Lot 49 DP 755953	53.78	537,794
Lot 53 DP 755953	25.07	250,691
Lot 60 DP 755953	15.44	154,401
Lot 65 DP 755953	0.48	4,832
Lot 74 DP 755953	26.33	263,344
Lot 75 DP 755953	31.39	313,932
Lot 76 DP 755953	32.87	328,736
Lot 77 DP 755953	37.39	373,858
Lot 78 DP 755953	24.50	244,977
Lot 79 DP 755953	0.10	997

Lot 80 DP 755953	0.10	994
Lot 81 DP 755953	3.12	31,160
Lot 94 DP 755953	15.50	154,970
Lot 99 DP 755953	0.09	932
Part - Lot 0 DP 755953	27.13	271,344
<b>Private</b>	<b>301.60</b>	<b>3,016,023</b>
Lot 1 DP 1036191	0.18	1,823
Lot 1 DP 1138523	11.26	112,559
Lot 1 DP 1141861	2.45	24,539
Lot 1 DP 749562	0.25	2,500
Lot 1 DP 859604	54.59	545,919
Lot 10 DP 111637	0.91	9,091
Lot 131 DP 1028140	6.28	62,784
Lot 17 DP 111637	0.68	6,793
Lot 2 DP 1138523	4.67	46,698
Lot 2 DP 826990	5.38	53,807
Lot 2 DP 859604	5.08	50,782
Lot 200 DP 1034968	42.03	420,325
Lot 201 DP 1034968	92.24	922,417
Lot 3 DP 1138523	7.36	73,588
Lot 4 DP 1138523	4.38	43,844
Lot 4 DP 776600	0.41	4,064
Lot 5 DP 591239	2.00	20,009
Lot 5 DP 776600	0.35	3,455
Lot 6 DP 591239	2.00	20,007
Lot 6 DP 633134	1.83	18,279
Lot 7 DP 111637	0.18	1,831
Lot 7 DP 591239	2.00	20,005
Lot 70 DP 755953	9.85	98,522
Lot 723 DP 854749	43.31	433,141
Lot 8 DP 111637	0.18	1,847
Lot 8 DP 718587	1.49	14,909
Lot 9 DP 111637	0.25	2,485
<b>Grand Total</b>	<b>822.78</b>	<b>8,227,816</b>

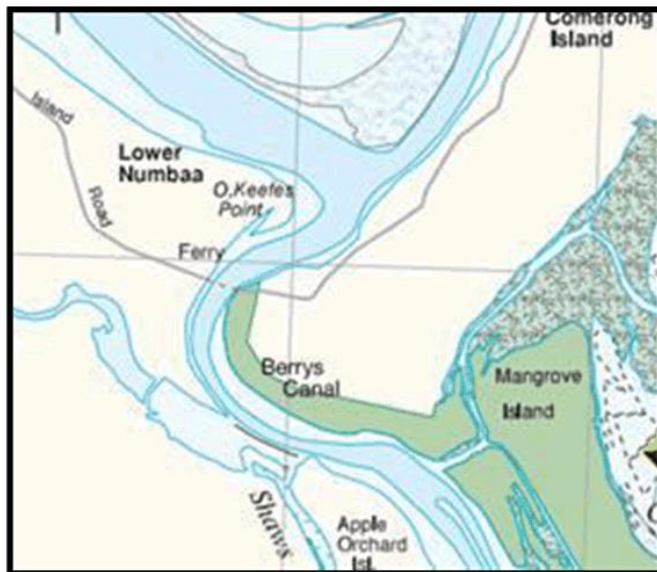


SA19.125 - Attachment 3



**Extract from the Transport / Maritime Navigation Map**

**Please Note:** There is no reference to any restrictions



**From:** Trent O'Connor <[trent@tonogroup.com.au](mailto:trent@tonogroup.com.au)>  
**Sent:** Wednesday, 3 July 2019 5:49 AM  
**To:** Greg Horton <[Greg.Horton@shoalhaven.nsw.gov.au](mailto:Greg.Horton@shoalhaven.nsw.gov.au)>  
**Subject:** Comerong Ferry

Hi Greg,

Recently you informed me council would like some input from the contractor in relation to the ongoing service at Comerong. Below are a list of my personal thoughts in no particular order.

**Essentials:**

Replacement and upgrade to the current vessel to a modern cost effective ferry. Limiting ongoing maintenance and out of water costs. A vessel that is compliant with current WHS.

The vessel size could be reduced but would have to be able to cater for a single truck to service the islands needs.

Wymah ferry down at Albury is a great example of small purpose built ferry. Out of water maintenance is able to be carried out on site to minimise costs. The ferry was designed by Daniel Sagar at the RMS. Daniel is a great resource and someone who should be consulted, he would be able to give a breakdown of build costs and ongoing maintenance costs.

Approach ramp upgrades are needed.

Automated boom gates on both approach ramps would elevate a number of issues and aid with smoother operations.

Reinstatement of the cottage would provide a better service and improve availability for out of hours and emergency response times. General refurbishments in the cottage as required.

**Wish list:**

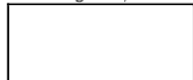
Display boards with some history of the ferry the island and the Shoalhaven River.

User pays BBQ areas

Basic public toilets

If the island had some facilities for the community and a little push from the local tourism sector it would start to generate some revenue.

Kind Regards,



**Trent O'Connor**  
CEO

E: [trent@tonogroup.com.au](mailto:trent@tonogroup.com.au)

M: 0477 451 770

W: [www.tonogroup.com.au](http://www.tonogroup.com.au)

Head Office: 20/7 Hoyle Ave Castle Hill NSW 2154

Postal Address: P.O Box 405 Castle Hill NSW 1765



Bridge Rd, Nowra NSW 2541 02 4429 3111  
Deering St, Ulladulla NSW 2539 02 4429 8999

Address all correspondence to  
The General Manager, PO Box 42, Nowra NSW 2541 Australia  
DX5323 Nowra Fax 02 4422 1816

Council Reference: 19681EContainer (D19/548)  
Your Reference:

«mail\_name»  
«mail\_address\_1»  
«mail\_address\_2»  
«suburb» «state» «postcode»

Dear Resident,

### Comerong Island Ferry Service

Council has received a number of enquiries regarding the Comerong Island ferry service recently and in the interest of keeping everyone up to date I thought I would summarise the information in a letter to all Comerong Island Residents. The issues raised are as follows:

1. We have heard that the ferry has been downgraded from a 20-person ferry to a 12-person ferry. If this is the case, will residents have priority when they wish to leave/return to the island? The service gets extremely busy over the busy Christmas/New Year holiday period.

**Response:** The ferry is currently licenced to operate with a maximum of 12 people (seated within the vehicles), or six passenger vehicles or 20 tonnes. Once one of those maximums is reached the ferry is considered to be at its load limit. The ferry does not transport people who are not in a vehicle. The ferry operates on a first come first served basis and will generally leave when waiting vehicles (up to any of the limits above) have been loaded. Council agrees that the Christmas and New Year season is a busy season and our research suggests that the ferry maximums are rarely reached, so we don't anticipate any major crossing delays.

2. We have heard that the ferry has been downgraded to a specific load limit as well. If this is the case, will the ferry be able to transport water tankers (necessary as we are all on tank water here on the island, fire trucks (necessary for any fires which may occur this fire season) and the road machines and rollers/graders that need to come to the island for repair/maintenance of the road on the island?

**Response:** The ferry is approaching the end of its life and has for quite some time operated with a load limit at 20 tonnes which is less than its "designed" capacity. The 20 tonne limit is a sufficient capacity to cater for water tankers, rural fire trucks, road machines and rollers/graders and other heavy vehicles that could foreseeably need to access the island. Should a larger vehicle need to make the crossing special arrangements would need to be made for that vehicle.

3. We have heard that the emergency call out after hours for the ferry has changed due to the ferry masters cottage now no longer being part of the ferry service. What are the arrangements for after hours emergency call outs for medical emergencies now?

**Response:** The cottage located on the main land at the ferry crossing point is a cottage that is not reserved exclusively for the ferry operators use it is let to suitable tenants on a commercial basis. The afterhours callout arrangements are as per our contract which states,

*"The contractor shall operate the Ferry outside the core hours to provide access to or from the island in emergency situations. The contractor must supply, maintain and advertise a 7 day / week and 24 hours / day contact phone number for this purpose and respond to all requests within a reasonable time. Services provided outside the core hours will be paid as outlined in the Schedule of Rates."* The advertised phone number is 0477 451 770.

The current contract was entered into by Council on 19 July 2017 after Council resolved the following at its Ordinary meeting on 23 May 2017 (vide MIN17.473C):

That

1. Council accept the Tender from Tono Ferry Services Pty Ltd for the Management and Operation of the Comerong Island Ferry Service at a total cost of \$285,555.00 p.a. (excluding GST).
2. The contract be awarded based on the current operating hours of 6am to 10pm, 7 days, however be structured to enable the reduction in operating hours in the future should council so decide.
3. The contract documents and any other associated documents be executed on behalf of the Council in accordance with cl165 of the Local Government Regulation by the General Manager (Director of Assets & Works).
4. The recommendation remain Confidential in accordance with Section 10(A)(2)(d)(i) of the Local Government Act until Tenders are determined by Council.
5. The budget for operation of the Ferry be increased by \$31,000 in FY17/18 only, with the budget for future years to be finalised following completion of community engagement about the Ferry Service.

4. We have heard that Tony Fraser has left Council and is not the person in charge of the ferry arrangements.

**Response:** The management of the ferry is the General Manger and the General Manager has delegated responsibility of the ferry to the Works and Services Section Manager. This position is currently in the middle of a restructure and recruitment process. The simplest thing to do in the future if you would like to contact Council regarding the ferry is to make contact so as follows;

Writing: PO Box 42 Nowra NSW 2541 – Attention: General Manager  
Email: [info@shoalhaven.nsw.gov.au](mailto:info@shoalhaven.nsw.gov.au) – Attention General Manager

Phone: 4429 3218 – ask for the Works and Services Manager

Early in the new year Council will be considering what options it has to replace this aging ferry. Residents will be contacted and consulted as part of this review process, as per the above resolution.

5. Comerong Island Road is in a very poor condition.

**Response:** Council's Road Services are aware of the condition of this road and agree a rehabilitation of the road is required. When considering traffic volumes, risk to motorists and maintenance savings for similar pavements across the region, the Comerong Island Road rates as a low priority. Having said that it is likely that it will attract funding in 4-6 years from now. If you would like to discuss this further please contact Council's Acting Works & Services Manager, David Paisley-Topp on 02 4429 3294.

Yours faithfully

**Paul Keech**  
**Director - Assets & Works**  
10/01/2019





Bridge Rd, Nowra NSW 2541 02 4429 3111  
Deering St, Ulladulla NSW 2539 02 4429 8999

Address all correspondence to  
The General Manager, PO Box 42, Nowra NSW 2541 Australia  
DX5323 Nowra Fax 02 4422 1816

Council Reference: 55775EContainer (D19/18487)

Dear Resident,

**Comerong Island Ferry**

Further to my recent letter in relation to the emergency contact phone number for the Comerong Ferry Operation.

My advice, after calling the number to check, was that the emergency number for this service was 0477 451 770.

The Ferry Operator (TONO Pty Ltd) have reviewed their operation and have made new arrangements for the emergency services. TONO advice as follows;

"The new number - **0418 640 123** - provided is a 24-7 emergency line, fully manned by a receptionist and is a 'reliable' emergency contact."

I trust this information is to your satisfaction.

If you need further information about this matter, please contact Paul Keech, Assets & Works Group on (02) 4429 3362. Please quote Council's reference 55775E (D19/18487).

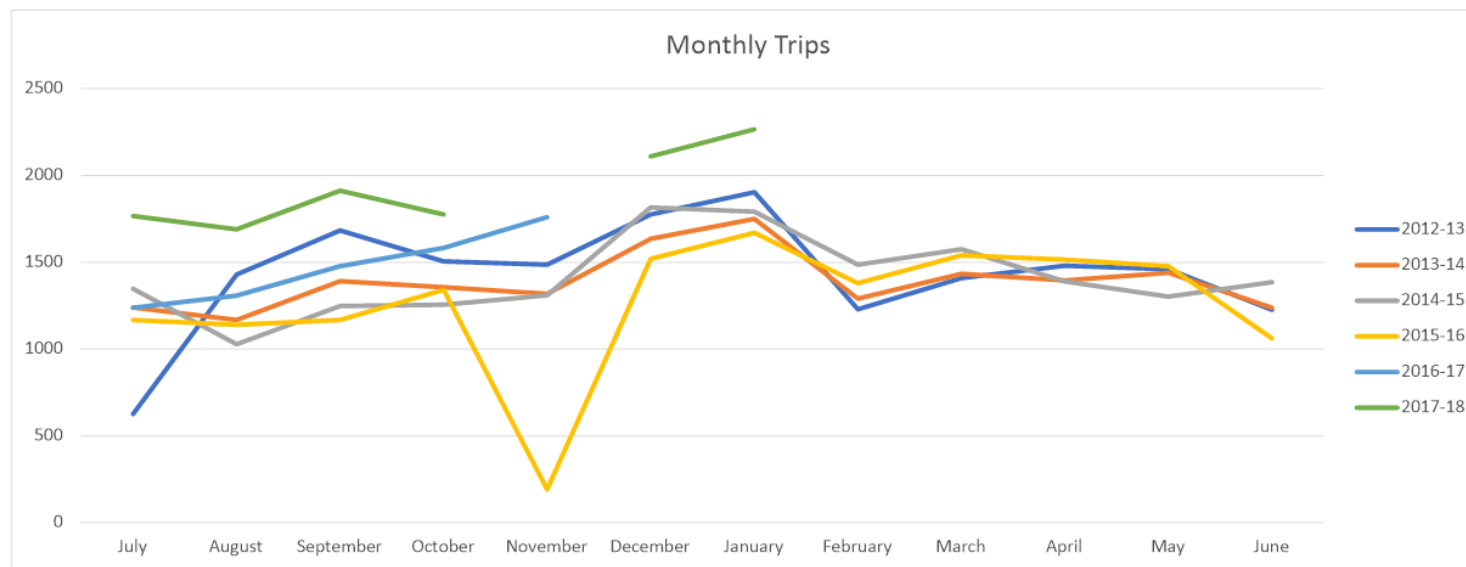
Yours faithfully

**Paul Keech**  
Director, Assets & Works

21/01/2019

Attachment A

COMERONG ISLAND FERRY  
USAGE DATA



Notes:

1. There are some gaps in the data due to technical issues with the recording system.
2. In November 2015 the ferry was removed from the water for servicing.



The Comerong Island Ferry service has operated since the early 1800's, when it was originally a manual punt service. Since the introduction of the original punt service there has been a number of changes to the service to accommodate shifts in the Island demographic and land use.

Over time Council has reviewed the ferry service and is about to review the service requirements again. There are a number of matters to be considered, such as, changes to the residential configuration on the island, and the increase in use and access to the National Park, by visitors, mainly walkers, fisherman and surfers, and the cost of providing the ferry service to the Island.

Council Assets and Works Group recently reviewed the financial efficiency of the ferry service and a number of recommendations were proposed including the replacement of the current ferry, the 'Cormorant', with a smaller more suitable ferry, reviewing the current pricing structure and service operating hours.

Council will be exploring these recommendations further and collecting more information to better inform any decisions regarding a future service. More data is required regarding who actually uses the service, and what is the reason, for using the ferry and visiting the Island? As well as feedback from residents and users of the service regarding their expectations and issues.

The Ferry contractor will be collecting additional information from residents, visitors and other users of the ferry service. Once the additional information has been collected Council will invite residents and other users to an information session to discuss the review, inform users about the recommendations and options, and invite feedback and discussion.

It is Councils intention to provide information and engage with the community throughout the review period. You will receive regular updates and correspondence regarding the timing of meetings and how the review is progressing.

All comments and feedback are encouraged and can be either mailed to Council quoting **reference number 457322E** Comerong Island: Shoalhaven City Council, PO Box 42, Nowra, NSW 2541 or email **reference number 457332E** Comerong Island to [council@shoalhaven.nsw.gov.au](mailto:council@shoalhaven.nsw.gov.au)





## User Survey Information:

# COMERONG ISLAND FERRY SERVICE

Name .....

Date ...../...../..... Email (optional) .....

**Do you own a property on the Island?** Yes ☐ No ☐

If you have property on the Island do you live there **permanently** ☐ **part time** ☐

Lot number: .....

### What is your the main reason for using the Ferry service?

1. Permanent Resident of the Island returning home or leaving for the day
2. Part time resident on holiday or just visiting
3. NPWS – work
4. Shoalhaven City Council - work
5. Farmer tending to animals or working on the property
6. Recreation – fishing (f), walking (w), surfing(s), bushwalking ( bw), tourist (t)
7. Holidaying in one of the properties but not a ratepayer
8. Other .....

### How many times a year would you use the ferry service?

*Please circle*

**Up to 25      26 to 50      51 to 100      101 to 150      more than 151**

Comments; .....

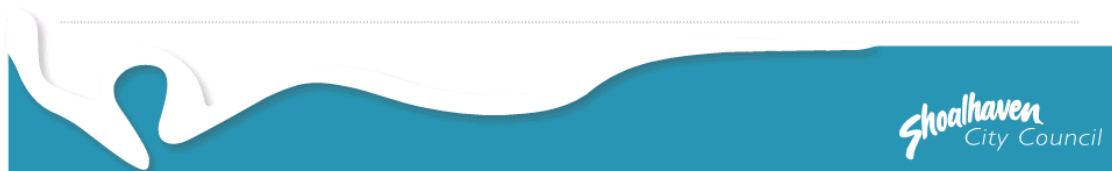
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Mr Tony Fraser 15 December 2017  
Section Manager, Works and Services  
Shoalhaven City Council  
PO Box 42 NSW 2041

Dear Tony,

Thank you for coming to the Island to address Island residents and landholders who are affected by proposed changes to the operation of our ferry. As you witnessed, there is strong feeling against any lessening of our facility and weakening of the vital service to our community.

Over the last 20 years, we have seen the imposition of Council regulations impact on our right to peaceful occupation of our properties. Our quality of life has suffered, our ability to manage our assets has reduced and our property values have suffered.

We would like to plead to Council that in fairness, rather than reducing our service, it should be restored for no other reason than to bring us back into line with other communities living in the Shoalhaven.

In answer to the points raised at the meeting we would like to submit the following:

**Ferry Size.**

We reject the idea of reducing the size and capability of the ferry. Our farmers are worried that farm vehicles and freight transport will be further compromised. Residents point out that road maintenance and levee works require heavy vehicles and loads. We believe that the arbitrary 20 tonne limit is too low and ask that Council re-instate the 36 tonne limit that applied to this same ferry 20 years ago.

**Fee for Use.**

The fee was imposed on Ferry usage in 2004. We agreed to the \$4 charge as a show of our goodwill towards Council, knowing that we risked imposing conditions on our access and ultimately risking the value of our asset. Council unilaterally raised the charge 250% to \$10 without consultation. We reject any proposal to increase the fee and would like to see it eliminated. Since the imposition of the charge, the time taken to sell houses on the Island has risen significantly.

**Reduced Hours.**

It is patently unfair that we be limited as to access by further reduction of operating hours. The present operation of "Call Outs" is working adequately but we do not want to see any increase in that facility at the expense of existing operating hours.

Council has stated that they want to sell the Ferry masters house. We think that would be a disaster!! We have had accidents and health scares that require urgent transport to hospital. If the ferry operator is living away from the ferry any delay could result in death. The Council should think long and hard before imposing that risk on our community.

We enjoy living on Comerong Island and respect the history of the island's beginnings, nearly 200 years ago. The Heritage aspect of our community is something that we all appreciate and the Councils' contribution to our Ferry is an important part of it. We will happily give assistance where possible to help generate more tourism revenue for the Council should the Island be promoted as a tourist destination, in the future.

Yours Faithfully,

Resident/Landowner

## SA19.126 Far North Collector Road Network - Bangalee & Cambewarra

**HPERM Ref:** D19/249281

**Group:** Assets & Works Group  
**Section:** Project Delivery & Contracts

**Attachments:** 1. Preliminary Alignment Drawing 5505.06 - Far North Collector Road [↓](#)  
2. Original Concept Plan [↓](#)

### Purpose / Summary

To:

1. Seek Council's endorsement of adoption of the Far North Collector Road preliminary alignment.
2. Provide a progress update on the Far North Collector Road Network project.

### Recommendation (Item to be determined under delegated authority)

That Council note:

1. The proposed Far North Collector Road preliminary alignment which provides for a 1 in 10-year flood access and design speed of 80km/h (Preliminary Alignment Drawing 5505.06 - Far North Collector Road)
2. That at this stage there appears to be a \$0.5 million funding deficit, which will not be covered by the Commonwealth funding grant.
3. The detailed design, and thus a better assessment of the required budget, will be available in early 2020.

### Options

1. As recommended.

Implications: Council advances project detailed design and land acquisitions, and obtains a better understanding of the cost options before committing to tender stage.

2. Council does not adopt the Preferred Alignment and directs staff to undertake alternative work.

Implications: Directing alternative work may result in a change in the cost of the project and will delay the existing program for delivery.

### Background

The Far North Collector Road Network includes the Far North Collector Road (FNCR), a link to Taylors Lane and the upgrading of Taylors Lane to access the Moss Vale Road South Urban Release Area. The Far North Collector Road (FNCR) does not form part of the future Nowra Bomaderry Western Bypass, which is planned to be in a corridor to the west of the FNCR.

The FNCR was referenced in the 2006 Council adopted Nowra Bomaderry Structure Plan which was adopted by the State of New South Wales in 2008. The proposed FNCR was

subsequently adopted in the Shoalhaven LEP 2014. This road is planned to link Moss Vale Road at its intersection with Bells Lane, Bomaderry with Illaroo Road at its intersection with West Cambewarra Road, Bangalee.

Council received formal advice in July 2018 of the award of a \$13.8M grant from the Department of Infrastructure, Regional Development and Cities for the development of the Far North Collector Road Network, and immediately commenced concept design.

The concept plan at the time is provided in Attachment 2.

Engineering detail drawings and specifications and associated cost estimates are scheduled for completion in March 2020.

Property Acquisitions are scheduled for completion in June 2020 which includes changes made to the affected easements.

The expected date for the completion of the construction is December 2022 which aligns with the grant funding agreement.

### **General Description - Far North Collector Road Network**

The project involves:

- Approximately 1600m of new road construction (2 lane, 2 way FNCR) including road shoulders and off-road shared user path. The finished road surface is proposed at the 1 in 10-year flood level plus 500mm freeboard, which is equivalent to the 1 in 100-year flood level.
- Construction of a signalised intersection at the proposed FNCR / Moss Vale Road / Bells Lane intersection and associated works to RMS satisfaction.
- Closure of the Moss Vale Road / Taylors Lane intersection and redirection of Taylors Lane traffic via the FNCR Network to RMS satisfaction – including approximately 300m of new road linking the FNCR to Taylors Lane (2 lane, 2 way) to Development Control Plan (DCP) requirements including off road shared user path.
- Single lane roundabout at the proposed FNCR / Taylors Lane Link Road.
- Upgrade of Taylors Lane to the Moss Vale Road South Urban Release Area boundary - approximately 900m of road upgrade (2 lane, 2 way) to DCP requirements including off road shared user path.
- Single lane roundabout and associated works at the proposed FNCR / Illaroo Road / West Cambewarra Road intersection.
- Survey, design, project development, and land acquisition to achieve the above works.

### **Project progress update**

#### **Geotechnical**

A contract was entered into via tender for the geotechnical work in April 2019 with Cardno (ACT/NSW) Pty Ltd and subsurface work commenced mid-May 2019. The geotechnical engineering firm is programmed to complete its work in July 2019 providing information to the consultant bridge and culverts designer.

#### **Bridge Design**

Talis Consultants Pty Ltd was engaged via Council's panel of professional engineers in May 2019 to assess the flood plain, design a bridge over Bomaderry Creek and several culverts, respecting the floodplain nature of the site. This firm is working to provide Council with the

bridge and culvert designs in August 2019, enabling the staff design team to progress the detailed embankment and road design in the latter part of 2019.

## **Land Acquisitions**

Council has purchased three parcels of land for the proposed development at No.125 Moss Vale Road; No.333 Illaroo Road (immediately west of West Cambewarra Road) and the battle-axe parcel located immediately north of No.333 Illaroo Road for the express purpose of road development.

Council has not acquired all the land needed to construct the FNCR Network. Following Council's adoption of the Preferred Alignment and detailed design staff will manage the final acquisitions.

## **Environmental**

### **Far North Collector Road**

#### **Archaeology**

Following the advent of Permits to Enter private lands, Council's consultant Archaeologist firm, which specialises in Aboriginal heritage, met with representatives from the Local Aboriginal Land Council in January 2019. Some artefacts were reported and while of little heritage significance, these items will be affected by the construction of the FNCR.

#### **Flora**

The Preferred Alignment for the FNCR at its approach to Illaroo Road affects a (protected) Property Vegetation Plan (PVP) which was endorsed in 2010 under the Native Vegetation Act 2003 between Council and the Southern Rivers Catchment Management Authority. This plan will need to be modified. Staff have sought advice from the Local Land Services (NSW), and it is intended to pursue the potential terms of an 'offset' if Council adopts the Preferred Alignment.

Substantial removal of trees is required around the proposed bridge over Bomaderry Creek. The species are largely casuarina and coral trees. There are also six red cedar trees on the Preferred Alignment, which are proposed for relocation.

#### **Fauna**

No threatened species were found on the FNCR Preferred Alignment.

### **Taylors Lane**

#### **Flora and Fauna**

The site contains 317 trees – some or all of which may be removed. Further information will be provided to Council following further Community Consultation.

14 of these trees contain visible hollows (several with multiple hollows in individual trees), occurring from heights between 2m and 10m above the ground, that may provide habitat for threatened fauna species including microbats. The trees present on the site are up to 25m+ tall, making a confident determination that all hollows have been accounted for impractical. Trees within the adjacent Lot 1 DP 949932 contain visible hollows to a height of 20m.

Initial investigations determined the presence of microbats including hollow-dependent species Southern Myotis.

The use of the site by other species including threatened owls, parrots, cockatoos and mammals will be determined with confidence through surveys which are currently progressing. To this point there is no evidence that any species other than threatened microbats utilise the site.

Council will be provided with further information following the spring / summer investigations.

### **Community Engagement**

Community Consultation on the FNCR Network was undertaken in late 2018 with little in the way of response received from residents.

#### **Taylors Lane and Taylors Lane Link Road**

Community Consultation in late 2018 received three responses generally asking Council to retain the existing stands of spotted gum trees where possible.

Design options were created, and a report will be provided to Council following further Community Consultation.

#### **Private Property Access Agreements**

Following the adoption of the Concept Design Alignment in October 2018, negotiations started with the predominantly affected land owners in October 2018.

Staff, with the assistance of external legal advisors, finalised Permits to Enter in January 2019 and commenced the Design Development phase. Access to the land resulted in a redesign of the FNCR Concept Design Alignment, advancing to a 'Provisional Alignment' which was internally adopted in late February 2019. This Provisional Alignment was essential for progressing with technical aspects of the project. This design has been developed in-house.

Following external concept design of a bridge over Bomaderry Creek near and west of the Bernie Regan Sporting Complex and other watercourse culverts, Council will advance the FNCR Adopted Alignment to detailed design stage for tender, contract and construction along with the link to Moss Vale South Urban Release Area via Taylors Lane.

### **Summary of the changes from Concept Design to Preliminary Design**

The road corridor was identified in the Nowra Bomaderry Structure plan, and in the Shoalhaven LEP 2014, in the indicative position as shown in attachment 2. This preceded advanced topographical knowledge and crossed the significant electricity transmission lines and the eastern gas pipeline.

Once land access was granted and field surveys progressed, the alignment was amended to reduce the FNCR length and to avoid the services easements. The revised alignment as shown on attachment 1.

Expenditure to date is \$250,000 on design and investigation and \$2.2 million on property acquisitions.

### **Policy Implications**

External resourcing to date has been undertaken for the procurement of engineering design services in accordance with the Local Government (General) Regulation 2005 (as amended) Clause 167 and Council's Procurement Policy and Procedure.

## Financial Implications

Council received formal advice in July 2018 of the award of a \$13.8M grant from the Department of Infrastructure, Regional Development and Cities for the development of the Far North Collector Road Network including land acquisitions.

The current estimate of cost is \$14.3M, composed of \$12.3M for the project's construction based on the current preferred alignment, plus \$2M nett land acquisition costs after sales of surplus properties. This equates to an estimated funding deficit of \$0.5M. The increase is attributed to the proposed civil works which has now been able to be more accurately estimated.

The current Preferred Alignment (Attachment 1) is in the order of 200m shorter than the 2018 concept design. As the FNCR design is progressed and the most appropriate option for the development of Taylors Lane is identified, a more accurate cost estimate will be developed and will be the subject of a further report to Council.

If required, consideration would then need to be given to either sourcing additional funding or reducing the scope of the project (e.g. reduction in shared user path, kerb and guttering etc.). It is best to avoid lowering the FNCR road level, as this will affect serviceability during flooding, and place the road and embankment at increased risk of overtopping and damage.

The FNCR is not eligible for Developer Contributions now or into the future.

## Risk Implications

A cost estimate based on a concept design was originally advised to the Government when the project was being considered, and the approved Project Proposal Report identified that the estimate was exactly that and would need to be refined following detailed design.

The Commonwealth administrators of the grant funding (Department of Infrastructure, Transport, Cities, and Regional Development) have since advised Council that the funding for this project is capped at \$13.8 million, and that it is up to Council to identify savings within the project and to fund any cost over runs.

At this early stage of cost estimating there is an apparent risk of the funding for the project being deficient by approximately \$0.5M, as described above in 'Financial Implications'.

Other potential risks are:

- A lack of suitable fill timeously available for construction of the FNCR embankment.
- Potential unknown habitat for threatened species, and the subsequent possible habitat offset requirements.
- Delay and additional cost resulting from community sentiment unduly influencing the adoption of one of the four identified options for widening Taylors Lane.
- Increased flood height of Bomaderry Creek (currently under review and pending design development).

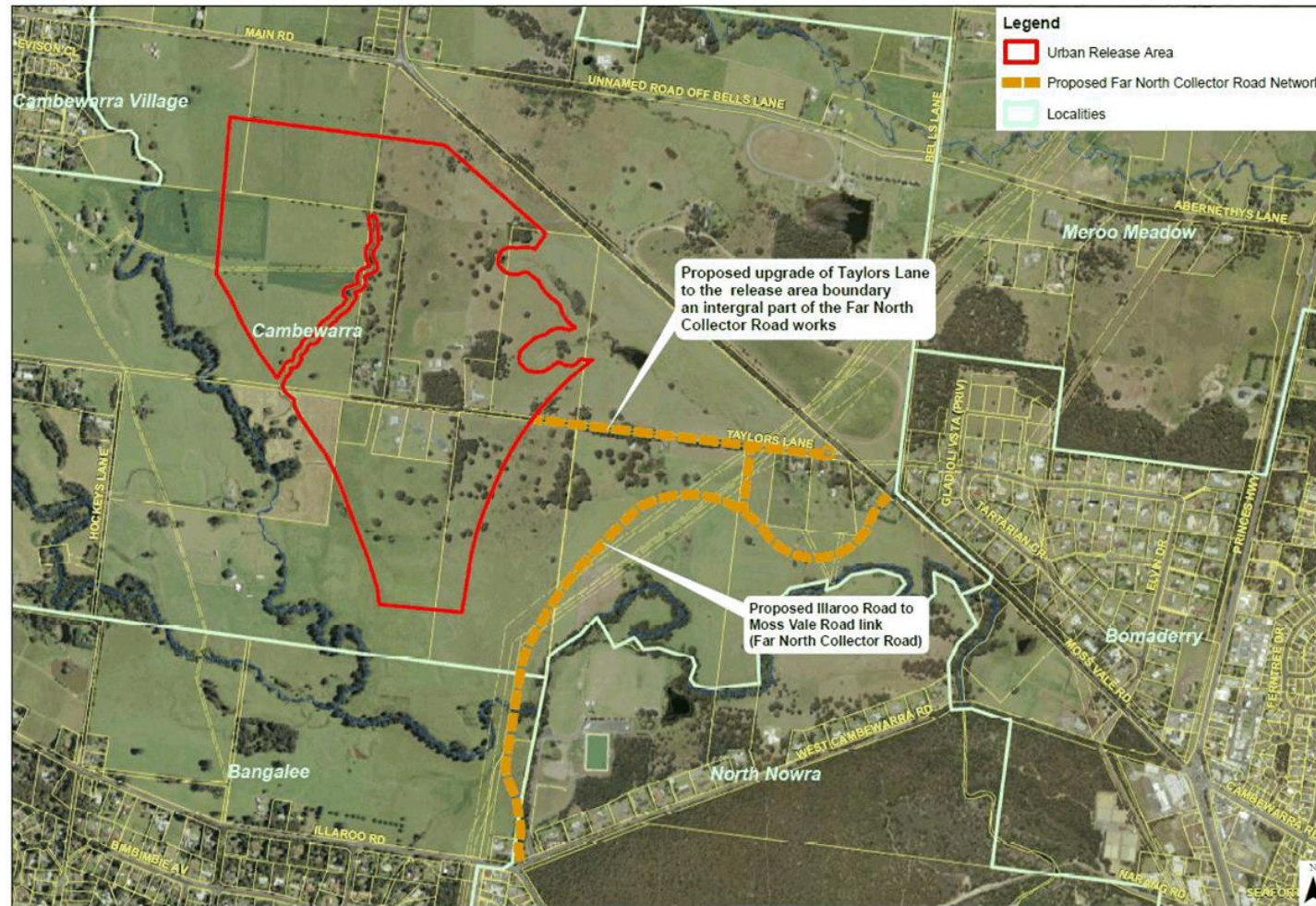
Staff are working to more clearly identify and address risk. This project will be periodically reported to the Audit, Risk & Improvement Committee.





**Attachment 2**

Original Concept Plan - Far North Collector Road Network, Bangalee & Cambewarra –2019



## SA19.127 Classification of Land - Lot 1 DP797111, Lot 1 DP199958 and Lot 2 DP199958, 39-43 Bridge Road Nowra

**HPERM Ref:** D19/172316

**Group:** Assets & Works Group  
**Section:** Technical Services

### Purpose / Summary

To provide Council with an opportunity to approve the classification of land described as Lot 1 DP767111, Lot 1 DP199958 and Lot 2 DP199958, 39-43 Bridge Road, Nowra as Operational Land.

### Recommendation

That Council resolve to classify the land described as Lot 1 DP767111, Lot 1 DP199958 and Lot 2 DP199958, 39-43 Bridge Road, Nowra as Operational Land.

### Options

1. Resolve as recommended.

Implications: The land will be able to be used for carparking and any other use permitted under its B4 zoning in the future.

2. Not resolve as recommended.

Implications: The land will default to Community Land and be subject to the Community Land provisions as outlined in the Local Government Act 1993.

### Background

Lot 1 DP767111, Lot 1 DP199958 and Lot 2 DP199958, 39-43 Bridge Road, Nowra has been acquired for future use by Council to service the Shoalhaven Entertainment Centre and Council's Administrative building in the short term. Given it is within walking distance to the Shoalhaven River and Nowra CBD, having the land classified as operational will allow Council flexibility into the future for alternate uses.

The land is currently zoned B4 Mixed Use and there are no proposals to change this zoning.

The objectives of the B4 Mixed Use zoning are:

- To provide a mixture of compatible land uses.
- To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling.



Section 31(2) of the Local Government Act, 1993 provides that before Council acquires land, or within 3 months after it acquires land, Council may resolve to classify it.

There are two classifications available:

1. Operational Land – land which Council owns as a business entity and upon which it conducts Council business, and
2. Community Land – land in Council's ownership which is held for and on behalf of the Community subject to the Community Land provisions of the LGA93.

Land will automatically be classified community land if it is acquired or dedicated (under Section 7.11 of the EPA Act 1979) being "subject to a trust for public purposes", i.e. land intended for public access or use. The advantage of community land is it will restrict the alienation and use of the land, thereby protecting the public interest.

Operational land on the other hand has no special restrictions other than those that may apply to any parcel of land. The advantage of operational land is to afford Council flexibility in its use and any future dealings.

A resolution of Council, within the time frame prescribed in the Local Government Act 1993, is required to finalise the classification of land as Operational. Should the classification process not be completed, the land will default to Community Land.

Land incorrectly classified (via resolution or by default) that subsequently requires an ability to be dealt with will require a reclassification to operational land that involves the making of an LEP amendment under the EPA Act 1979. This is a time-intensive and costly exercise with no budget having been provided.

### **Community Engagement**

In accordance with Section 34 of the Local Government Act 1993, a public notice of Council's intention to classify the land as Operational was placed in the local paper, *South Coast Register*, allowing 28 days for written submissions, closing 26 July 2019.

At the time of writing this report no submissions have been received.

SA19.127



## SA19.128 Classification of Land - Proposed Lot 23 DP in SF10380, Matron Porter Drive, Narawallee

**HPERM Ref:** D19/215026

**Group:** Assets & Works Group  
**Section:** Technical Services

**Attachments:** 1. Survey Plan - Proposed Lot 23 [↓](#)

### Purpose / Summary

To provide Council with an opportunity to approve the classification of land described as proposed Lot 23 in SF10380 Matron Porter Drive, Narawallee as Community Land.

### Recommendation

That Council resolve to classify the land described as proposed Lot 23 of SF10380 Matron Porter Drive, Narawallee as Community Land.

### Options

1. Resolve as recommended.

Implications: The land will be able to be used as a Public Reserve.

2. Not resolve as recommended.

Implications: The land will default to Community Land and be subject to the Community Land provisions as outlined in the Local Government Act 1993.

### Background

Council has issued Subdivision Certificate SC19/1031 (SF10380), for a 2 Lot rural residential subdivision at Narawallee. Upon registration at Land Registry Services, proposed Lot 23 in SF10380, Matron Porter Drive, Narawallee, will be dedicated for a Public Reserve.

The land will be zoned part E2 – Environmental Conservation and part E4 – Environmental Living as a flow-on from the parent lot. The proposed lot takes on the zoning of the parent lot until such time as Council implements a new Council-wide Local Environmental Plan and any rezoning will be considered during future LEP amendment housekeeping.

Section 31(2) of the Local Government Act, 1993 provides that before Council acquires land, or within 3 months after it acquires land, Council may resolve to classify it.

There are two classifications available:

1. Operational Land – land which Council owns as a business entity and upon which it conducts Council business, and
2. Community Land – land in Council's ownership which is held for and on behalf of the Community subject to the Community Land provisions of the Local Government Act 1993.

Land will automatically be classified community land if it is acquired or dedicated (under Section 7.11 of the EPA Act 1979) being "subject to a trust for public purposes", i.e. land intended for public access or use. The advantage of community land is it will restrict the

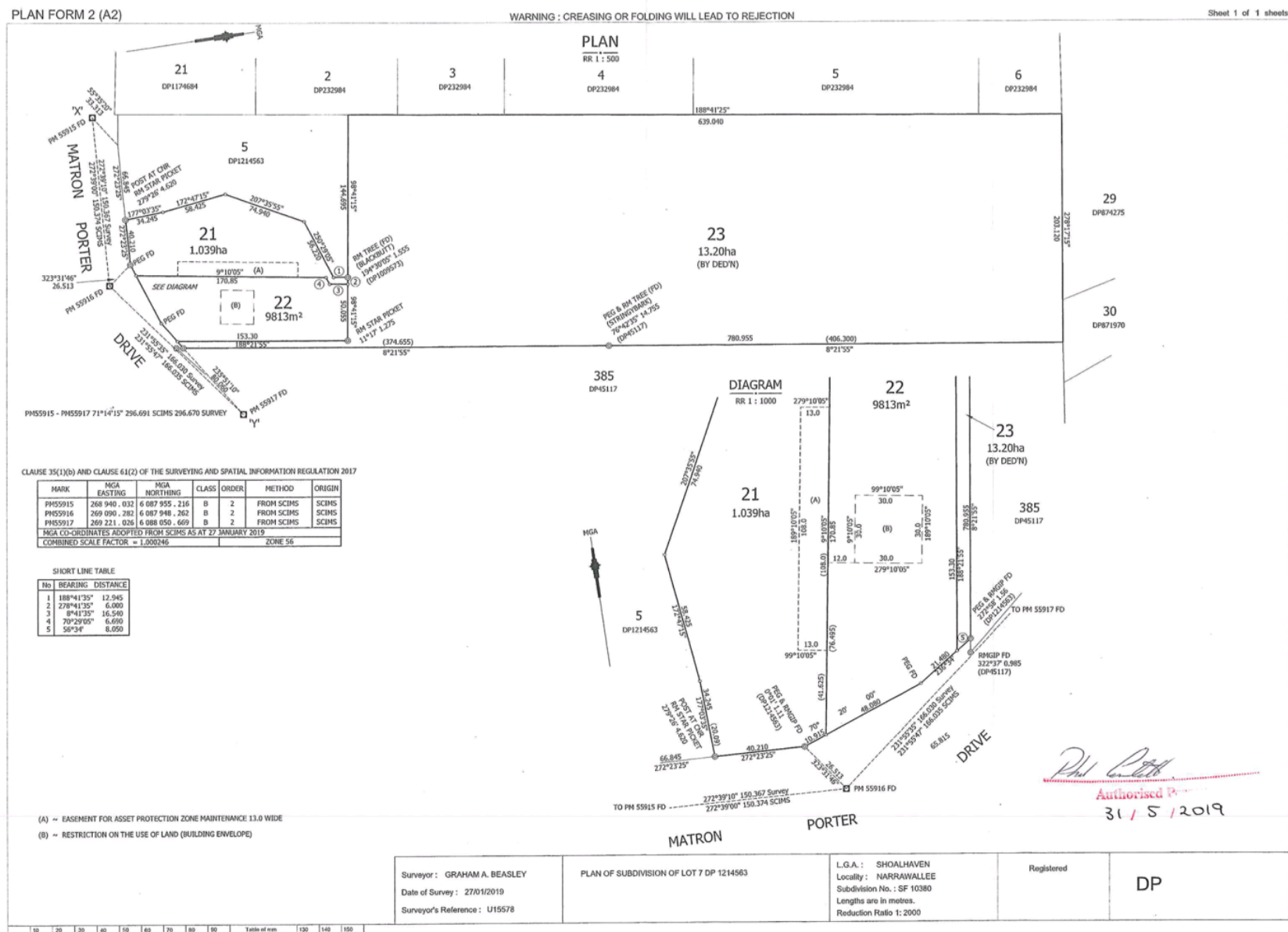
alienation and use of the land, thereby protecting the public interest. This report provides Council with the opportunity to approve the recommended classification of the land described as proposed Lot 23 in SF10380 Matron Porter Drive, Narawallee as Community Land.

Operational land on the other hand has no special restrictions other than those that may apply to any parcel of land. The advantage of operational land is to afford Council flexibility in its use and any future dealings.

Land incorrectly classified (via resolution or by default) that subsequently requires an ability to be dealt with will require a reclassification to operational land that involves the making of an LEP amendment under the EPA Act 1979. This is a time-intensive and costly exercise with no budget having been provided.

### **Community Engagement**

In accordance with Section 34 of the Local Government Act 1993, a public notice of Council's intention to classify the land as Operational was placed in the local South Coast Register on Wednesday 24 July 2019, allowing 28 days for written submissions, closing Wednesday 21 August 2019. At the time of writing this report no submissions have been received and any submissions received prior to the closing time will be advised at the Committee meeting.



## SA19.129 Classification of Land - Lot 1 DP 1128146 111 Taylors Lane Cambewarra

**HPERM Ref:** D19/252567

**Group:** Assets & Works Group  
**Section:** Technical Services

**Attachments:** 1. Aerial view - SLEP 2014 showing Development Area Public Open Space Community Land [↓](#)  
2. Plan showing Proposed Operational & Community Land [↓](#)

### Purpose / Summary

To provide Council with an opportunity to consider the classification of land described as Lot 1 DP 1128146 – 111 Taylors Lane Cambewarra, as part Operational Land being 7604.41m<sup>2</sup> subject to survey, and part Community Land being 2,742m<sup>2</sup> subject to survey, as identified as “open space” in the Shoalhaven Local Environmental Plan 2014 Development Area (refer to light green area in attachment 1).

### Recommendation

That Council resolve to classify the land, Lot 1 DP 1128146, 111 Taylors Lane Cambewarra, as part Operational Land being 7604.41m<sup>2</sup> subject to survey, and part Community Land being 2,742m<sup>2</sup> identified as “open space”, subject to survey.

### Options

1. Resolve as recommended

Implications: Part of the land will be operational land and the remaining land identified as open space will be used as future Public Reserve as identified in the Shoalhaven Local Environmental Plan 2014 Development Area.

2. Not resolve as recommended

Implications: The whole parcel of land will automatically default to Community Land and be subject to the Community Land provisions as outlined in the Local Government Act 1993 (LGA1993).

### Background

Lot 1 DP 1128146, 111 Taylors Lane Cambewarra, was acquired in full, under the hardship provisions of the Land Acquisition (Just Terms Compensation) Act 1991, as part of the property is identified as “open space” within Shoalhaven Local Environmental Plan 2014 Development Area and Development Control Plan 2014 - Moss Vale Road Urban Release Area.

The area of land identified as “open space” is the part of the property proposed as “community land”.

The subject land is a rural residence with outbuildings. Classifying the land as operational will remove restrictions that normally apply to community classified land. This will allow Council to retain an asset that can be leased in the short- to mid-term until development of the Urban

Release Area has reached Staged 3, whereupon Council can on sell the land (excluding the open space) to a developer or undertake development of the land itself.

The land is currently zoned R1 General Residential. The zoning of the proposed community land for future public reserve will be amended by way of an upcoming LEP housekeeping amendment.

### Community Engagement

In accordance with Section 34 of the LGA 1993, a public notice of Council's intention to classify the land as part Operational Land and part Community Land was placed in the *South Coast Register* allowing 28 days for written submissions which closed 24 July 2019. No submissions have been received.

### Policy Implications

Section 31(2) of the Local Government Act, 1993 provides that before Council acquires land, or within 3 months after it acquires land, Council may resolve to classify it.

There are two classifications available:

1. Operational Land – land which Council owns as a business entity and upon which it conducts Council business, and
2. Community Land – land in Council's ownership which is held for and on behalf of the Community subject to the Community Land provisions of the LGA 1993.

A resolution of Council, within the time frame prescribed in the LGA 1993, is required to finalise the classification of land as part Operational and part Community.

Land incorrectly classified (via resolution or by default) that subsequently requires an ability to be dealt with will require a reclassification to operational land that involves the making of an LEP amendment under the EPA Act 1979. This is a time-intensive and costly exercise with no budget having been provided.

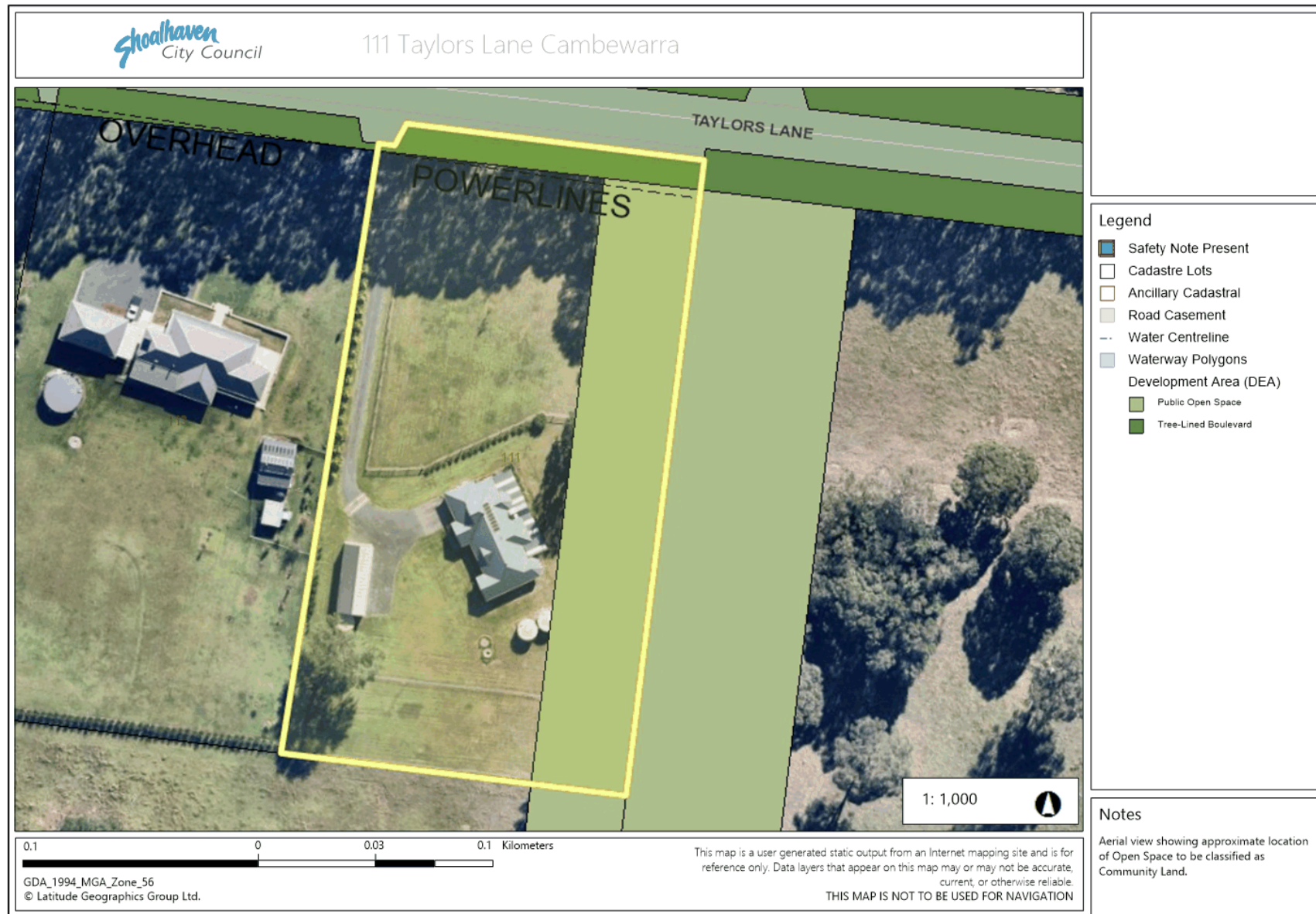
### Financial Implications

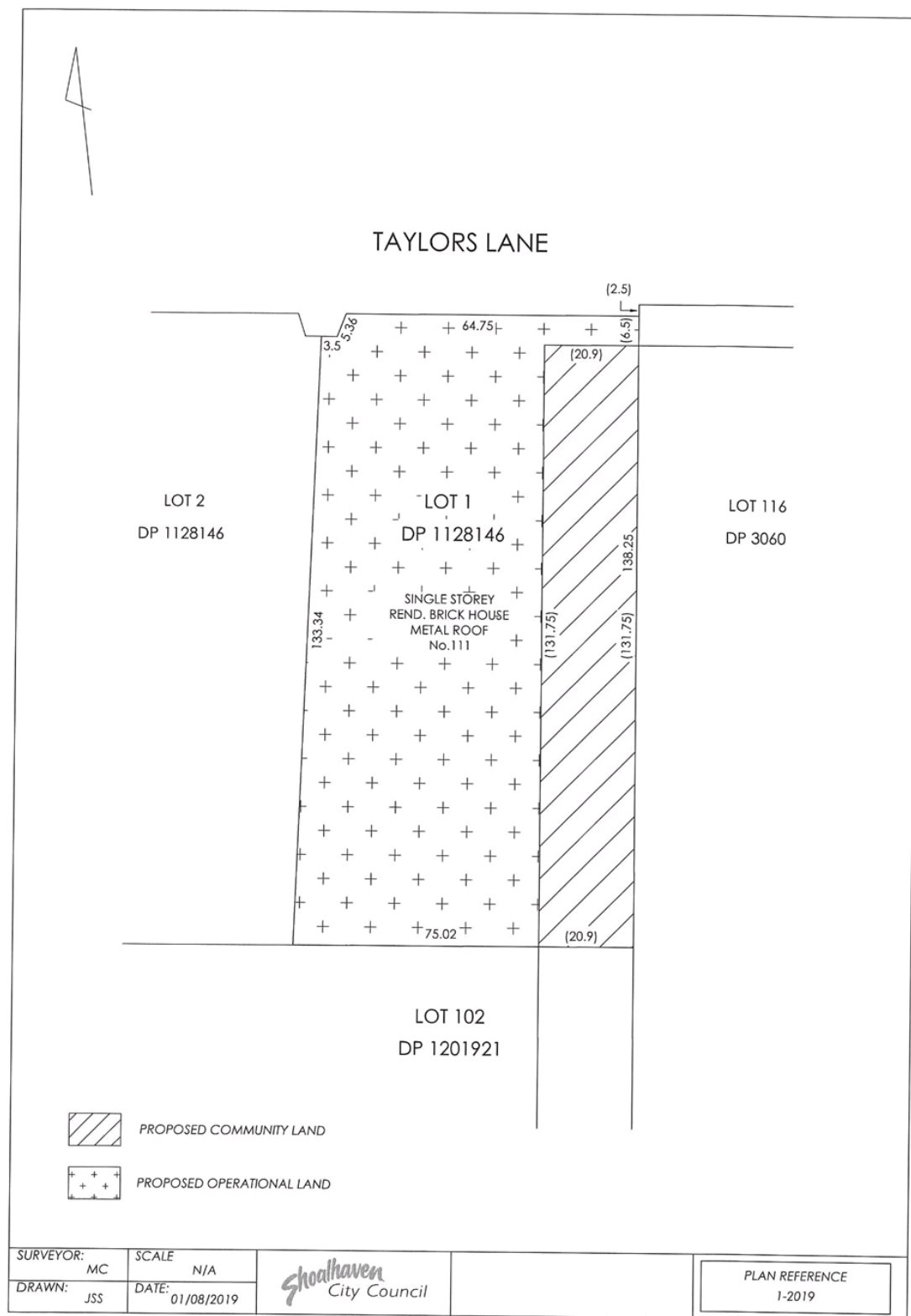
The consequence of not classifying the land as part operational will result in the land defaulting to community classification and subject to the Community Land provisions of the LGA 1993.

### Risk Implications

Nil







## SA19.130 Proposed Acquisition of Land - Moss Vale Road South Urban Release Area

HPERM Ref: D19/251045

Group: Assets & Works Group  
Section: Technical Services

### Purpose / Summary

This report is to provide Council with the opportunity to consider a confidential report for the acquisition of land within the Moss Vale Road South Urban Release Area.

Further information is provided in a separate confidential report in accordance with Section 10A(2)(c) of the Local Government Act 1993; if the information was disclosed, this would confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.

### Recommendation (Item to be determined under delegated authority)

That Council, in accordance with Section 10A(2)(c) of the Local Government Act 1993, consider a separate confidential report in relation to property acquisition matters associated with Moss Vale Road South Urban Release Area

### Options

1. Proceed in accordance with the recommendation

Implications: Consider a separate confidential report for the proposed acquisition of land associated with the Moss Vale Road South Urban Release Area

2. Not adopt the recommendation

### Background

Council sought and was given approval for a low interest loan through the NSW Department of Planning & Environment's Low-Cost Loan Initiative to accelerate the provision of infrastructure (open space) for new housing.

The purchase of land for open space using funds from the above loan forms part of a separate confidential report to Council.

## LOCAL GOVERNMENT AMENDMENT (GOVERNANCE & PLANNING) ACT 2016

### Chapter 3, Section 8A Guiding principles for councils

#### (1) Exercise of functions generally

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

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

#### (2) Decision-making

The following principles apply to decision-making by councils (subject to any other applicable law):

- (a) Councils should recognise diverse local community needs and interests.
- (b) Councils should consider social justice principles.
- (c) Councils should consider the long term and cumulative effects of actions on future generations.
- (d) Councils should consider the principles of ecologically sustainable development.
- (e) Council decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

#### (3) Community participation

Councils should actively engage with their local communities, through the use of the integrated planning and reporting framework and other measures.

### Chapter 3, Section 8B Principles of sound financial management

The following principles of sound financial management apply to councils:

- (a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
- (b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- (c) Councils should have effective financial and asset management, including sound policies and processes for the following:
  - (i) performance management and reporting,
  - (ii) asset maintenance and enhancement,
  - (iii) funding decisions,
  - (iv) risk management practices.
- (d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
  - (i) policy decisions are made after considering their financial effects on future generations,
  - (ii) the current generation funds the cost of its services

### **Chapter 3, 8C Integrated planning and reporting principles that apply to councils**

The following principles for strategic planning apply to the development of the integrated planning and reporting framework by councils:

- (a) Councils should identify and prioritise key local community needs and aspirations and consider regional priorities.
- (b) Councils should identify strategic goals to meet those needs and aspirations.
- (c) Councils should develop activities, and prioritise actions, to work towards the strategic goals.
- (d) Councils should ensure that the strategic goals and activities to work towards them may be achieved within council resources.
- (e) Councils should regularly review and evaluate progress towards achieving strategic goals.
- (f) Councils should maintain an integrated approach to planning, delivering, monitoring and reporting on strategic goals.
- (g) Councils should collaborate with others to maximise achievement of strategic goals.
- (h) Councils should manage risks to the local community or area or to the council effectively and proactively.
- (i) Councils should make appropriate evidence-based adaptations to meet changing needs and circumstances.