

Ordinary Meeting

Meeting Date: Tuesday, 23 February, 2021
Location: Council Chambers, City Administrative Building, Bridge Road, Nowra
Time: 5.00pm

Membership (Quorum - 7)
All Councillors

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. **Acknowledgement of Traditional Custodians**
2. **Opening Prayer**
3. **Australian National Anthem**
4. **Apologies / Leave of Absence**
5. **Confirmation of Minutes**
 - Ordinary Meeting - 25 January 2021
6. **Declarations of Interest**
7. **Presentation of Petitions**
8. **Mayoral Minute**

Mayoral Minute

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Notices of Motion / Questions on Notice

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Nil

MM21.1 Mayoral Minute - Access Ramp Conjola National Park / Berrara Lagoon

HPERM Ref: D21/54186

Recommendation

That:

1. Council consult with National Parks and Wildlife to undertake a joint project to replace the existing stairs that access Berrara Beach and Berrara Lagoon with an accessible ramp.
2. Should the appropriate Australian Standard for accessibility not be able to be achieved at that location, consultation be undertaken with the Inclusion and Access Advisory Group regarding alternatives (see background).

Details

Berrara Beach, Berrara Lagoon and Berrara Creek Reserve Walk are popular destinations with locals and tourists alike. The area, like many of Shoalhaven's favourite spots, was packed during the summer period with holiday makers of all abilities. The beach access stairs are a moderate grade through the dune to the beach, and I believe would lend themselves well to replacement with modern composite nonslip ramp materials that have been applied across a number of Council and National Parks projects.

In undertaking a discussion with National Parks perhaps there is an opportunity to upgrade the access point during any upgrades to the Berrara Creek Reserve Walk, which was severely impacted upon during the fires.

Regarding my comments about Australian Standard grades. I note that in replacing the walking track to Dee Beach in North Bendalong that some of the ramped sections are quite steep and may not comply wholly with the Australian Standard. I recall in previous discussions with members of the Inclusion and Access Advisory Group that there was some support to supply access that was 'almost compliant' above no access at all. If the stairs cannot be replaced by a ramp within an ordinary maintenance budget that the project be costed and designed, and funding be applied for under Council's DIAP.

MM21.1

MM21.2 Mayoral Minute - 98 Garside Road Mollymook - Retention of land for education purposes

HPERM Ref: D21/55474

Recommendation

That Council write to the Member for South Coast, Minister for Local Government Shelley Hancock, Minister for Education and Premier Berejiklian requesting that 98 Garside Road Mollymook NOT be sold but retained in the education portfolio for further education needs.

Details

In December 2020, a 'For Sale' sign appeared on 98 Garside Road Mollymook announcing expressions of interest to purchase the 2.7hectare block that is currently zoned SP2 Education. That has since been revised to go to Auction next month. The community at large are incensed that the block will likely be sold and a subsequent zoning for housing applied for and that this valuable education land will be forever lost.

The Department of Education own this land and one other small block at Termeil that are useful for future expansion – to the best of my knowledge no other land has been set aside for education purposes and the existing Primary Schools and Ulladulla High School have very little room for further physical expansion. Although it may seem like an attractive way to 'recycle assets' in effect it leaves the department in a parlous state to deal with future demands. The community in and around Milton Ulladulla are seeking support to have the land retained in its current state.

MM21.2

MM21.3 Mayoral Minute - Croobyar Road Educational Precinct (former Anglican Schools site)

HPERM Ref: D21/55487

Recommendation

That:

1. Council write to the Member for South Coast and Minister for Local Government, The Hon. Shelley Hancock MP, Minister for Education, The Hon. Sarah Mitchell MP, Minister for Planning and Public Spaces, The Hon. Robert Stokes MP, Premier, The Hon. Gladys Berejiklian MP, and the respective Shadow Ministers in regard to the future of the Croobyar Road Educational Precinct and support the calls for the entire site to be retained for educational purposes and not subdivided for other purposes.
2. The representations also include a request that the Ulladulla High School P & C Committee members be reinstated to the Project Control Group as they believe they have been removed without notice.

Details

The former Shoalhaven Anglican School site at Croobyar Road Milton was acquired by the NSW State Government in 2018, then Education Minister Rob Stokes and South Coast Member Shelley Hancock were determined to see the land purchased and used as an educational precinct. To date the community have been informed that the site will be used for Budawang School for Special Education – a much needed move for them as the site they currently occupy is no longer large enough to accommodate their growing needs. Big Fat Smile will be taking over the former Gum Nut preschool site. There is much angst and conjecture that the department intend to subdivide part of the school site for housing, but this has not been confirmed. The NSW Government need to reaffirm their original commitment to this community that the entire site would be retained for educational purposes. There is enough space on the site for a number of purposeful needs and it is absolutely clear that the entire community are behind the retention of the entire site.

Apart from the existing schools and the acquisition of the Croobyar Rd school, the department own only two other greenfield sites that could be useful for future education needs, one being 98 Garside Road, which is currently for sale and subject of another motion in this business paper.

MM21.3

MM21.4 Mayoral Minute - Condolence Motion - Lilliane Brady

HPERM Ref: D21/55887

Recommendation

That Council notes with condolence the passing of Mrs Lilliane Brady OAM, NSW's longest serving female Mayor.

Details

Councillor Brady, 90, died peacefully in Cobar hospital in the early hours of Sunday 7 February.

Councillor Brady held the position of Mayor in the central western mining town for more than two decades in total and served as a local councillor for 40 years.

In 2018 she was awarded LGNSW's Lifetime Achievement Award for services to local government and her community.

The feisty nonagenarian with a love of racehorses was known through Macquarie Street and in Canberra as a woman with little tolerance for bureaucracy.

Lil, as she was affectionately known by those who knew her well, including past General Manager Russ Pigg, will never be forgotten for her fierce sense of injustice. It was a pleasure to meet Councillor Brady on the odd occasion at the Country Mayors Association. Lilliane will be missed by many and we send our thoughts and well wishes to all who are saddened by her passing.

MM21.5 Mayoral Minute - 2021 Australia Day Honours

HPERM Ref: D21/58981

Recommendation

That Council recognise the honours bestowed upon those recipients of a 2021 Australia Day Honour and write a letter of congratulations.

Details

On 26 January 2021, the Governor-General of the Commonwealth of Australia, His Excellency General the Honourable David Hurley AC DSC (Retd), announced 844 awards in the 2021 Australia Day Honours List, the Shoalhaven received ten of these esteemed awards.

MEDAL (OAM) OF THE ORDER OF AUSTRALIA IN THE GENERAL DIVISION

Merrin Ross - for service to the performing arts, particularly to musical theatre.

Albatross Musical Theatre Company

- Musical Director, since 1994.
- President, 2017-2019, and 2016.
- Overall Director/Show Coordinator, 2015.
- Secretary, 2014 and 2015.
- Committee Member, since 2002.
- Co-Founder, Junior Albatross Musicals (JAM), 2017.
- Life Member, 2009.

Other

- Vocal Coordinator and Musical Director, Southern Stars - Wollongong Entertainment Centre, 2003-2005, and Member, Creative Team and Management Team.
- Founder and Manager, Regional Performing Company.
- Founding Member, Illawarra South East Performing Ensemble.

NSW Department of Education

- Regional Arts Coordinator, (then) NSW Department of Education and Communities, 2003-2010.
- Music Teacher, Nowra High School, 1994-2006, and 1979-1992.
- Teacher, Vincentia High School, 1993.
- Teacher, Kiama High School, 1978.
- Teacher, Malvina High School (now Ryde Secondary College), 1973-1977.

Awards and recognition include:

- Shoalhaven Arts Board Award, 2012.
- Excellence in Education Award, Department of Education.

Reverend Dr John Alexander Pender - for service to the Uniting Church in Australia, and to education.

Uniting Church in Australia

- Minister, Pymble Parish, 1998-2008.
- Warden, Centre for Ministry, 1990 -1997.

Religious Education

- Dean of Students/Lecturer, United Theological College, Sydney, 1978-1990.
- Christian Educator, Board of Education, Uniting Church, NSW, 1978-1990.
- Christian Educator, Presbyterian Church of Victoria, 1972-1977.

Newington College

- Deputy Chair, 2002-2013.
- Leader, Staff Care Committee, 2008-2013.
- Council Member, 1997-2013.
- Former President, Parents and Friends Association.
- Former Parent Representative, Parents and Friends Association.

Dunmore Lang Residential College, Macquarie University

- Chair, 8 years.
- Honorary Fellow.

Pymble Ladies College

- Former Council Member.

Julie Sydenham - for service to the creative arts.

Arts

- Owner/Director, House of Jules, since 2000 (a working studio providing creative workshops, art classes for adults and children).
- Coordinator, Escape Arts Festival, 2005-2017.

Publications

- Illustrator, 'Ulas Magic Island', Harbour Publishing, 2017, as well as other books in the Miss Mouse Series by author Di Morrissey.
- Illustrator, 'A Hippopotamus in the sink', Harbour Publishing, 2013.
- Illustrator, 'Harmony loves to sing', Harbour Publishing, 2012.
- Co-author and illustrator, 'When I Grow Up', Harbour Publishing, 2012.

Awards and recognition includes:

- Community Business Woman of the Year, Shoalhaven City Council, 2012.

MEMBER (AM) IN THE GENERAL DIVISION OF THE ORDER OF AUSTRALIA

Professor Robert Arthur Constable - for significant service to music education, to performance, and to composition.

University of Newcastle

- Dean of Newcastle Conservatorium, 2002-2005.
- Dean of Faculty of Music, 1995-2001.

- Deputy Dean, 1990-1994.
- Research Innovator, Stuart Piano Project.

NSW State Conservatorium of Music, Newcastle

- Deputy Director, 1984-1989.
- Lecturer, Music Studies, Sydney Conservatorium of Music, mid 1970's-1984.

Kangaroo Valley Arts Festival

- Artistic Director, 2018-2019.
- Committee, 2015-2019.

Committees

- Chair, Academic Board, Australian Academy of Music and Performing Arts, current.
- Board Member, Musica Viva Australia, 1999-2005.
- Member, Newcastle Lord Mayor's Bicentennial Committee, 1986-1988.

Other service includes:

- Director and Co-host, Serenata Series, current.
- Instrumental Adjudicator, City of Shoalhaven Eisteddfod, 2018.
- Visiting Professor of Music and Consultant, University of Canterbury, New Zealand, 2012-2014.
- Head School of Music, University of Auckland, New Zealand, 2007-2012.
- Chair, Head of Music Schools Australia.

Hank Christiaan Laan - for significant service to the building and construction sectors.

Building and Construction

- Principal Consultant, HCL Associates, since 1985.
- Inaugural Chief Executive Officer and Director, Darling Harbour Authority, 1984-1985.
- Senior Consultant Project Manager, Santos, 1982-1984.
- General Manager, Burns Philip Manufacturing and Contracting Group, 1980-1981.
- Project Engineer then Operations Director, Matthew Hall Engineering Pty Ltd, 1969-1979.
- Resident Project Manager, Bougainville, New Guinea, 1970-1972.

Resolution Institute

- Member, Australian Institute of Arbitrators and Mediators, 1990-2016.
- Practitioner Member, LEADR, 2006-2015.
- Mediator Accreditation, 2001-2014.
- IAMA Adjudicator Accreditation, 2003-2004.

Professional Organisations

- Fellow, Australian Institute of Management, since 1977.
- Member, Australian Institute of Management, since 1967.
- Fellow, Australian Institute of Project Management, 2001-2008.
- Former Director and President, Building Science Forum of Australia.
- Vice-President, Adjudication Forum, 2013-2018.
- Director, Australian Federation of Construction Contractors.

Community

- Member, Port Hacking Protection Society.
- Director, Sutherland Shire Bicentennial Community Committee.
- Justice of the Peace, since 1968.
- Jointly with Shoalhaven City Council conceived, designed and developed the community Village Green complex @ Milton (NSW).
- Advisor and active participant, the Barker Reserve Protection Group. Burrill Lake, NSW, Feb - Aug 2020.

Karen Murphy - for significant service to lawn bowls as an elite player at the international level.

Lawn Bowls

- Vice-Captain, Australian Jackaroos, 2011-2017.
- Australian Jackaroo 1997- 2019.
- Played 668 Tests for Australia over 22 years.
- Commonwealth Games 2018, 2014, 2006, 2002, and 1998.
- 5 X World Championships.
- World Champion Triples Champion 2012.
- Commonwealth Games Gold Medallist Pairs 2006.
- World Ladies Singles Champion, 2016 and 2012.
- World Indoor Champion, 2012.
- Professional Bowler, Cabramatta Bowls Club, Sydney.
- 4 x Gold Medallist, Asia Pacific Championships.
- World Champion of Champion Singles, 2013.
- World Fours Champion, 2012.
- 3 x Commonwealth Games Silver Medals 1998, 2002 and 2014.

Awards and Recognition include:

- Director, World Bowls, 2014-2018.
- Inaugural inductee, Bowls NSW Hall of Fame, 2016.
- Bowler of the Year, Bowls Australia, 2013 and 2014.
- Inaugural inductee, Bowls Australia Hall of Fame, 2011.
- Australian Sports Medal, 2000.
- 2018 Commonwealth Games Athlete Oath Reader Opening Ceremony.
- High Performance Coach, Karen Murphy Bowls Clinics.

AUSTRALIAN FIRE SERVICE MEDAL (AFSM)

John Gregory Dun - for dedication to the NSW Fire & Rescue

Mr John Dun joined Fire and Rescue New South Wales at the Nowra Fire Brigade on the south coast in 1997, after serving for 15 years with the Illaroo Road Bush Fire Brigade. As Brigade Captain, he has tirelessly led his crew of firefighters in the areas of prevention, preparedness, response and recovery to emergencies. He consistently provides high-level professionalism, mentoring and operational leadership to his brigade, ensuring a rapid response to the community of Nowra and surrounding districts. He has been instrumental in

helping and working with the local Indigenous Elders and their communities, particularly in the Wreck Bay township, on fire safety including the installation of smoke alarms in every home. He has also led fire crews from Nowra to numerous major bushfire emergencies, including the unprecedented bushfires of 2019-2020, which devastated areas along the south coast.

Furthermore, he has ensured his firefighters are well prepared to protect the community through involvement with the Firefighter Championships, which are competition-based firefighting events that enhance camaraderie, team work and the skills of firefighters. He is also highly regarded by members of FRNSW.

Mr Dun has provided dedicated and committed service to Fire and Rescue New South Wales, and to the safety of the community, throughout his more than 38 year career.

Dennis Andrew Stannard - for dedication to the NSW Rural Fire Service

Mr Dennis Stannard has been an active member of the New South Wales Rural Fire Service (RFS) since joining the Sanctuary Point Brigade in 1978. Through his time as a staff member he played an integral role in the successful pilot program of Mitigation Support Services within the Shoalhaven District, and was instrumental in the expansion of the State Mitigation Support Services (SMSS) model across the state.

Commencing in 2008 he provided considerable leadership and mentorship during his 10 years with SMSS, including the induction and training of new crew members and heavy plant operators. He has also been an advocate of bushfire hazard reduction in the Shoalhaven District, and has been instrumental in hazard reductions through his roles as Group Captain, Deputy Group Captain, Captain and as a Prescribed Burn Supervisor.

Since joining the Wandandian Brigade in 1984, he has served in a range of roles including as Deputy Captain and Captain for a combined period of 17 years. He was also Deputy Group Officer from 2002 to 2004 and from 2006 to 2009, and Group Officer from 2004 to 2006. Operationally he has been deployed as Strike Team Leader and Response Team Coordinator on numerous out of area fires including the 2001 Goobang Fire, the 2003 Canberra Fires, the 2007 East Gippsland Fires, and the 2009 Black Saturday Fires. He has also attended many incidents in the Shoalhaven District.

Most recently he played a key role in the 2019-2020 Currowan Fire as a Heavy Plant Supervisor, Sector Commander and Divisional Commander. During this fire he was instrumental in the protection of the Sussex Inlet, Cudmirrah, Jerrawangala and Wandandian areas.

He also demonstrated exemplary leadership on 31 December 2019, when he played a key field role prioritising and deploying firefighting resources from all agencies into and within the Conjola area.

Mr Stannard throughout his more than 42 year period of service as both a volunteer and staff member with the New South Wales Rural Fire Service has demonstrated exceptional commitment to the community of New South Wales.

CONSPICUOUS SERVICE MEDAL (CSM)

Lieutenant Commander Daniel Edward Hodgkinson RAN - for meritorious devotion to duty as the Head of Officer Initial Training HMAS Creswell and Executive Officer of the Royal Australian Naval College.

Lieutenant Commander Hodgkinson's inspirational leadership and devotion to duty during his posting to the Royal Australian Naval College has been outstanding. His tireless, flexible, influential and incisive leadership in the delivery of unprecedented officer initial training capacity and outcomes, made a substantial contribution to remediating the Royal Australian

Navy's officer workforce shortfall. Navy, and therefore Defence, are stronger as a result of his tireless and outstanding efforts.

Warrant Officer William Gilvary McConnell - for meritorious achievement in the field of Navy Aviation Maintenance.

Warrant Officer McConnell demonstrated exceptional leadership and the highest levels of professionalism in the field of Navy helicopter maintenance and capability support. His technical mastery of both the Mk 50 Sea King and the MRH90 helicopter systems contributed to improved availability and capability. His efforts have been critical in overcoming the unique, complex and challenging circumstances associated with the introduction and development of the Maritime Support Helicopter capability for the Royal Australian Navy.

CL21.20 Notice of Motion - Taking Full Economic Advantage of the Upgrade of the Princes Highway to Bomaderry

HPERM Ref: D21/56885

Submitted by: Cllr Bob Proudfoot

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That the Economic Development Department of Shoalhaven City Council prepare a report for the April Strategy & Assets Committee Meeting detailing the following:

1. How the "thinking" regarding economic development has evolved as a result of the recent infrastructure windfall.
2. The adequacy of our zonings to accommodate the expected future business and investment opportunities.
3. The potential for our city to establish itself, increasingly, as a "hub" in the hi-tech or even the traditional manufacturing type industries.

CL21.20

CL21.21 Notice of Motion - Nowra Bypass - Chronology

HPERM Ref: D21/56899

Submitted by: Cllr Bob Proudfoot

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council staff prepare a chronology for the April Strategy & Assets Committee Meeting regarding the resolutions and reports specific to proposed routes for the Nowra Bypass options, over the past ten years or so. The chronology would essentially include some vital commentary and recommendations as to the point of view of Council's, or the State Government's, professional staff.

CL21.21

CL21.22 Notice of Motion - Renewal of Playground Assets - Bomaderry Township

HPERM Ref: D21/57723

Submitted by: Cllr John Wells
Cllr Patricia White

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council:

1. Endorse and develop a renewal and replacement strategy for a number of playgrounds within Bomaderry Township as part of Council's asset management planning for recreational facilities.
2. Give priority to delivering the strategy.
3. Give consideration to the inclusion of some equipment suitable for adult exercise and recreation in the suggested renewal program.

Background

We have been approached by a number of residents of Bomaderry who have suggested that many of the playgrounds, particularly in the older areas of the township, are unattractive, of little recreational utility, and in consequence are seldom if ever used by the Township's children.

We have inspected several of these 'playgrounds' to discover they comprise only a swingset - one swing for toddlers and one for children, that's it - no climbing frames, monkey bars, slippery dip, spring mounted play equipment, graffiti walls, learn to ride facilities, no shade and in some cases no seating.

These playgrounds are located in recreation reserves created within current or former public housing areas and the older areas of town. Playgrounds in these areas are situated at Sampson Crescent, Edward Street, Mulgen Crescent, Leonard Street and cnr Bunberra and Tallayang St. During our inspections no children were observed using the equipment provided, some of which, by appearance, is likely to have been installed in the 70s and 80s - forty to fifty years ago.

This part of Bomaderry has a large public primary and high school so there are plenty of children around - children deprived of having contemporary, safe, attractive and multi-component play equipment in their neighbourhood. It is time for Council to progressively redress this situation in Bomaderry.

Our inspections also revealed that these locations have no equipment that adults might be able to use for recreation and exercise - and as an incentive to take time out with the kids. We take the view that provision of such equipment will help the community's response to problems such as obesity, diabetes, heart health and a range of other conditions, in a fun way. Consideration needs to be given to providing items suitable for use by grownups as is provided elsewhere in the City.

CL21.22

Consultation with the executive of Bomaderry Community Inc confirms this proposal is consistent with their strategic objectives for youth in this Township.

We commend the proposal to our colleagues.



CL21.22



CL21.22

CL21.23 Notice of Motion - Pedestrian Safety upgrades - Culburra Beach Public School

HPERM Ref: D21/59900

Submitted by: Cllr Mitchell Pakes
Cllr Greg Watson

Attachments: 1. School Safety Photos [↓](#)
2. Google view map of current pathway [↓](#)

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

1. That Shoalhaven City Council commit to the following safety upgrades for the Culburra Public school in the 2021/2022 budget:
 - a. Kerb and gutter Fairlands Street (House Numbers, 29, 31, 33, 35, 38, 40, 42) and formalise street parking for pick up and drop off.
 - b. Construct a pathway from the Culburra Beach public school along Fairlands Street (finish Fairlands Street and Cross Street.)
2. The Shoalhaven Traffic Committee provide any further feedback on measures to improve pedestrian safety around the school access point.
3. Council make representations to the State Member for South Coast seeking any funding opportunities to assist with improving pedestrian access.

CL21.23



CL21.23 - Attachment 1



CL21.23 - Attachment 1



CL21.24 Notice of Motion - Seating Request - Greenwell Point Dog Park

HPERM Ref: D21/59951

Submitted by: Cllr Mitchell Pakes
Cllr Greg Watson

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council:

1. Install some bench seating at the West Street Dog park, Greenwell Point.
2. Congratulate staff for providing such a well used facility for the Greenwell Point community.

CL21.24

CL21.25 Notice of Motion - Heating Options - Greenwell Point Pool

HPERM Ref: D21/60002

Submitted by: Cllr Mitchell Pakes
Cllr Greg Watson

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That a report be provided back to Council for:

1. Possible options for heating the Greenwell Point Swimming Pool
2. Costing to undertake this proposal
3. Possible funding options

CL21.25

CL21.26 Notice of Motion - Candidates for State or Local Government Office should be Australians

HPERM Ref: D21/61494

Submitted by: Cllr Andrew Guile

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council make representations to the Premier of NSW through the State Members of Parliament, requesting the Government to bring forward Legislation that would prevent residents of Australia who are neither born in Australia nor Naturalised Australian Citizens from both standing for election or being elected to either the NSW Parliament or Local Government Councils.

Background

It seems that there is a loophole which allows some 'aliens' to stand for public office in NSW and be elected. Were this to be widely known, it is not likely to be tolerated by most citizens, particularly with the increased scrutiny on foreign interference. Electors should rest assured at the upcoming Council elections that all candidates have Australia as their first and only allegiance.

Note by the CEO

The Notice of Motion addresses the situation whereby individuals holding dual citizenship may vote and stand for election in NSW and Local Government elections. Section 44 of the Constitution disqualifies from Federal office any person who "is under any acknowledgment of allegiance, obedience, or adherence to a foreign power, or is a subject or a citizen or entitled to the rights or privileges of a subject or a citizen of a foreign power." This stipulation does not apply to candidates in NSW or Local Government elections.

It is noted that holding dual citizenship does not necessarily mean that that person was not born in Australia.

More specifically:

The qualifications to hold the Elected Office of Councillor in NSW are outlined in the *Local Government Act 1993* (NSW) as follows:

"274 What are the qualifications for civic office?"

A person is qualified to hold civic office if—

- (a) the person is **entitled to be enrolled as an elector**, and*
- (b) the person is not disqualified from holding civic office by this Act, and*
- (c) the person is not prevented from being elected to civic office by section 276(2)"*

There are a range of disqualifications at [Section 275](#) and 276 but these do not relate to citizenship.

Section 30 of the [Electoral Act 2017](#) (NSW) and Sections 93 to 96 [Commonwealth Electoral Act 1918 \(Cth\)](#) outline the entitlement for enrolment and to vote as an Elector in NSW which may be summarised as follows:

- 18 years or older
- An Australian citizen, and
- resides at nominated [address](#) and has resided at that [address](#) for at least 1 month before the enrolment.

Further eligibility as an elector is provided under the *Commonwealth Electoral Act 1918 (Cth)* for some British subjects living permanently in Australia who are not Australian Citizens ([Section 93](#))

In NSW the legislation in relation to election to office in NSW Parliament or Local Government does not address citizenship other than Australian Citizenship as outlined above.

For election to Federal Office, there are additional disqualifications arising from Section 44 of the [Australian Constitution](#) related to citizenship, and in particular Section [44\(i\)](#) is relevant to this discussion.

“44 Disqualification

Any person who:

- i. is under any acknowledgment of allegiance, obedience, or adherence to a foreign power, or is a subject or a citizen or entitled to the rights or privileges of a subject or a citizen of a foreign power;.....*

..... shall be incapable of being chosen or of sitting as a senator or a member of the House of Representatives.”

CL21.27 Notice of Motion - Sanctuary Point Athletics Field

HPERM Ref: D21/61512

Submitted by: Cllr Bob Proudfoot

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council staff convene an on-site meeting at the earliest possible time with available councillors, members of Sanctuary Point Athletics and members of Bay and Basin Cricket at the Sanctuary Point Athletics Field, in order to agree upon practical improvements that can be made to the playing surface in the very short term. Funds for the improvements would be sourced from the existing ground maintenance budget.

CL21.27

CL21.28 Notice of Motion - Draft Dogs Policy

HPERM Ref: D21/61524

Submitted by: Cllr Bob Proudfoot
Cllr Patricia White

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That Council staff finalise the Draft Dogs' Policy for inclusion in the business paper at the Ordinary Council Meeting scheduled for Tuesday 27 July 2021.

Note by the CEO

The timeline for the review of the Access of Dog Policy is for a draft report and revised draft policy being presented to Council in last quarter of 2021 prior to going on broader public exhibition.

The Expression of Interest for the Ward based Working Group has closed and being considered. Upon the establishment of the Working Group we will be progressing to the preliminary Community Consultation phases which will encompass:

- Workshops with the Working Group
- Drop-in sessions in various Shoalhaven communities
- Community Survey

This review is being undertaken in-house with no funding allocated to engage a consultant to undertake the whole Policy review – this is in accordance with Council's adopted position. Staff are investigating engaging a consultant to assist in facilitating the community engagement phase of this project to provide an independent approach to the consultation process which will inform the revised policy development.

Consultation also needs to occur with a range of government agencies, including National Parks and Wildlife Service, Department of Fisheries and Crown Lands as a minimum.

In acknowledgement of the feedback we have received from the Shoalhaven Community and visitors since the Policy was re-endorsed by Council in 2017 it is evident that the policy requires a robust review. Given this position it is important that we consult widely and consult well. Given the comprehensive review process it is unlikely that a draft policy will be ready for reporting in July 2021. The desk top audit of other Council's approach is nearing completion along with considering best practice in this field. Allowing appropriate time to develop the Policy will support a position that offers a more considered, balanced and workable approach. It is therefore suggested that an alternate recommendation be adopted:

"A Preliminary report on the progress of the Access Areas for Dogs Policy review and a status update on progress will be provided to a July 2021 meeting of Council."

CL21.29 Notice of Motion - Pedestrian Access Matron Porter Drive Narrawallee

HPERM Ref: D21/64935

Submitted by: Cllr Amanda Findley

Purpose / Summary

The following Notice of Motion, of which due notice has been given, is submitted for Council's consideration.

Recommendation

That:

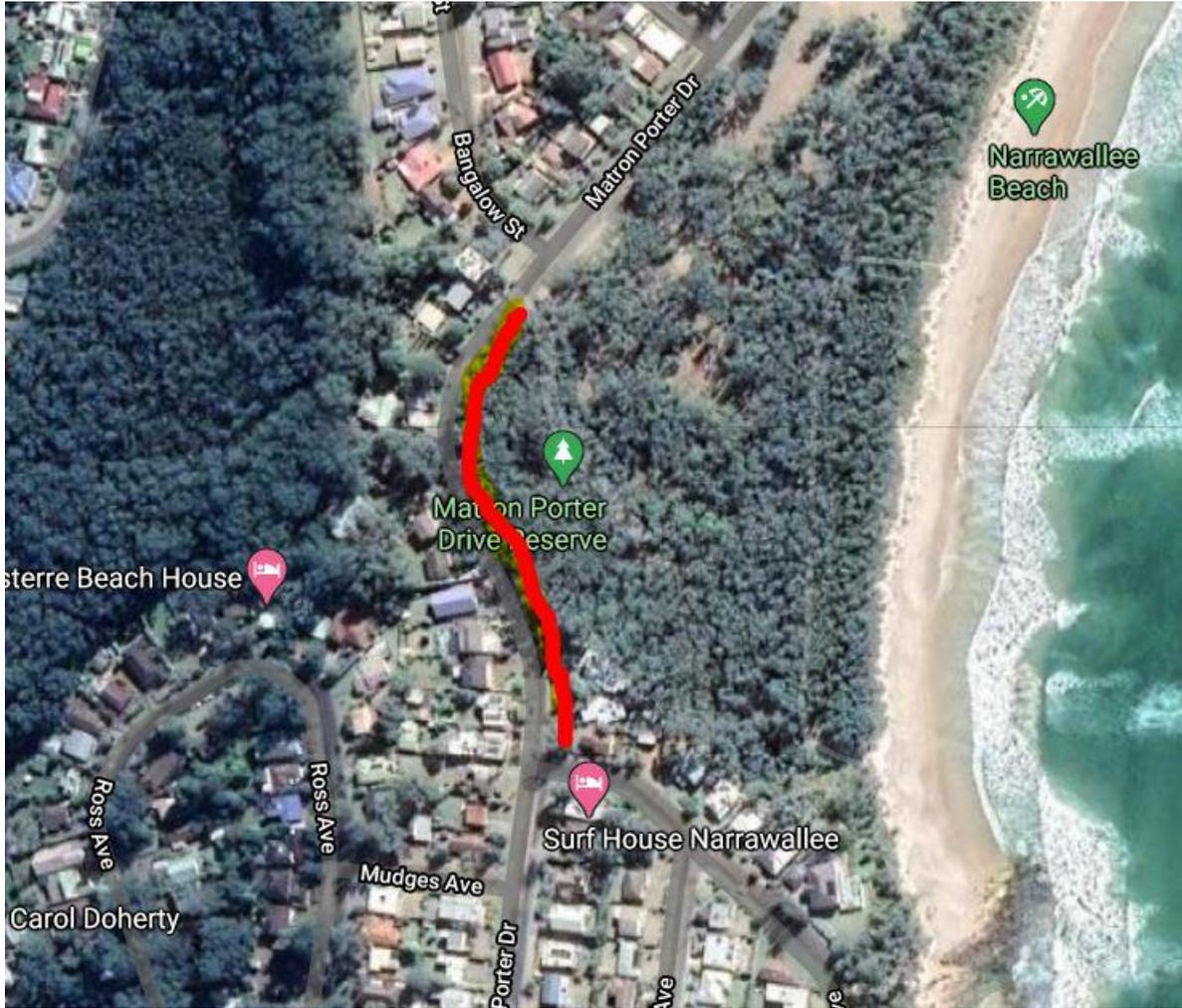
1. A report be prepared on the cost to do the following pedestrian access improvements for Matron Porter Drive, Narrawallee to enable consideration for a funding source and timing.
 - a. A concrete footpath
 - b. A gravel accessway
2. Further, maintenance be undertaken to allow for safe passage on the pedestrian strip which can get over grown and make access less appealing and occasionally dangerous.

Background

Council recently changed its policy for access arrangements for dogs on Narrawallee Beach – for those who live to the South and West of the removed access points, this results in a longer walk to reach the redefined point of entry. The area for pedestrian access is often overgrown and I have witnessed many people young and old alike walk on the road on this bend due to the pedestrian area needing some maintenance.

Council has used gravel pathways to great effect in some locations to produce fast pedestrian outcomes. I understand that perhaps in this location gravel would not be the preferred interim solution, but with good attention to detail perhaps this would be a cost effective and safe solution until a budget was put in place for a concrete path. Development of this section of footpath would eventually join the Milton - Narrawallee - Mollymook Cycle Way.

CL21.29



CL21.29

CL21.30 Question on Notice - West Culburra

HPERM Ref: D21/65009

Submitted by: Cllr Amanda Findley

Question

Members of the Culburra community have been asking questions in regard to the latest iteration of the West Culburra Application. A recent community meeting was limited to “supporters of the development only” which left those who are undecided or firmly against the development no forum in which to ask questions. The following questions are submitted on behalf of the community.

1. Has or will the NSW Department of Planning, Infrastructure and Environment / Land and Environment Court of NSW undertaken an analysis in respect to the proposed retail development?

Background: There are concerns that the proponent's development will have a major negative effect on the retail economy of Culburra Beach / Orient Point.

The proponent's own Economic Impact Statement that Culburra Beach has a large oversupply of retail space, based on Australian local average retail space per capita:

“At an existing population of around 3,600 residents, this would suggest the Culburra Beach Catchment Area could demand around 4,000sqm of retail floorspace. An estimate of retail floorspace in the Culburra Beach Town Centre identified some 7,100sqm of retail floorspace, suggesting the Catchment Area is already oversupplied by some 3,000sqm of retail floorspace. It is therefore unsurprising that the Town Centre has faced historically high levels of vacancy given the limited resident population.”

The proponent expects the development to lead to an increase in population of 847 residents. From the proponent's own numbers this increase has the potential to absorb 930 square metres of Culburra's 3,000 square metre excess. This would still leave approximately 2,100sqm of excess retail space, based on Australian local average retail space per capita:

“Based on a retail demand ratio of 1.1sqm per person, new residents accommodated through the Proposal could demand an additional 930sqm of retail floorspace”

Yet despite this, the proposal includes adding a further 2,438sqm of retail space in Culburra.

2. What justification has been made for a 140% expansion of the Culburra Beach industrial precinct?
3. What studies have been undertaken with regard to demand for that level of space? Particularly given the proximity to South Nowra industrial precinct?
4. Has council or the State Government undertaken a peer review of the proponent's Economic Impact Statement to verify the claims made in respect to job creation as the Economic Statement appears to over inflate the overall jobs available for the existing and new populations.

5. Council is not the approval authority for this development , but does council have any obligation to test the validity of the claims in respect to water runn off from the site into Curly's bay considering that should the development be approved Council will have the ultimate responsibility to mitigate and manage run of from the new subdivision.
6. Will Council or the NSW State Government undertake any further unbiased community consultation to further inform the process and to understand the issues that community members have.

Response

A report will be prepared and submitted to Council.

CL21.31 Report of the Strategy & Assets Committee - 9 February 2021

HPERM Ref: D21/56044

SA21.21 DPOP 2020-21 - Quarterly Performance and Budget Report (October-December)

**HPERM Ref:
D20/563969**

RECOMMENDATION

That Council:

1. Receive the December Quarterly Performance Report on the 2017-2022 Delivery Program and 2020-2021 Operational Plan and publish on Council's website.
2. Receive the December Quarterly Budget Review Report.
3. Adopt the budget adjustments as outlined in the December Quarterly Budget Review document.

CL21.31

CL21.32 Report of the Youth Advisory Committee - 10 February 2021

HPERM Ref: D21/59114

YA21.2 Youth Advisory Committee Membership Expression of Interest - Member Recommendation Report

**HPERM Ref:
D21/32797**

Recommendation

That the Youth Advisory Committee (YAC) recommend to Council that:

1. Membership appointments are offered to applicants who are not eligible to fill the 18 places delegated to school students:
 - a. Sienna Miller
 - b. Cassandra O'Carroll
 - c. Hannah Johns
 - d. Khy Antoniazzo
 - e. Veronica Bert-Leonard
2. Applicants who currently attend all local High Schools to attend the Youth Advisory Committee as part of school delegations.
3. Remaining vacant position to be kept open and young people from the workplace or traineeships given priority to ensure YAC is represented by a diverse range of young people.
4. A second Expression of Interest to be conducted to fill the remaining vacant member position following the review of Terms of Reference (TOR) at the YAC planning day in March.

CL21.32

CL21.33 Report of the Shoalhaven Traffic Committee - 9 February 2021

HPERM Ref: D21/56770

Attachments: 1. TC21.16 - Plans PN 3640 [↓](#)

The Shoalhaven Traffic Committee is a technical review committee not a committee of Council under the Local Government Act, 1993.

The Roads and Maritime Services has delegated certain powers to Council under the Transport Administration Act 1988 (Section 50). A condition of this delegation is that Council must take into account the Traffic Committee recommendations.

IMPORTANT NOTE:

Council cannot amend a Traffic Committee recommendation. The Council can only:

- 1. Adopt the Traffic Committee recommendation;*
- 2. Not Adopt the Traffic Committee recommendation; or*
- 3. Request the Traffic Committee reconsider the issue.*

Other issues can be raised as Additional Business at the Ordinary Meeting.

The full guide to the delegation to Councils for the regulation of traffic can be viewed at: [RMS Website](#)

TC21.16 Road Safety Improvements - Elizabeth Drive - Berry Street - Vincentia (PN 3640)

**HPERM Ref:
D21/33137**

Recommendation

That the Chief Executive Officer (Director City Services) be advised that the Shoalhaven Traffic Committee has no objection to the proposed linemarking and road safety improvements at the intersection of Elizabeth Drive and Berry Street, Vincentia, as per Plan No: D21/33164, subject to the preparation of a revised Stage One design consistent with the comments raised by TfNSW, in the event of Stage Two not being pursued by Council.

Note:

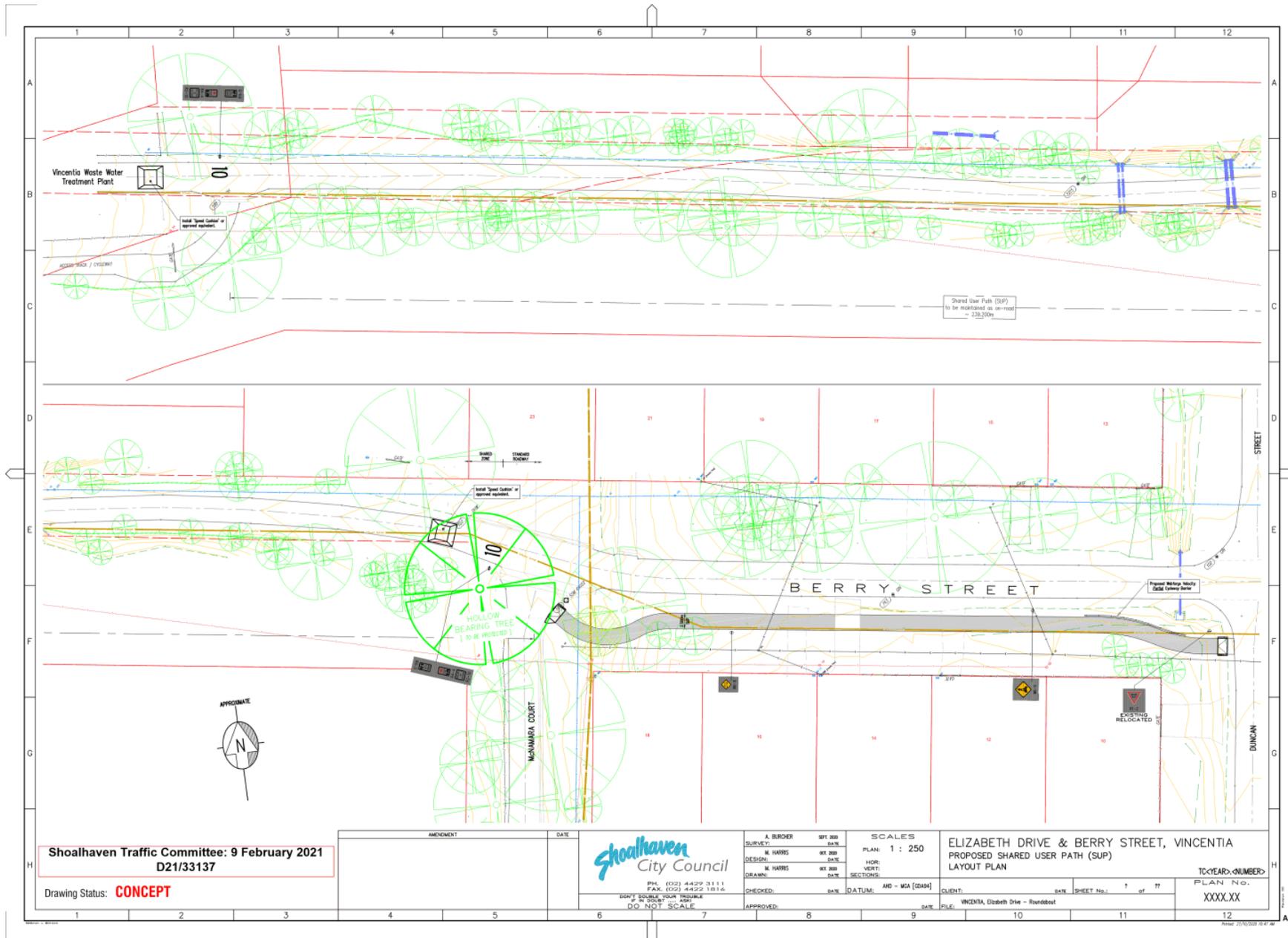
Transport for NSW made the following comments on this item:

1. Street Lighting must comply to Aust Standards
2. 10 km/h Shared zone must be approved by Transport for NSW
3. Speed cushion must comply to standards i.e., piano bars etc + warning sign must be installed to highlight speed cushion
4. Pram ramps must be coloured yellow as per standards
5. Are there any traffic management controls/upgrades at the intersection of Berry and Duncan Streets?
6. Intersection of Elizabeth Drive and Berry Street
7. Consider ~ 20m BB lines in Berry St + RRPMS
8. Kerb should be barrier or SM type kerbing
9. Increase the width of the pedestrian refuge so that it infills in between the edgelines. It should be noted that the pedestrian is exposed to risk when standing outside the

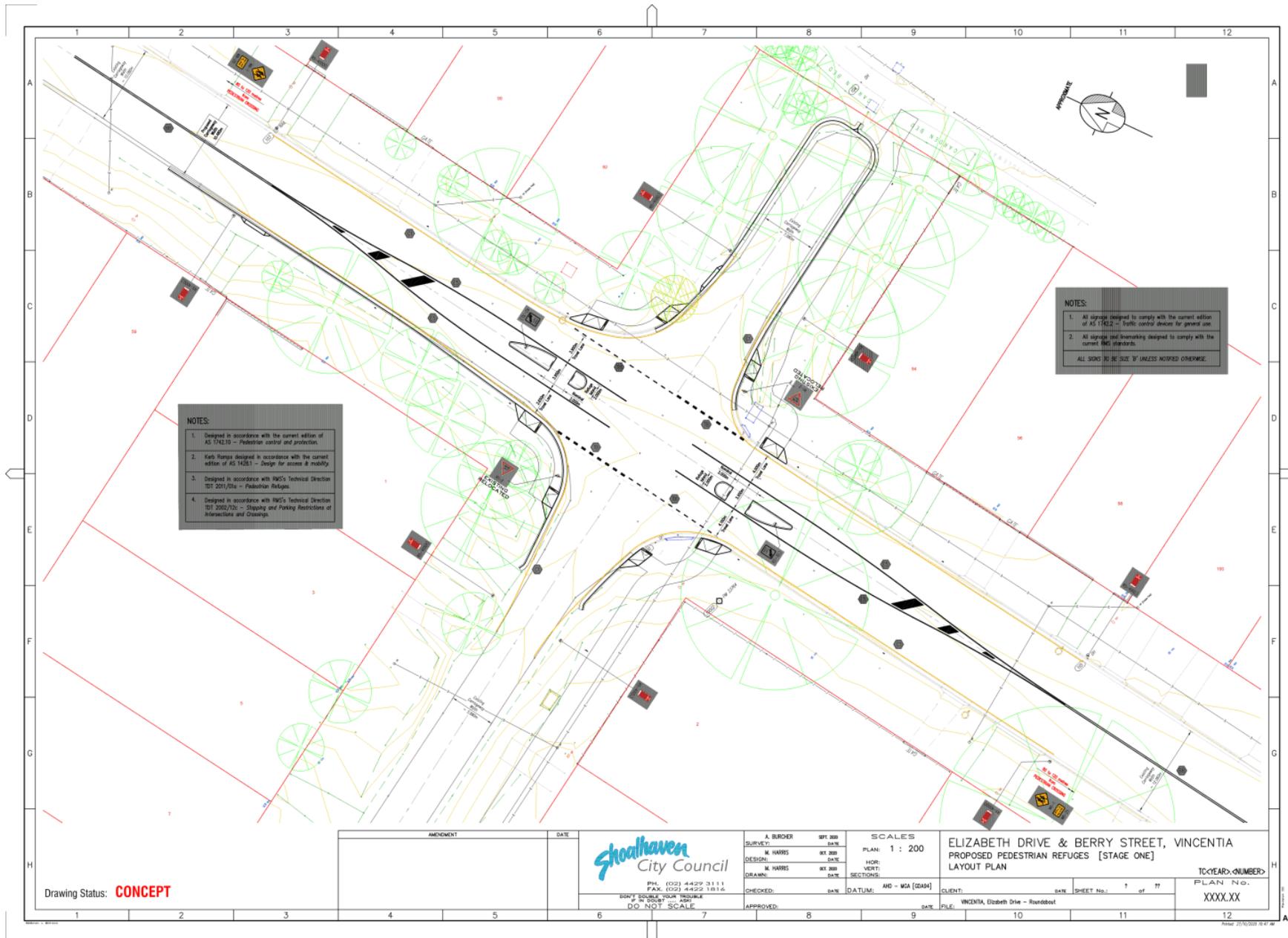
CL21.33

confines of the median raised island

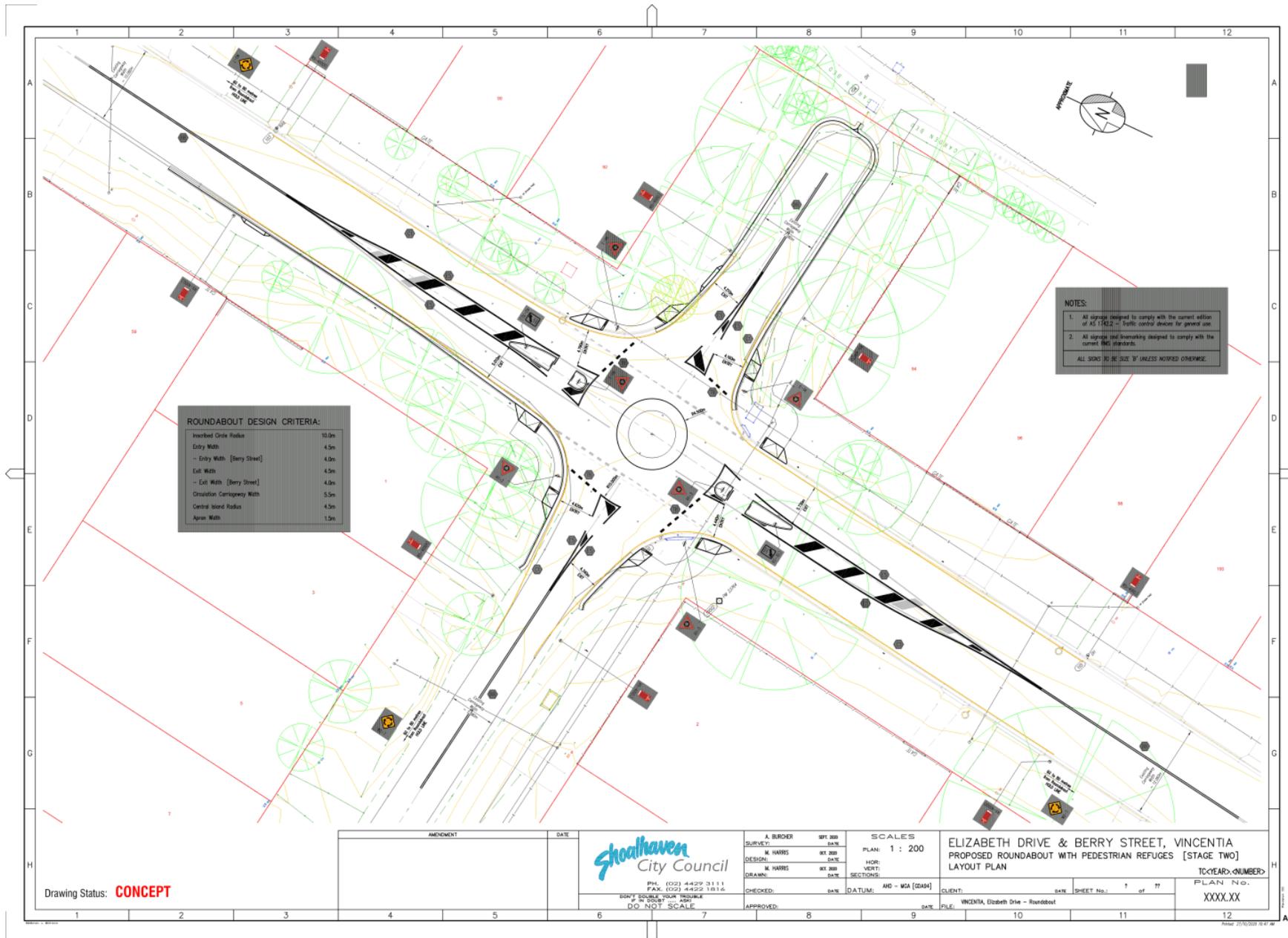
10. Linemarking of median appears incomplete. Edgelines should finish at the median nose + Chevron linemarking should be extended
11. RRPMs to be installed on edgelines and part of BB lines in approach to central pedestrian refuge
12. Additional Keep left sign to be installed on front median nose
13. Pedestrian refuge warning signs to be B size
14. Please include C3 unbroken yellow line to support the No Stopping restrictions



CL21.33 - Attachment 1



CL21.33 - Attachment 1



CL21.34 Amendment to Delegation to the Development and Environment Committee

HPERM Ref: D21/40713

Department: Business Assurance & Risk

Approver: Kevin Voegt, Director - City Performance

Reason for Report

This report is being submitted directly to the Ordinary Meeting due to a resolution of full Council being required to amend the delegation of a Committee of the Council.

The report seeks Council's endorsement of an amendment of the Development and Environment Committee's delegation to clarify the reporting requirements for Voluntary Planning Agreements (VPAs) and Works in Kind Agreements (WIKAs) arising from MIN21.2.

Recommendation

That the Development and Environment Committee of Council be provided the delegation to resolve Voluntary Planning Agreements (VPAs) and Works in Kind Agreements (WIKAs) by amendment to the existing delegation of the Committee Schedule at Clause (b) as follows:

SCHEDULE

- b. All functions relating to the preparation, making, and review of contributions plans and the preparation, entry into, and review of voluntary planning agreements under Part 7 of the EPA Act, as well as the preparation, entry into, and review of works in kind agreements that provide a material public benefit in part or full satisfaction of a condition imposed under Part 7 of the EPA Act.*

Options

1. Adopt the amendment as outlined in the recommendation.

Implications: Council will be able to resolve matters on Voluntary Planning Agreements (VPAs) and Works in Kind Agreements (WIKAs) at meetings of the Development and Environment Committee, as well as at Ordinary meetings.

2. Make other amendments to the Delegation of the Committee.

Implications: The wording of the delegations is based upon legal advice to the Council. It is suggested that should the Council wish for other changes to be made, that a recommendation be made for a report to be provided to the Council outlining amended wording which meets the intent of the Council and legal requirements.

Background

At the 18 January 2021 meeting of the Development and Environment Committee, Council resolved the following regarding Voluntary Planning Agreements (VPAs) and Works in Kind Agreements (WIKAs) (MIN21.2):

3. *Delegate the management of the VPAs and WIKAs outlined in Table 2 of this report to the Chief Executive Officer (or his delegate) for consideration and resolution, with the following VPAs and WIKAs being reported to Council:*
 - *Those that fall outside the criteria in Table 2 in this report, or*

- *As a result of negotiations, additional or different provisions or credit arrangements were required to be included, or substantial objections or issues were raised because of public notification.*

For clarification and to expedite the reporting requirements as resolved, it is recommended that the Delegations of the Development & Environment Committee be amended to allow the resolution of items regarding VPA's and WKA's without referral to the Ordinary Council Meeting.

It has been confirmed with Council's Legal Counsel that there is no impediment to the delegation being provided to the Development and Environment Committee if that is favourable to the Council.

CL21.35 Investment Report - January 2021

HPERM Ref: D21/53561

Department: Finance

Approver: Kevin Voegt, Director - City Performance

Attachments: 1. Shoalhaven Monthly Investment Report - January 2021 [↓](#)

Reason for Report

This report is being submitted directly to the Ordinary Meeting due to the report from our investment advisors not being available in time for the Strategy and Assets Committee meeting.

In accordance with section 625 of the Local Government Act 1993 and Clause 212 of the Local Government (General) Regulation, a written report is provided to Council setting out the details of all money it has invested.

Recommendation

That

1. The report of the Chief Executive Officer (City Performance) on the Record of Investments for the period to 31 January 2021 be received for information.
2. Council note Council's investment portfolio returned 1.24% for the month of January 2021, exceeding the benchmark AusBond Bank Bill Index (0.01% pa) by 123 basis points (1.23%).

Options

1. The report on the Record of Investments for the period to 31 January 2021 be received for information.

Implications: Nil

2. Further information regarding the Record of Investments for the period to 31 January 2021 be requested

Implications: Nil

3. The report of the Record of Investments for the period to 31 January 2021 be received for information, with any changes requested for the Record of Investments to be reflected in the report for the period to 28 February 2021.

Implications: Nil

Background

Please refer to the attached monthly report provided by Council's Investment Advisor, CPG Research and Advisory Pty Ltd.

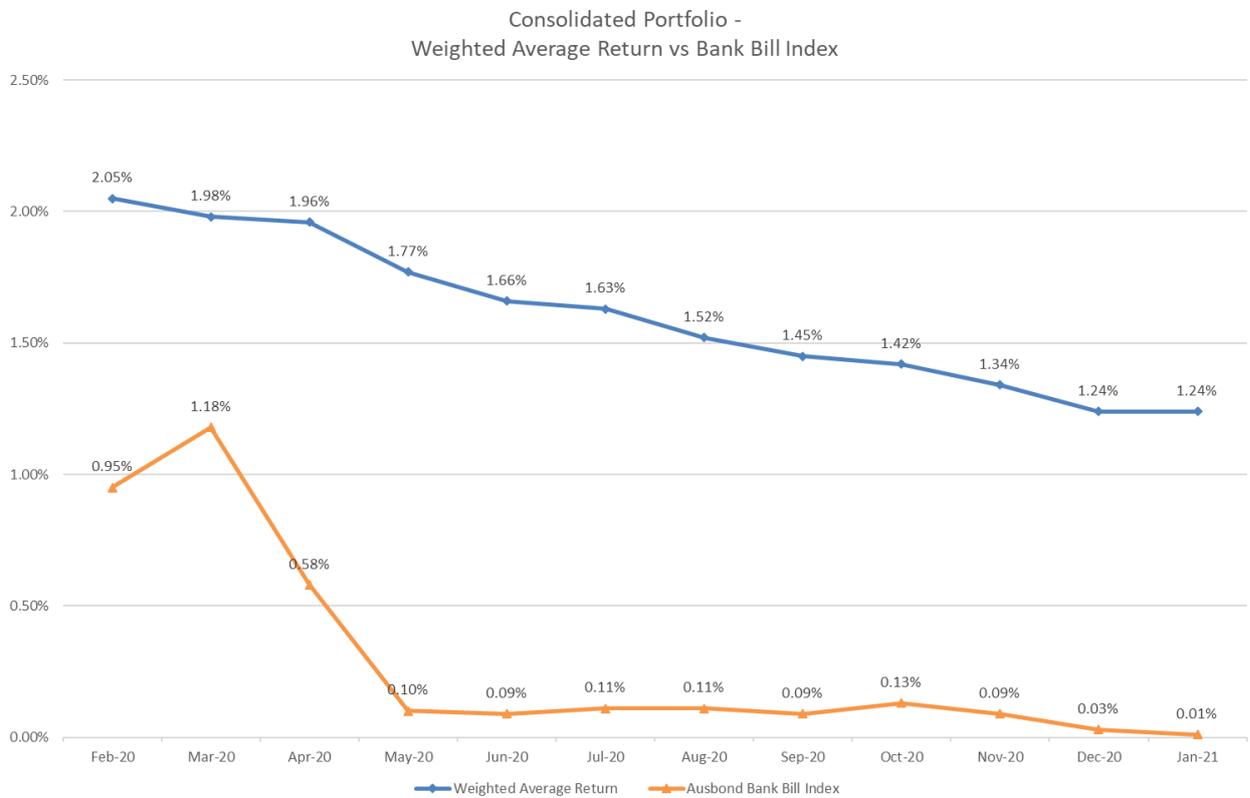
All investments are within the current Minister's Order. Investments are diversified across the eligible fixed interest universe and well spread across maturities. Available capacity exists in all terms, with medium term particularly relevant to new issues.

Portfolio Return

Council’s investment portfolio returned 1.24% for the month of January 2021, exceeding the benchmark AusBond Bank Bill Index (0.01% pa) by 123 basis points (1.23%).

Council’s relative outperformance expanded through the falling rate cycle mainly due to longer dated deposits with yields around 1.5% which is far above any available deposit. The outperformance of Council’s portfolio continues to gradually decline as long-term investments mature and are replaced with low-interest deposits.

The following graph shows the performance of Council’s investment portfolio against the benchmark on a rolling twelve (12) months basis. As can be seen, performance has consistently exceeded the benchmark due to the mix of Council’s investment portfolio.



CL21.35

Interest Earned – January 2021

The following table shows the interest earned for the month of January 2021. The interest earned for the month of January was \$185,746, which was \$67,095 below the current budget.

Fund	Monthly Budget	Actual Earned	Difference F/(UF)	Revised Budget	Revised Difference F/(UF)
General	\$198,825	\$96,710	(\$102,115)	\$162,304	(\$65,595)
Water	\$64,208	\$54,365	(\$9,843)	\$64,208	(\$9,843)
Sewer	\$30,519	\$34,671	\$4,152	\$26,329	\$8,342
Total	\$293,552	\$185,746	(\$107,806)	\$252,841	(\$67,095)

Interest Earned - Year to Date

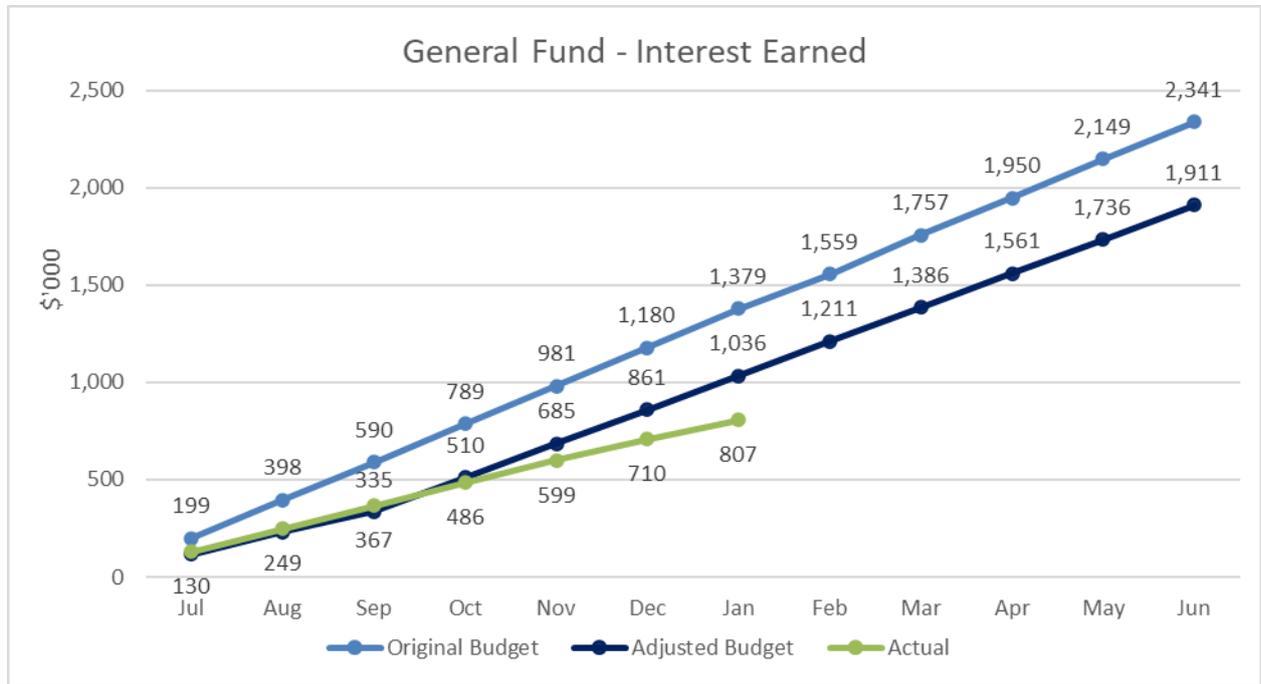
The COVID-19 pandemic has subsequently reduced Council’s cash balance, which has resulted in a lower interest income than was budgeted for in the General Fund. In addition, official cash rate is at historic low of 0.1%.

The September and December Quarterly Budget Reviews resulted in a reduction in the interest income budget for the General Fund for the first and second quarters. The impact of these events on interest revenue continues to be monitored with necessary adjustments to be reported in future quarterly budget reviews.

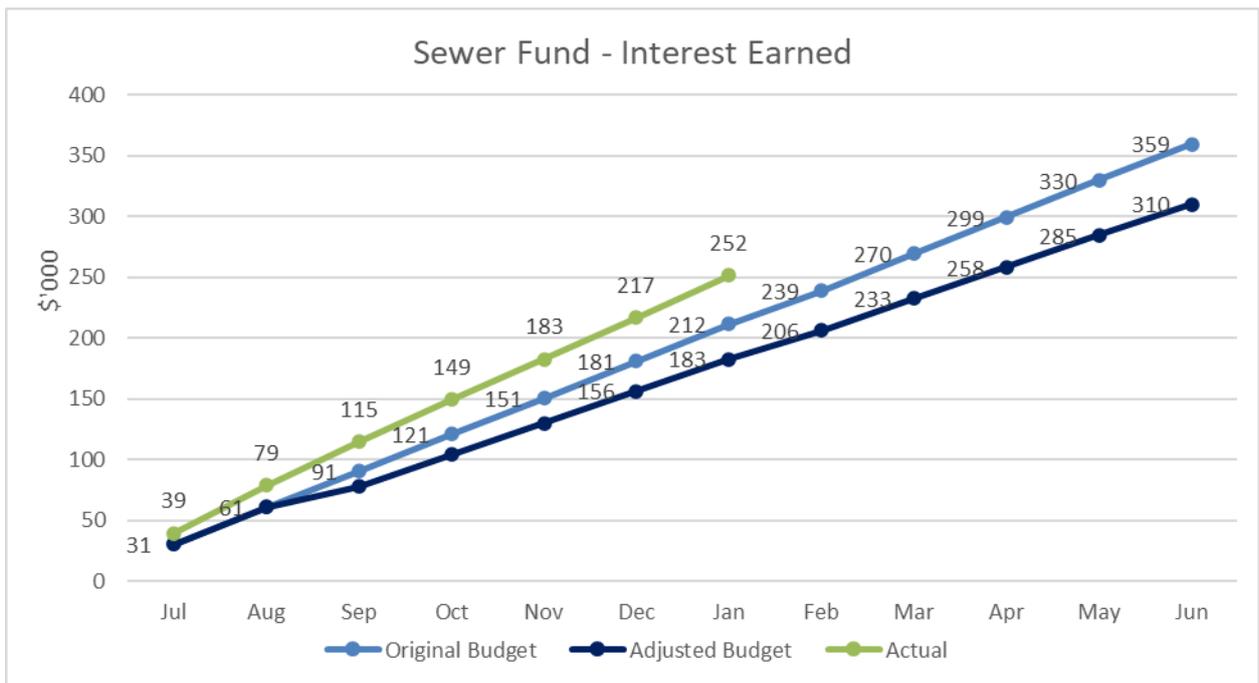
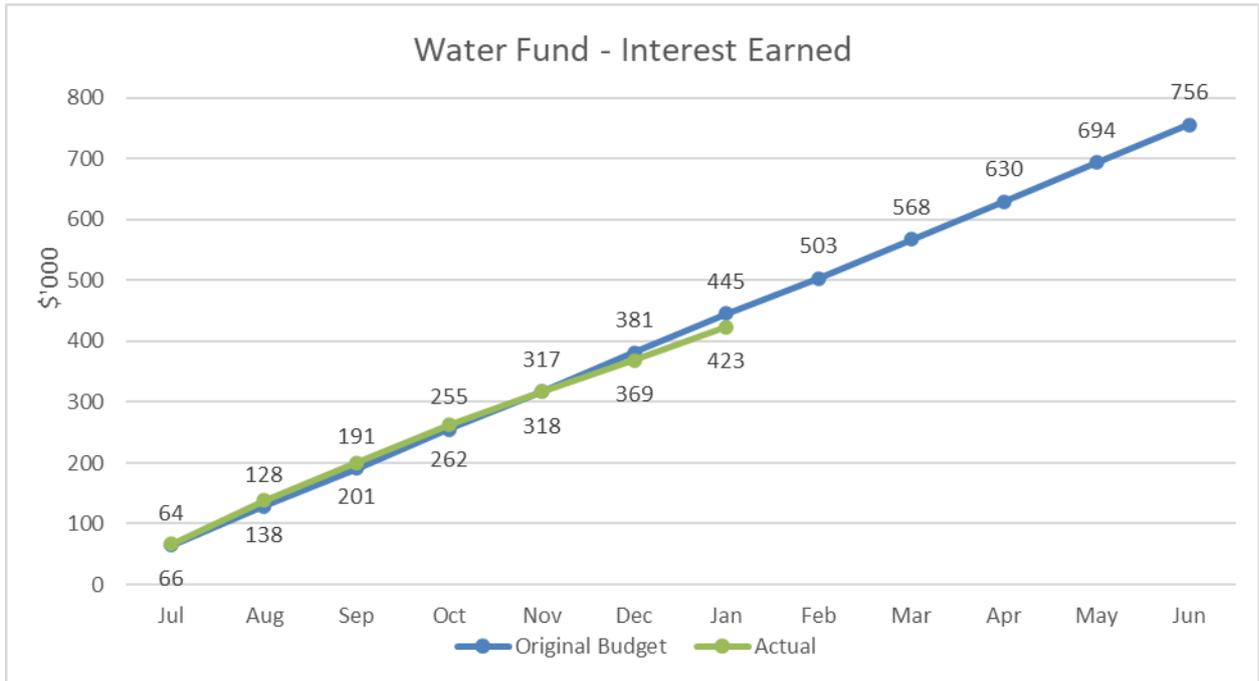
The following table shows how the actual amount of interest earned year to date has performed against the total budget forecast with 59% of the year passed to date, the interest earned to the month of January was \$1,481,752, 49.77% of the current full year budget.

Fund	Original Total Annual Budget	Actual YTD	% Achieved	Revised Budget	Revised %
General	\$2,341,000	\$806,672	34.46%	\$1,911,000	42.21%
Water	\$756,000	\$423,368	56.00%	\$756,000	56.00%
Sewer	\$359,333	\$251,712	70.05%	\$310,000	81.2%
Total	\$3,456,333	\$1,481,752	42.87%	\$2,977,000	49.77%

The graphs below illustrate the cumulative interest earned for the year for each fund against budget.



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Cash and Restricted Assets

RECORD OF INVESTMENTS
Cash and Investment Balances

	January 2021	December 2020
Cash and Investments Held		
Cash at Bank - Transactional Account	\$3,539,866	\$7,374,390
Cash on Hand	\$28,890	\$37,150
Other Cash and Investments	\$177,931,352	\$177,669,333
	\$181,500,108	\$185,080,873
Fair Value Adjustment	\$623,815	\$626,408
Bank Reconciliation	\$273,494	\$134,066
	\$897,309	\$760,474
Book Value of Cash and Investments	\$182,397,417	\$185,841,347
Less Cash & Investments Held In Relation To Restricted Assets		
Employee Leave Entitlements	\$7,923,913	\$7,923,913
Land Decontamination	\$390,096	\$390,198
Critical Asset Compliance	\$1,408,110	\$1,409,917
North Nowra Link Road	\$28,273	\$28,273
Other Internal Reserves	\$4,509,974	\$4,533,212
Section 7.11 Matching Funds	\$311,169	\$311,169
Industrial Land Development Reserve	\$5,150,909	\$5,188,171
Plant Replacement	\$2,649,138	\$2,799,997
S7.11 Recoupment	\$21,008,752	\$23,012,004
Commitment To Capital Works	\$2,038,817	\$2,057,946
Property Reserve	\$703,735	\$1,002,230
Total Internally Restricted	\$46,122,886	\$48,531,052
Loans - General Fund	\$510,000	\$1,508,491
Self Insurance Liability	\$1,552,393	\$1,595,871
Grant reserve	\$4,023,684	\$3,267,208
Section 7.11	\$15,316,256	\$15,191,232
Special Rate Variation	\$4,335,922	\$5,655,608
Storm Water Levy	\$951,462	\$976,291
Trust - Mayors Relief Fund	\$77,250	\$191,575
Trust - General Trust	\$2,893,225	\$2,714,984
Waste Disposal	\$13,902,682	\$13,684,201
Sewer Fund	\$32,344,155	\$31,838,349
Sewer Plant Fund	\$3,256,214	\$2,814,729
Section 64 Water	\$20,198,122	\$20,096,777

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Water Fund	\$27,833,026	\$28,198,134
Water Communication Towers	\$2,378,575	\$2,397,182
Water Plant Fund	\$4,167,448	\$3,645,071
Total Externally Restricted	\$133,740,414	\$133,775,703
Total Restricted	\$179,863,300	\$182,306,755
Unrestricted Cash And Investments		
General Fund	\$2,534,117	\$3,534,592

Restricted Asset Movements

The table below lists the major movements in Restricted Assets:

Total Cash	-\$3,443,930	Not a Rates Instalment Month
S 7.11 Recoupment	-\$2,003,252	Recoupment for the projects currently being funded from General fund reserves
Special Rate Variation	-\$1,319,686	Expenditure on Projects
Loans - General Fund	-\$998,491	Loans reserve used to deliver loan funded capital projects.
Unrestricted cash	-\$1,000,475	Not a Rates Instalment Month

A drop in unrestricted cash is mainly due to the payment to Contractors for ongoing projects and January being not a rates instalment month.

As at the end of January 2021, Council has a list of projects funded from General fund's cash balance and for which grants have not been fully received. There has been an increase to \$3.3 million and below is the list of the Top 5 projects in this category.

Projects	Amount (\$)
Forest Rd Black Spot Program 1.7km of Callala Beach Road	384,193
Woollamia Maritime Project – Stage 3	328,619
School Creek Bridge Disaster Assistance Rebuild	316,718
Woollamia Maritime Project – Boat Lift Facility	207,328
Shoalhaven Heads - Extensions	199,039

It is noted that the Council was successful in acquiring low interest loans from T-Corp with the loans being approved by the T-Corp Credit Committee in February 2021. The offer of the loans is currently in progress and will be the subject of a report in March 2021 for Council approval. Upon acceptance of the letter of offer, Council will be able to draw down on the loans and replenish the General Fund Loans Reserve.

COVID-19 Impact

As at 1 February 2021, 9.24% of properties (5,443) were in default compared to 12.23% as reported in December 2020. The total overdue amount stands at \$7.78M. It is noted that the rate of defaulting is expected to continue to decrease in the coming months consistent with previous years trends.

It is important to note that Council extended the interest free period on overdue rates until 30 June 2021.

CL21.35

Despite the negative impact of COVID-19, Council continues to maintain a sufficient level of working capital and management closely monitors the cash position of the Council.

Financial Implications

It is important for Council to be informed about its investments on a regular basis. Revenue from interest forms a vital part of Council's revenue stream.

Statement by Responsible Accounting Officer

I hereby certify that the investments listed in the attached report have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulations 2005 and Council's Investments Policy POL19/72.



Olena Tulubinska

Date: 16 February 2021

CL21.35



Monthly Report

Shoalhaven City Council

January 2021

CL21.35 - Attachment 1



Market and Economic Review

Leading Economies

US markets gave up early gains. The S&P500 and Dow Jones lost -1.0% and -2.0% respectively, only NASDAQ gained +1.4%. A stockmarket scandal around GameStop brought calls for further regulation. MSCI World ex-AUS slide -0.8% in local terms. Emerging Markets rose +3.1% in \$US with Asia up and Latin America down; Frontier Markets were +0.4%. US 10-year bonds sold off, closing 1.07% (+14bp). High yield closed at +384bp (-2bp tighter).

COVID-19 deaths reached 2m from 100m cases. Early vaccine logistics problems coupled with side effects (and some reported deaths in Norway) cast a cloud over market optimism. The year's GDP was -2½%. The final acts of the election season saw violent protests and a surprise Democrat win in the Senate runoff elections.

US Q4 GDP estimate of +1% (4% p.a.) was at the upper end of economists' forecasts. US unemployment was steady at 6.7%. Non-farm payrolls fell -140k. Youth unemployment spiked to 12.5% (+0.9%) on COVID shutdowns. CPI rose +0.2% to 1.4% YoY. Retail sales fell -0.7%.

Eurozone unemployment eased to 8.3% (-0.1%) on a plunge in participation to 55.6% (-1.1%) during lockdowns. YoY inflation remained negative (-0.3%). Germany surprised with +0.1% for Q4 GDP, although the EU likely contracted. Retail sales slumped -6.1%.

The EU and UK have ongoing disputes post-Brexit, including borders and bans on COVID-19 vaccine exports from Belgium.

China's yuan traded through 6.5 per \$US ahead of the 14th Five Year Plan. GDP grew an astonishing +6.5% in 2020. Prices rose +0.7% in December, emerging from deflation. December's trade surplus of +\$US78.2bn set a record. Japan's deflation deepened to -1.2%.

Domestic News

The ASX200 returned +0.4% while Smallcaps eased -0.3%. The 10-year bond declined in value to 1.13% (+16bp), a post-COVID high, following US weakness. Long bond returns are now negative YoY.

Headline CPI was high, at +0.9% in Q4 (mostly on tobacco's annual 20% increase), but core inflation was just +0.4% to stay +1.2% YoY. Producer prices slipped -0.1% in Q4. The goods trade surplus jumped to \$9bn (vs \$2bn in November) as exports soared +16%. Q3's current account was +\$10bn (-\$6.3bn). Retail sales fell -4.2% in December but was still +9.4% YoY.

Unemployment fell to 6.6% (-0.2%) on +50k jobs in Nov, including +36k fulltime. This offset participation rising to 66.2% (+0.1%). Hours worked rose +1%. Underemployment fell -0.9% to 8.5%.

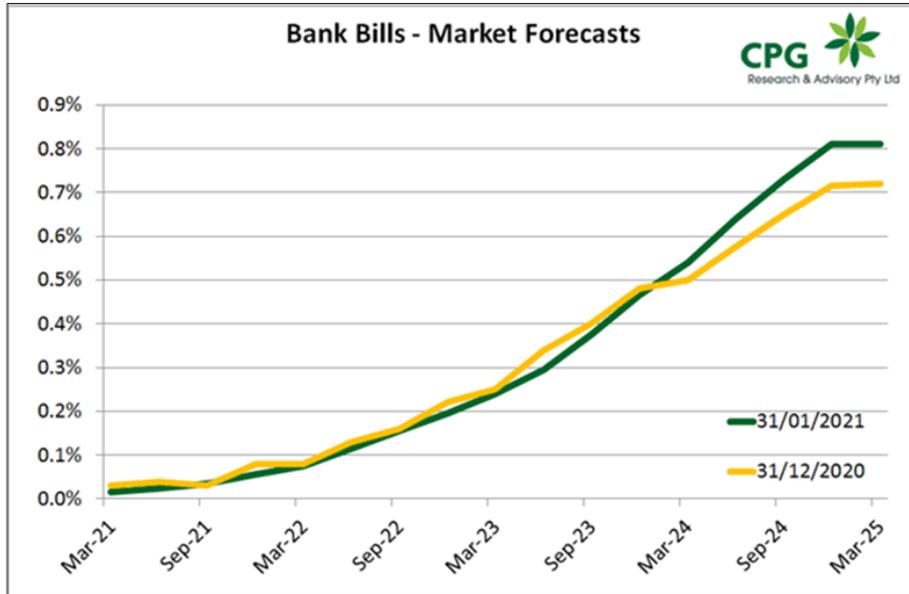
Building starts rose +4% for houses, but units declined -7.5%. Housing commitments gained +5.6% to be +23.7% YoY. New home loan commitments reached a record \$22.7bn in Oct (+0.7%), due to a 30% YoY increase for owner-occupiers.

Other Markets

WTI oil jumped to \$US52/bbl (+8.0%), up over 50% since the US election. Gold slid to \$1844/oz (-3%). Iron ore was little changed at \$155, off a high of \$170. Base metals mostly gained: Nickel (+7.18%), Tin (+15.18%), Copper (+1.75%) and Aluminium (+0.46%) rose while Zinc (-5.82%) fell. The \$A closed at US76.5c (-0.6%) against a slightly stronger \$US.



Bill futures factor in a first rate increase around 2023, earlier than RBA guidance in 2024:

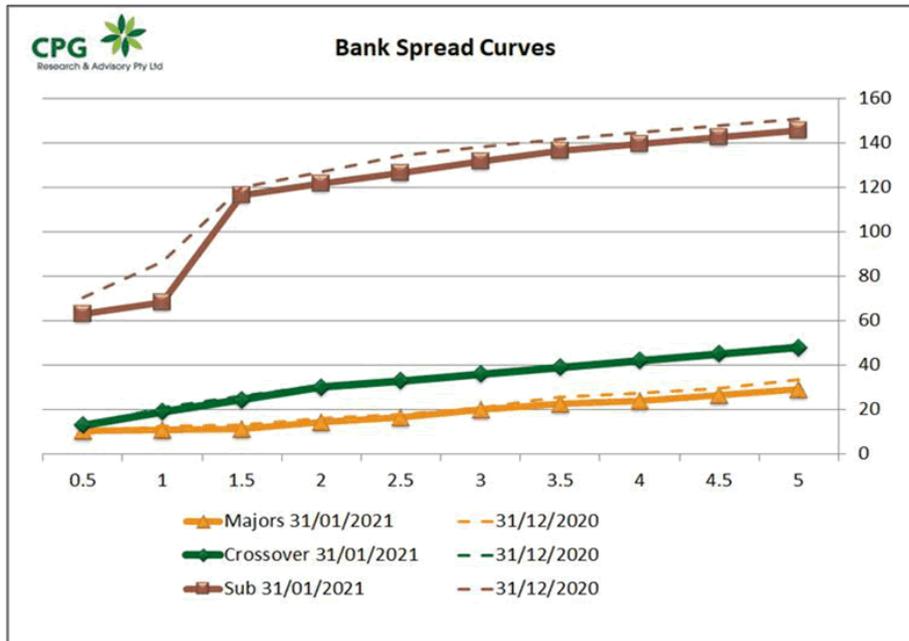


Credit Market

Australian credit rallied in January. Offshore credit traded slightly weaker, on a worsening COVID-19 outbreak and policy uncertainty:

Credit Indices	31 Jan 21	31 Dec 20	31 Dec 19
iTraxx Australia 5 Yr CDS	52bp	57bp	47bp
iTraxx European 5 Yr CDS	52bp	48bp	44bp
CDX IG North American 5 Yr CDS	55bp	49bp	45bp
CDX HY North American 5 Yr CDS	312bp	293bp	280bp

Sub debt continued to firm, particularly at the short end which is now expensive at the tightest in 3 years. Major banks tightened, re-testing post-GFC records:



Physical high yield was **little changed**, closing at +384bp vs +386bp in December (*BoAMLHY Index, option-adjusted*). **We hold to a Reduce view** inside 400bp, although moves in leveraged loans have been less extreme and we have a Neutral view on loans.

US bonds closed at 1.11% (+18bp). Australian 10-year bonds were also weaker, +12bp higher at 1.08bp. Both have continued to weaken. 3-year bonds were little changed to 0.11% (+1bp), near the rate target – the RBA has not needed to intervene for some weeks.

3m BBSW was just 1bp again; no further cuts are possible without moving into negative rates for a key benchmark.

Credit is now very expensive, at least among domestic banks with access to the TFF, and offshore major banks are also generally now trading at post-GFC record pricing.

There remains some further downside risk to the middle of the bond yield curve, but credit is very expensive and we recommend sales of the majority of the book.



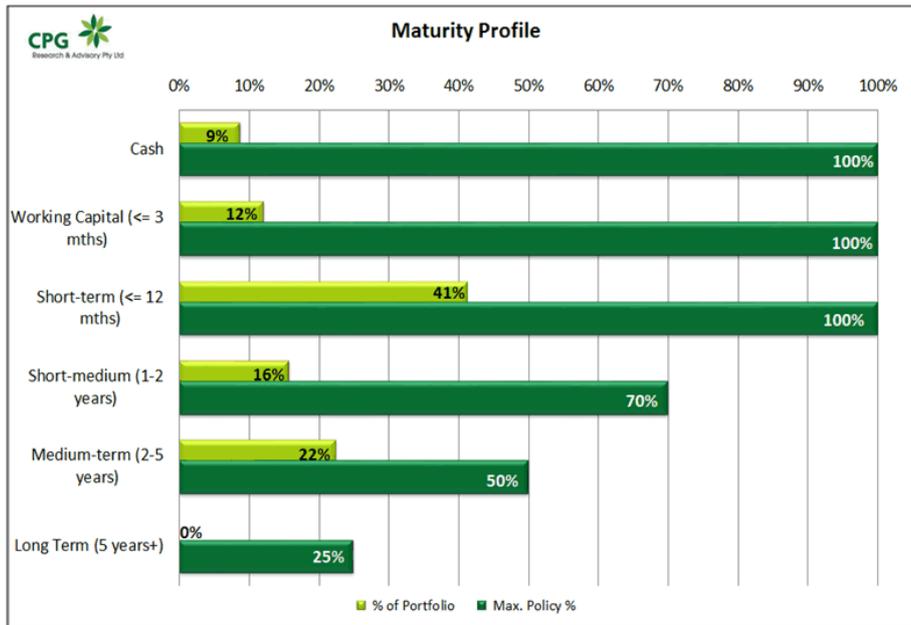
Council's Portfolio

9% of investments are available at-call and a further 12% of assets mature within 3 months. Another 41% of assets mature within 3-12 months. Longer-term allocation stayed at 22% at 2-5 years with long term FRN purchase. Major bank paper is extremely expensive. Given the “flight to (domestic) safety” as well as the distortion of the RBA’s Term Funding Facility, there is an unprecedented divergence, and foreign issuers significantly overpay for credit quality.

All investments are within the current Minister’s Order, having closed out legacy fund positions at their peak. Credit showed modest growth in January, alongside mixed stockmarkets and a weaker \$A.

The RBA made no policy changes at December’s meeting, continuing to be surprised to the upside by data. After month end, the RBA extended (but did not accelerate) bond purchases beyond April.

Deposit rates were generally at the same level; recent investments have diversified away from banks. Only the unrated Judo Bank pay around 1% for the longest terms; The unusually large Q2 gap between highly rated ADIs and others has **converged to tight pre-COVID historical norms.**



Council’s investments are well spread across maturities, well diversified across the eligible fixed interest universe. Capacity exists in all terms.

Council’s portfolio is primarily in deposits (at 63%) along with a substantial liquid portfolio. Of the FRNs, market liquidity is now very strong, and credit funds continue to normalise their credit spreads.



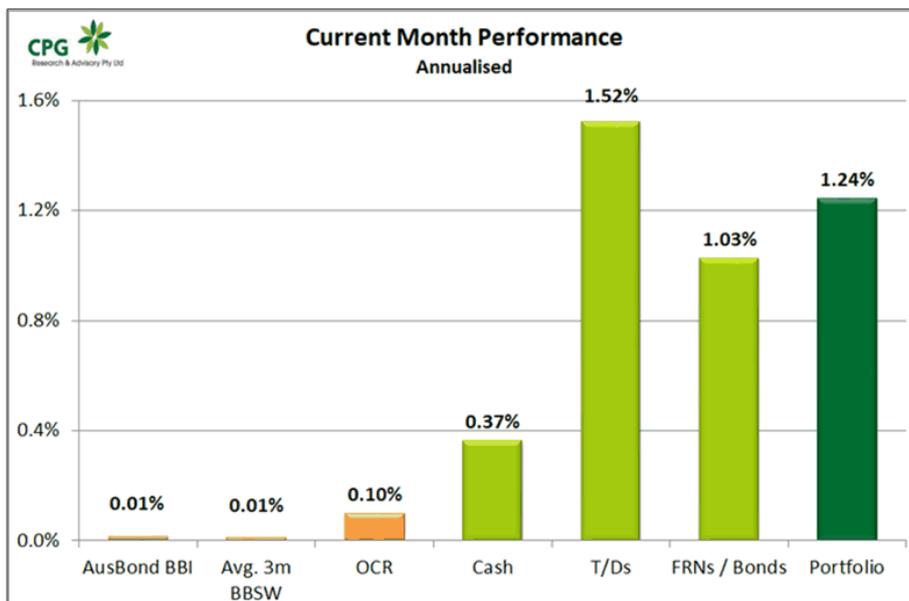
Returns - Accrual

Actual	1 month	3 months	6 months	FYTD	1 year	2 years	3 years	4 years	5 years
Official Cash Rate	0.01%	0.03%	0.09%	0.11%	0.25%	0.68%	0.95%	1.09%	1.21%
Avg. 3m BBSW	0.00%	0.00%	0.03%	0.03%	0.22%	0.73%	1.14%	1.29%	1.42%
AusBond Bank Bill Index	0.00%	0.01%	0.04%	0.05%	0.29%	0.84%	1.21%	1.34%	1.48%
Council Cash	0.03%	0.10%	0.23%	0.28%	0.65%	1.15%	1.44%	1.62%	1.75%
Council T/Ds	0.13%	0.40%	0.88%	1.06%	1.97%	2.41%	2.67%	2.85%	3.00%
Council FRNs / Bonds	0.09%	0.27%	0.56%	0.67%	1.35%	1.95%	2.38%	2.59%	-
Council Total Portfolio	0.11%	0.32%	0.69%	0.83%	1.61%	2.05%	2.33%	2.48%	2.66%

Annualised	1 month	3 months	6 months	FYTD	1 year	2 years	3 years	4 years	5 years
Official Cash Rate	0.10%	0.10%	0.17%	0.19%	0.25%	0.68%	0.95%	1.09%	1.21%
Avg. 3m BBSW	0.01%	0.02%	0.05%	0.06%	0.22%	0.73%	1.14%	1.29%	1.42%
AusBond Bank Bill Index	0.01%	0.04%	0.08%	0.08%	0.29%	0.84%	1.21%	1.34%	1.48%
Council Cash	0.37%	0.40%	0.45%	0.48%	0.65%	1.15%	1.44%	1.62%	1.75%
Council T/Ds	1.52%	1.59%	1.75%	1.80%	1.97%	2.41%	2.67%	2.85%	3.00%
Council FRNs / Bonds	1.03%	1.07%	1.12%	1.13%	1.35%	1.95%	2.38%	2.59%	-
Council Total Portfolio	1.24%	1.27%	1.37%	1.41%	1.61%	2.05%	2.33%	2.48%	2.66%

The Investment portfolio returned a solid **1.24% p.a.** for the month of January 2021, exceeding the benchmark AusBond Bank Bill Index (0.01% p.a.) by **+123bp**. It does not include any market value impact – while FRN prices were flat in the month, they carry significant gains.

Longer dated deposits continue to hold the total portfolio performance, with yields around ~1.5% – an excellent level, **far above any available deposit**. Council's **relative outperformance expanded through the falling rate cycle**, with cash almost literally paying zero. Term deposits have anchored very strong outperformance, although the typical 1-year duration mean that protection is also running off rapidly now.





Credit Quality

The aggregate limit for BBB is 30% and in NR is 2% (over-riding single-name limits); there are no current unrated investments. Allocations were very conservative in any case. These are consistent with TCorp’s criteria; Policy could readily be aligned to their more complex basis which integrates both tenor and ratio (with more bands). **Without unrated holdings, the migration would be trivial.**

We have tested the portfolio provided against Council’s current Investment Policy and report the following:

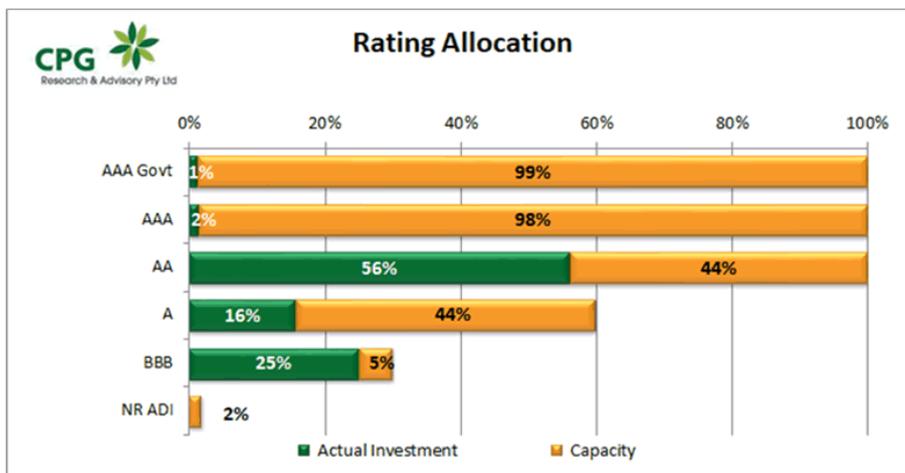
Aggregate credit limits are in compliance:

Rating Category	Actual	Per C/Party	Aggregate	Rating Category	Actual Investment	Capacity
AAA Govt	1%	100%	100%	AAA Govt	1%	99%
AAA	2%	40%	100%	AAA	2%	98%
AA	56%	30%	100%	AA	56%	44%
A	16%	15%	60%	A	16%	44%
BBB	25%	10%	30%	BBB	25%	5%
NR ADI	0%	5%	2%	NR ADI	0%	2%

Credit quality is mostly directed towards the higher rated ADIs, using the limited capacity in lower investment grade (BBB rated). This has been opportunistically utilised by locking in long term fixed rates ahead of dramatic falls in returns. Recent FRN purchases also trade well ahead of par.

AMP Bank downgrade to BBB is reflected in data; the Outlook is now *Stable*.

Given TCorp’s more granular classifications subdividing even the BBB category, this could easily be managed towards the BBB+ banks specifically.





Other Compliance

We have tested the portfolio provided against Council's current investment policy and report the following:

All counterparties comply, and all are rated.

Counterparties	Exposure \$M	FCS	Net	Rating	Policy Limit	Actual	Capacity
TCorpIM Cash Fund	\$0.00M	\$0.00M	\$0.00M	AAA	40%	0%	\$72.56M
NSW TCorp	\$1.91M	\$0.00M	\$1.91M	AAA	40%	1%	\$70.65M
Suncorp Cov	\$1.00M	\$0.00M	\$1.00M	AAA	40%	1%	\$71.06M
ANZ	\$10.50M	\$0.00M	\$10.50M	AA-	30%	6%	\$43.92M
CBA	\$38.24M	\$0.25M	\$37.99M	AA-	30%	21%	\$16.42M
NAB	\$30.80M	\$0.25M	\$30.55M	AA-	30%	17%	\$23.87M
Westpac	\$23.00M	\$0.25M	\$22.75M	AA-	30%	13%	\$31.67M
Rabobank	\$10.00M	\$0.25M	\$9.75M	A	15%	5%	\$17.46M
Suncorp	\$0.50M	\$0.00M	\$0.50M	A+	15%	0%	\$26.71M
Citibank	\$1.00M	\$0.00M	\$1.00M	A+	15%	1%	\$26.21M
Macquarie Bank	\$14.00M	\$0.25M	\$13.75M	A	15%	8%	\$13.46M
ING	\$4.00M	\$0.25M	\$3.75M	A	15%	2%	\$23.46M
Bendigo-Adelaide	\$0.00M	\$0.00M	\$0.00M	BBB+	10%	0%	\$18.14M
BoQ	\$10.00M	\$0.25M	\$9.75M	BBB+	10%	5%	\$8.39M
CUA	\$2.70M	\$0.00M	\$2.70M	BBB	10%	1%	\$15.44M
Heritage	\$0.70M	\$0.00M	\$0.70M	BBB+	10%	0%	\$17.44M
AMP	\$15.64M	\$0.25M	\$15.39M	BBB	10%	8%	\$2.75M
TMB	\$0.70M	\$0.00M	\$0.70M	BBB	10%	0%	\$17.44M
Newcastle Permanent	\$2.60M	\$0.00M	\$2.60M	BBB	10%	1%	\$15.54M
ME Bank	\$1.60M	\$0.00M	\$1.60M	BBB	10%	1%	\$16.54M
Defence Bank	\$2.00M	\$0.00M	\$2.00M	BBB	10%	1%	\$16.14M
P&N Bank	\$7.00M	\$0.25M	\$6.75M	BBB	10%	4%	\$11.39M
Auswide	\$3.50M	\$0.25M	\$3.25M	BBB-	10%	2%	\$14.89M
Qbank	\$0.00M	\$0.00M	\$0.00M	BBB-	10%	0%	\$18.14M
	\$181.39M		\$178.89M			99%	
C>Wealth Govt		\$2.5M	\$2.50M	AAA	100%	1%	
Total	\$181.39M		\$181.39M			100%	

We have also tested Council's current investment exposure against the lower rated counterparties' net assets as Council's Policy prescribes maximum concentration. We report the following:

Only P&N Bank is larger than the net assets % threshold for individual counterparty; it will be run down over time. Its deposit has a longer term than the other ADIs originally affected by this limit, which have now been run off.



Counterparties	Exposure \$M	Rating	Max port %	Actual	Net Assets \$M	Max allowed % of net assets	Net Exposure	
AMP	\$15.64M	BBB	10%	9%	\$6,791	2%	0.230%	1.77%
Bendigo-Adelaide	\$0.00M	BBB+	10%	0%	\$5,632	2%	0.000%	2.00%
BoQ	\$10.00M	BBB+	10%	6%	\$3,885	2%	0.257%	1.74%
CUA	\$2.70M	BBB	10%	1%	\$1,037	2%	0.260%	1.74%
Heritage	\$0.70M	BBB+	10%	0%	\$487	2%	0.144%	1.86%
TMB	\$0.70M	BBB	10%	0%	\$493	2%	0.142%	1.86%
Newcastle Permanent	\$2.60M	BBB	10%	1%	\$925	2%	0.281%	1.72%
ME Bank	\$1.60M	BBB	10%	1%	\$1,485	2%	0.108%	1.89%
P&N Bank	\$7.00M	BBB	10%	4%	\$291	2%	2.408%	-0.41%
Qbank	\$0.00M	BBB-	10%	0%	\$78	2%	0.000%	2.00%
Auswide	\$3.50M	BBB-	10%	2%	\$237	2%	1.478%	0.52%

We note that these are before application of the government insurance scheme (FCS), although the difference is trivial. TCorp's convention is to calculate allocation on a gross basis, and they set their recommended limits accordingly.

While the long duration is lengthening the final grandfathered asset, we note that these T/Ds were placed at above 3½% yield, for 5 years.



Term Deposits

At month-end, deposits accounted for approximately 63% of the total investment portfolio. The weighted average duration of the deposit portfolio is **~0.9 year, unchanged from last month. It remains comparable to the peer group, at a very high interest rate relative to current rates.**

Council has held its duration through term deposits rather than bonds – avoiding extremely large mark-to-market volatility in months such as March. This placed Council in an extremely strong position in FY20, and FY21 opened very well with a current yield still above 1½%. However, the term of these pre-COVID holdings is decaying over time, and they will almost all be gone by the end of FY21.

Deposit margins contracted to new lows. *The gap between A-rated and lower deposits is small, with both at post-GFC lows. The RBA expanding TFF funding to banks continues to pressure rates from other sources,* and all domestic ADIs have pulled back wholesale funding rates.

Forced migration to shorter and higher rated deposits imposed substantial costs during the year, preventing greater access to rate protection and unusually wide rate differentials Short term margins showed discontinuities, overpaying at 3 and 6 months. Long rates steepened as bond yields rose, with AMP prominent.

Short term margins have slight discontinuities, overpaying marginally at 3 and 6 months . Long rates margins are now very low –at post-GFC records.

We note (typically short-dated) broker specials for deposits around short-term investment requirements are advised in the T/D daily rate sheet regularly.

Relevant portfolio data follows:

Term Deposit Statistics

Percentage of total portfolio	63%
Weighted Average Yield	1.49%
Weighted Average Duration	0.9 yrs

Credit Quality of Deposits

AAA^	2%
AA	54%
A	18%
BBB	26%
Unrated ADI	0%
Total	100%

^ Calculation excludes the Financial Claims Scheme (FCS)

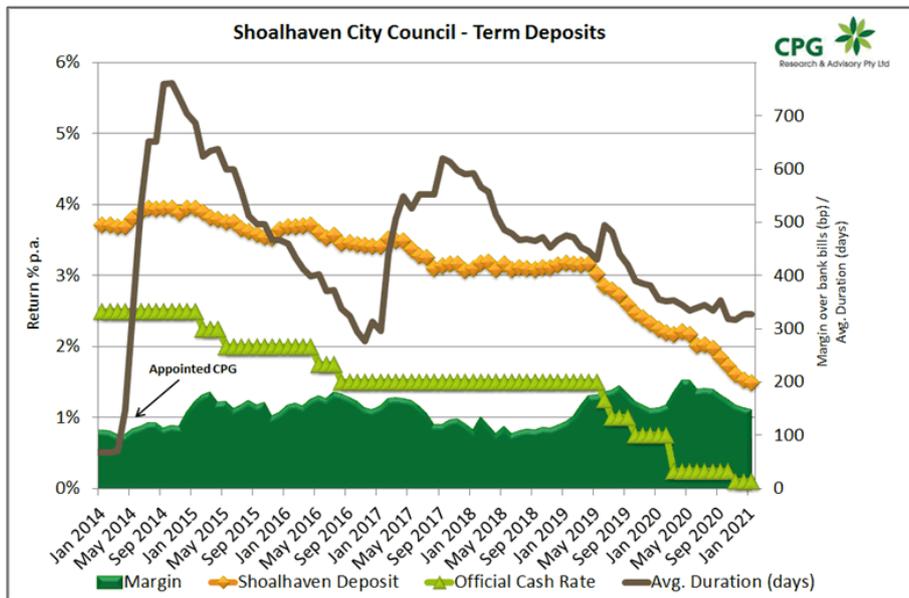
We refer to the detailed analysis in our January *Fixed Interest Analytics*.



We also revisit some prior analysis. The long duration strategy was very successful, substantially lifting the average margin. Margins again expanded, with the average duration kept at 1 year until after the impact of the COVID-19 crisis was fully reflected in zero rates.

Duration has since been relatively static around the 300-350 day area.

Deposit margins have consistently exceeded 100bp since early 2019, which set up excellent FY20 – the best in 5 years. As deposits mature, average yield is again gradually reflecting policy interest rates with a lag.



FY21 is seeing strong excess performance from deposits (which have recently ranged from +150 to +200bp during the COVID-19 recession), as well as additional profits available from realising the embedded gains of the FRN book.

CL21.35 - Attachment 1



Credit: FRNs & Fixed Bonds

Senior major FRN spreads were tighter, retesting November's post-GFC tight.

Australian 10-year bond declined in value to 1.13% (+16bp). 3-year bonds were little changed at 0.11% (+1bp), near the rate target. **BBSW was +1bp**, so any further move in interest rates will likely see a negative rate environment. US bonds closed at 1.11% (+18bp). Bonds have been a negative for diversified portfolios since the bottom of the COVID-19 crisis.

Domestic bonds had generally outperformed; bonds have traded sideways during a quite severe sell-off in the US. The fact that the RBA has continued to ease policy made Australia initially one of the stronger bond markets. **But since year end, Australia has followed a weaker US lead.**

The RBA reiterated around 3 years of zero interest rate policy (4 years, including 2020), to at least 2024. BBSW is typically 1-2bp, effectively zero interest for the floating benchmark.

We refer to the detailed analysis in our January **Fixed Interest Analytics** as well as other commentaries following the US election.

Council had no new FRN investment during the month, and new issues do not offer value.

Foreign institutions unable to access the TFF are by far the better value. We look to sell all existing FRNs from major banks. All major bank paper would show **substantial gains**.

Specifically:

- ▶▶ All AA and AAA 2021s (\$4m)
- ▶▶ Subject to suitable bids, the BBB FRNs within a year of maturity
- ▶▶ 2022 FRNs of ANZ and Suncorp (\$1.5m)
- ▶▶ 2023 major bank FRNs (\$10m)
- ▶▶ Early 2024 major bank FRNs, priced as 3-year (\$4.3m)

The spread between AA and the larger BBB names is back to pre-GFC levels – inside +20bp at the long end, and through +10bp for shorter dated securities. This provides the opportunity to also sell benchmark second tier issuers, with **ME Bank, BoQ and Suncorp likely to trade very strongly**. Smaller ADIs will tend to trade considerably wider than benchmark issues.

Given relative pricing, preferred exposures are likely to include major money-centre banks that also have branches (and are therefore eligible under the Minister's Order). **The pricing differential in the Australian market can be substantial**, with even larger and more systemically important banks paying a large premium.

We expect credit spreads to be wider after TFF funding is exhausted, probably weakening in 2022 as issuance recommences.

GSIBs (Global Systemically Important Banks) are relatively better value (potentially as much as +50bp), although increasingly only the Asian banks are overpaying with European names trading tightly.



Fixed Interest Outlook

Bonds lost ground in virtually every country. The US election took 2 months to produce a clean sweep result, opening the door to less investor-friendly outcomes. The **US bond market is looking for some higher inflation ahead**, and this is hitting bond prices globally:



SOURCE: TRADINGECONOMICS.COM

Australia's policy outlook is fairly conventional, in an unconventional world. The RBA is only doing what was **normalised in 2008's major recession** (first used by Bank of Japan in 2001).

The RBA frames the 3-year high of the \$A and the post-COVID high for bond yields as "it would be higher but for the launch of QE." **On this basis, all policies are by definition successful**, but it is a modest claim. Would yields really be pushing 1½% without the RBA buying bonds? Would the \$A be over US80c? Maybe. We will never know. But it does point to a very risk-on environment, with investors looking to bet on vaccine success and a return to normal.

Meanwhile, the RBA is now guiding "at least 3 years" of zero interest rate policy, again affirming 2024 as the earliest date for a rate increase in their view. QE is extended beyond April's scheduled end, just as policy measures extended almost indefinitely after the GFC.

No such conventional consensus exists in USA. Last month, we said that (depending on the Senate run-off election result):

...given widespread support for Modern Monetary Theory there could be changes to open the door to full debt monetisation ("money printing").

With a clean sweep, this is just one of the unconventional policies waiting in the wings.



Portfolio Listing

Shoalhaven City Council as at 31/01/2021						
Authorised Deposit-Taking Institution (ADI)	ST Rating	Security Type	Principal/ Current MF Value	Term	Interest Rate	Maturity Date
ING Bank (Australia) Ltd	A-1	TD	\$1,000,000.00	367	1.65%	15-Feb-21
ING Bank (Australia) Ltd	A-1	TD	\$1,000,000.00	365	1.60%	19-Feb-21
Defence Bank	A-2	TD	\$2,000,000.00	364	1.65%	24-Feb-21
ING Bank (Australia) Ltd	A-1	TD	\$2,000,000.00	365	1.50%	2-Mar-21
Auswide Bank	A-2	TD	\$2,000,000.00	182	0.75%	24-Mar-21
Commonwealth Bank Australia	A-1+	TD	\$25,000.00	120	0.37%	1-Apr-21
Commonwealth Bank Australia	A-1+	TD	\$5,000,000.00	180	0.58%	28-Apr-21
AMP Bank	A-2	TD	\$3,000,000.00	182	0.90%	31-May-21
Westpac Bank	A-1+	TD	\$2,000,000.00	734	0.90%	9-Jun-21
Rabobank	A-1	TD	\$2,000,000.00	1464	3.00%	16-Jun-21
National Australia Bank	A-1+	TD	\$3,000,000.00	365	1.00%	22-Jun-21
National Australia Bank	A-1+	TD	\$5,000,000.00	365	1.02%	24-Jun-21
Commonwealth Bank Australia	A-1+	TD	\$5,000,000.00	210	0.41%	21-Jul-21
Westpac Green Bank	A-1+	TD	\$4,000,000.00	367	0.78%	6-Sep-21
Macquarie Bank	A-1+	TD	\$6,000,000.00	271	0.60%	13-Sep-21
National Australia Bank	A-1+	TD	\$4,000,000.00	364	0.75%	17-Sep-21
Commonwealth Bank Australia	A-1+	TD	\$3,000,000.00	365	0.70%	23-Sep-21
Macquarie Bank	A-1+	TD	\$1,000,000.00	266	0.70%	6-Oct-21
State Insurance Regulatory Authority	A-1+	TD	\$1,911,000.00	270	0.42%	21-Oct-21
National Australia Bank	A-1+	TD	\$5,000,000.00	364	0.57%	29-Oct-21
AMP Bank	A-2	TD	\$2,500,000.00	365	0.95%	16-Nov-21
National Australia Bank	A-1+	TD	\$2,000,000.00	247	0.55%	25-Nov-21
Commonwealth Bank Australia	A-1+	TD	\$5,000,000.00	365	0.56%	30-Nov-21
Bank of Qld	A-2	TD	\$2,000,000.00	1821	3.85%	15-Dec-21
AMP Bank	A-2	TD	\$2,500,000.00	395	0.95%	16-Dec-21
Macquarie Bank	A-1+	TD	\$1,000,000.00	357	1.55%	5-Jan-22
National Australia Bank	A-1+	TD	\$2,000,000.00	365	0.45%	6-Jan-22
National Australia Bank	A-1+	TD	\$3,000,000.00	365	0.47%	19-Jan-22
AMP Bank	A-2	TD	\$2,000,000.00	365	0.70%	20-Jan-22
Bank of Qld	A-2	TD	\$5,000,000.00	1827	3.80%	21-Feb-22
Police and Nurses Bank	A-2	TD	\$5,000,000.00	1825	3.74%	22-Feb-22
Westpac Bank	A-1+	TD	\$6,000,000.00	1826	3.00%	2-Mar-22
Bank of Qld	A-2	TD	\$2,000,000.00	1826	3.80%	22-Mar-22
Westpac Bank	A-1+	TD	\$2,000,000.00	1826	2.83%	24-Aug-22
Westpac Bank	A-1+	TD	\$2,000,000.00	1826	3.00%	24-Aug-22
Rabobank	A-1	TD	\$2,000,000.00	1826	3.39%	13-Sep-22
Police and Nurses Bank	A-2	TD	\$2,000,000.00	1836	3.51%	28-Sep-22
Rabobank	A-1	TD	\$2,000,000.00	1828	3.40%	23-Aug-23
Rabobank	A-1	TD	\$2,000,000.00	1826	3.13%	21-Feb-24
Westpac Bank	A-1+	TD	\$4,000,000.00	1827	2.21%	19-Jun-24
Total Term Deposits			\$113,936,000.00			

CL21.35 - Attachment 1



Authorised Deposit-Taking Institution (ADI)	ST Rating	Security Type	Principal/ Current MF Value	Term	Interest Rate	Maturity Date
Newcastle Permanent Building Society	A-2	FRN	\$500,000.00	731	1.12%	26-Feb-21
Rabobank	A-1	FRN	\$2,000,000.00	1826	1.51%	4-Mar-21
Heritage Bank	A-2	FRN	\$700,000.00	1096	1.24%	29-Mar-21
Members Equity Bank	A-2	FRN	\$1,600,000.00	1095	1.35%	17-Apr-21
National Australia Bank	A-1+	FRN	\$1,000,000.00	1826	1.19%	12-May-21
Bank of Qld	A-2	FRN	\$1,000,000.00	1826	1.50%	18-May-21
Suncorp Metway Ltd Bank	A-1	FRN	\$1,000,000.00	1826	1.11%	22-Jun-21
Teachers Mutual Bank Limited	A-2	FRN	\$700,000.00	1,096	1.46%	2-Jul-21
Commonwealth Bank Australia	A-1+	FRN	\$1,000,000.00	1826	1.29%	12-Jul-21
ANZ	A-1+	FRN	\$1,000,000.00	1826	1.15%	16-Aug-21
Credit Union Australia	A-2	FRN	\$600,000.00	1096	1.27%	6-Sep-21
AMP Bank	A-2	FRN	\$1,500,000.00	1096	1.10%	10-Sep-21
Credit Union Australia	A-2	FRN	\$1,000,000.00	1096	1.24%	4-Mar-22
ANZ	A-1+	FRN	\$1,000,000.00	1826	1.02%	7-Mar-22
Suncorp Metway Ltd Bank	A-1	FRN	\$500,000.00	1826	0.99%	16-Aug-22
Credit Union Australia	A-2	FRN	\$1,100,000.00	1096	0.95%	21-Feb-23
Westpac Bank	A-1+	FRN	\$2,000,000.00	1826	0.85%	6-Mar-23
Auswide Bank	A-2	FRN	\$1,500,000.00	1095	1.06%	17-Mar-23
Commonwealth Bank Australia	A-1+	FRN	\$1,000,000.00	1916	0.86%	25-Apr-23
ANZ	A-1+	FRN	\$1,000,000.00	1826	0.92%	9-May-23
Commonwealth Bank Australia	A-1+	FRN	\$500,000.00	1826	0.95%	16-Aug-23
National Australia Bank	A-1+	FRN	\$1,500,000.00	1826	0.94%	26-Sep-23
ANZ	A-1+	FRN	\$4,000,000.00	1826	1.05%	6-Dec-23
Commonwealth Bank Australia	A-1+	FRN	\$2,000,000.00	1826	1.21%	11-Jan-24
National Australia Bank	A-1+	FRN	\$2,300,000.00	1826	1.06%	26-Feb-24
National Australia Bank	A-1+	FRN	\$2,000,000.00	1827	0.93%	19-Jun-24
Westpac Bank	A-1+	FRN	\$1,000,000.00	1919	0.92%	16-Aug-24
ANZ	A-1+	FRN	\$3,500,000.00	1827	0.79%	29-Aug-24
Citibank	A-1	FRN	\$1,000,000.00	1827	0.94%	14-Nov-24
Newcastle Permanent Building Society	A-2	FRN	\$2,100,000.00	1827	1.15%	4-Feb-25
Macquarie Bank	A-1	FRN	\$2,000,000.00	1827	0.86%	12-Feb-25
Macquarie Bank	A-1	FRN	\$4,000,000.00	1827	0.50%	9-Dec-25
Total Senior Securities			\$47,600,000.00			
			\$161,536,000.00			
Shoalhaven City Council as at 31/01/2021						
Grandfathered	ST Rating	SecurityType	Current Valuation			Maturity Date
Macquarie Global Income Opportunities	NR	MF	\$0.00			T+3
TCorpIM Cash Fund	AAA-m	MF	\$0.00			T+0
			\$0.00			
Product	ST Rating	SecurityType	Current Valuation			Maturity Date
AMP At Call	A-2	Cash	\$708.72		0.85%	At-Call
AMP Notice Account	A-2	Cash	\$4,138,619.03		0.90%	31 Days
CBA Operating Account	A-1+	Cash	\$3,539,866.07		0.10%	At-Call
CBA Business Online Saver	A-1+	Cash	\$12,178,927.70		0.30%	At-Call
			\$19,858,121.52			
Total Investment Portfolio			\$181,394,121.52			

CL21.35 - Attachment 1



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CL21.36 Pathway - Callala Beach to Callala Bay – Beach Rd & Emmett St - Options Investigation / Costs

HPERM Ref: D21/48152

Department: Works & Services

Approver: Paul Keech, Director - City Services

- Attachments:**
1. Callala Beach - Pedestrian Access & Mobility Plan (Adopted by Council in 2005) [↓](#)
 2. Callala Bay - Pedestrian Access & Mobility Plan (Adopted by Council in 2005) [↓](#)
 3. Shared User Path Diagrammatic Plan [↓](#)
 4. Cost estimate for options [↓](#)

Reason for Report

The purpose of this report is to allow Council to consider a petition submitted directly to the Ordinary Meeting with over 1,785 signatures (dated 25 January 2021) seeking to “provide a much needed link between the two villages of Callala Beach and Callala Bay”.

Recommendation

That in response to the petition presented to the Ordinary Meeting on the 25 January 2021 (D21/31390), seeking Council to “provide a much needed link between the two villages of Callala Beach and Callala Bay”:

1. Council note the preferred alignment for the improved connectivity between Callala Bay and Callala Beach has been adopted into Council’s Pedestrian Access and Mobility Plan (2005) and this route is via Greenway Road, Lennox Road, Griffin Street, Silkwood Walk, over Calla Creek bridge, Lackersteen Street, Sheaffe Street, Chisholm and joining Emmett Street. The total cost for the preferred alignment is \$818,000 (2021 estimate).
2. In conjunction with the Callala Beach and Callala Bay CCB’s develop a four year staging plan, for detailed design and construction, of the preferred alignment, or as modified during the discussions with the CCB’s. This staging plan be presented to Council for in principle adoption, and thus inclusion in the 10 year Capital Plan for consideration by Council and ultimately adopted as part of the 2021/2022 budget process.

Options

1. As recommended – existing Council adopted route in the Pedestrian Access and Mobility Plan.

Implications: The adopted route is on the off road path network which is contained within the lower speed (50 kilometres per hour) road environment. Benefits include utilisation of existing infrastructure including Griffin Street, Silkwood Avenue, Lackersteen Street, the bridge across Calla Creek and provision of street lighting along the majority of the route. As a result Option 1 is the most cost effective, with current engineering construction estimates of \$818,000 to complete.

2. Petitioned route – Emmett Street to Callala Beach Road (concrete path along Callala Beach Road)

Implications: This route is proposed to be via the higher speed road network and the proposal does not utilise existing infrastructure including Silkwood Avenue, bridge across Callala Creek and provision of street lighting along the majority of the route. As a result Option 2 is not the most cost effective, with current estimates of \$1,403,000 to complete.

3. Petitioned route – Emmett Street to Callala Beach Road (raised walkway along Callala Beach Road)

Implications: Same as Option 2, however the costs to construct are considerably higher at \$2,373,000 to complete.

Background

This report is being submitted directly to the Ordinary Meeting due to Council receiving notification of a petition with over 1,785 signatures (dated 25 January 2021) and therefore needs to be reported to next Ordinary Meeting of Council.

The petition as presented to the Council Ordinary meeting on 25 January 2021 read as follows:

“The Callala Beach Progress Association and the Callala Bay Community Association wish to urge Shoalhaven City Council to proceed to design and construct a shared pathway or boardwalk which would provide a much needed link between the two villages of Callala Beach and Callala Bay.

The proposed pathway would run alongside Emmett Street and Callala Beach Road (from Stott Crescent to Club Callala).

This pathway/boardwalk would greatly benefit both residents and visitors, pedestrians and cyclists, providing a safe connection between our two villages and safe access to the services provided at each.

With the proposed O’Halloran housing development, the new motel and surging tourist numbers, such a vital link between our two villages is urgently needed, especially considering increased traffic flow along a very narrow Callala Beach Road.”

Council also has a Pedestrian Access and Mobility Plan (PAMP) that was adopted in 2005. The preferred route put forward by the petitioner’s is on a different alignment to the adopted route which has been developed as part of the Round the Bay walk strategy.

Technical Considerations

A technical analysis has been undertaken with regard to the petitioner’s preferred route and Council’s adopted PAMP route. The keys factors considered include safety, environmental issues, design and cost. A summary of the initial desktop investigations are as follows:

Petitioned route – Emmett Street to Callala Beach Road

1. Safety

- Existing road shoulders are not compliant with Austroads guidelines for an 80km/h road – unsealed and too narrow.
- A greater path offset is required for the 80km/h speed, necessitating widening and encroachment into the wetlands.
- A pedestrian refuge and associated street lighting would be required for leading people to cross the road in or close to the 80 km/h zone.
- There is no street lighting on Callala Beach Road or rural section of Emmett Street.

2. Environmental

- An Environmental Impact Statement would be required for any work undertaken in the wetlands flanking both sides of Callala Beach Road.
- An Aboriginal Heritage Impact Permit required for a site near the culvert on Callala Beach Road – Approval is not 100% guaranteed.
- Biodiversity Assessment Report will be required for any clearing of vegetation within the wetland and would trigger a Biodiversity Offset Scheme entry, report, significant offset payments. There is potential for time delays due to the complicated process.
- Department of Primary Industries Fisheries Permit –an application would be required before any work could take place in the wetlands.
- Cost and Time for environmental studies is in the order of \$125,000 and would require a lead time of a minimum of 1 year.

3. Design

- Crossing Point – Club Callala is on the west side of Callala Beach Road and it would be preferred to have pedestrians and off-road cyclists cross near the Club and within the 50 km/h speed zone i.e. travelling on the east side of Callala Beach Road until reaching the village.
- Services – Due to narrow road shoulders and a congestion of services on the east side of Callala Beach Road (Sewer Rising main, Reclaimed Water trunk main, Optical Fibre cable) the path alignment could be forced further into the wetland. The west side of Callala Beach Road has Optical Fibre and overhead power.

4. Cost

- The length of new pathway is significantly more than the preferred option in the PAMP – 2070 metres versus vs 1290 metres.
- The per metre rate is slightly more - \$677 per lineal metre versus \$534 per lineal metre, or \$1,146 per lineal metre if raised boardwalk is required due to environmental constraints.
- The total estimated cost is significantly more - \$1,403,000 versus \$818,000.

Existing route in the Pedestrian Access and Mobility Plan (Adopted by Council in 2005)

- Safety
 - Path route is all within existing 50 km/h speed zone.
 - There are streetlights along the majority of the route.
- Environmental
 - Minimal impact to the environment as route is along existing cleared verges.
- Design
 - The route has already been adopted by Council and endorsed by the CCB.
 - The section required to link Club Callala is part of the 'Round the Bay' path strategy, which focuses on tourism and foreshore areas.

- The adopted route is on the off-road path network which is contained within the lower speed (50 kilometres per hour) road environment.
- Route utilises existing infrastructure including Griffin Street, Silkwood Avenue, Lackersteen Street, the bridge across Calla Creek and provision of street lighting along the majority of the route.
- Cost
 - Much of the route has been constructed, including the shared path compliant bridge across the entrance to Callala Creek that already links Callala Bay and Callala Beach
 - Considered best and most efficient use of Council's funds to meet the needs of the petitioners to provide a link between the two villages of Callala Beach and Callala Bay.

Community Engagement

Depending on the option that is agreed upon, community engagement will be required if Council decides to pursue an alternative alignment to the PAMP that was adopted in 2005.

Policy Implications

Council has an adopted PAMP which was adopted in 2005. The petitioned option is contrary to the adopted plan.

Financial Implications

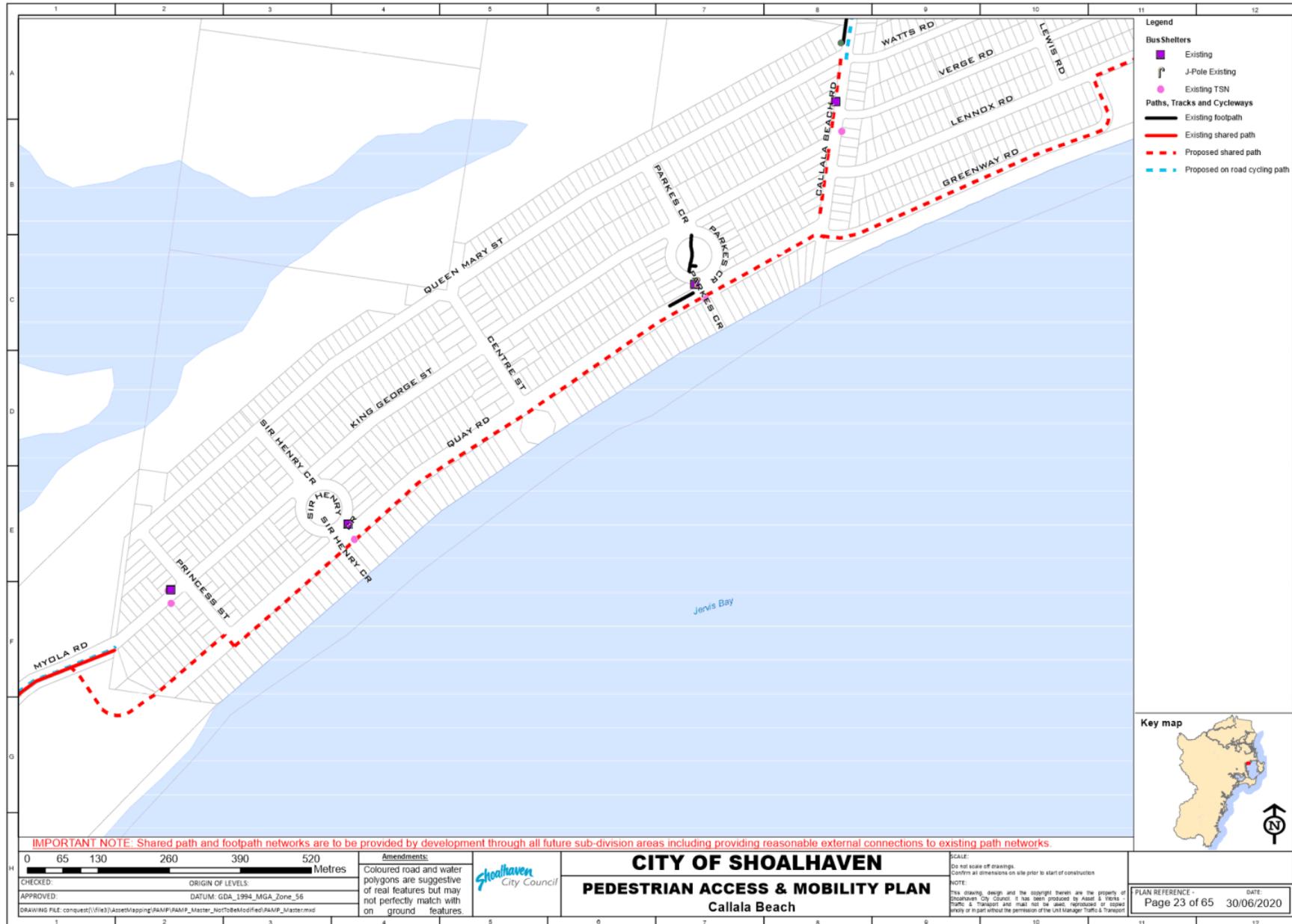
None of the three options being presented to Council appear in our 10 year Capital List. This project is an additional funding requirement.

Option 1 - As recommended – existing Council adopted route in the Pedestrian Access and Mobility Plan. This is the most cost effective, with current engineering construction estimates of \$800,000 to complete.

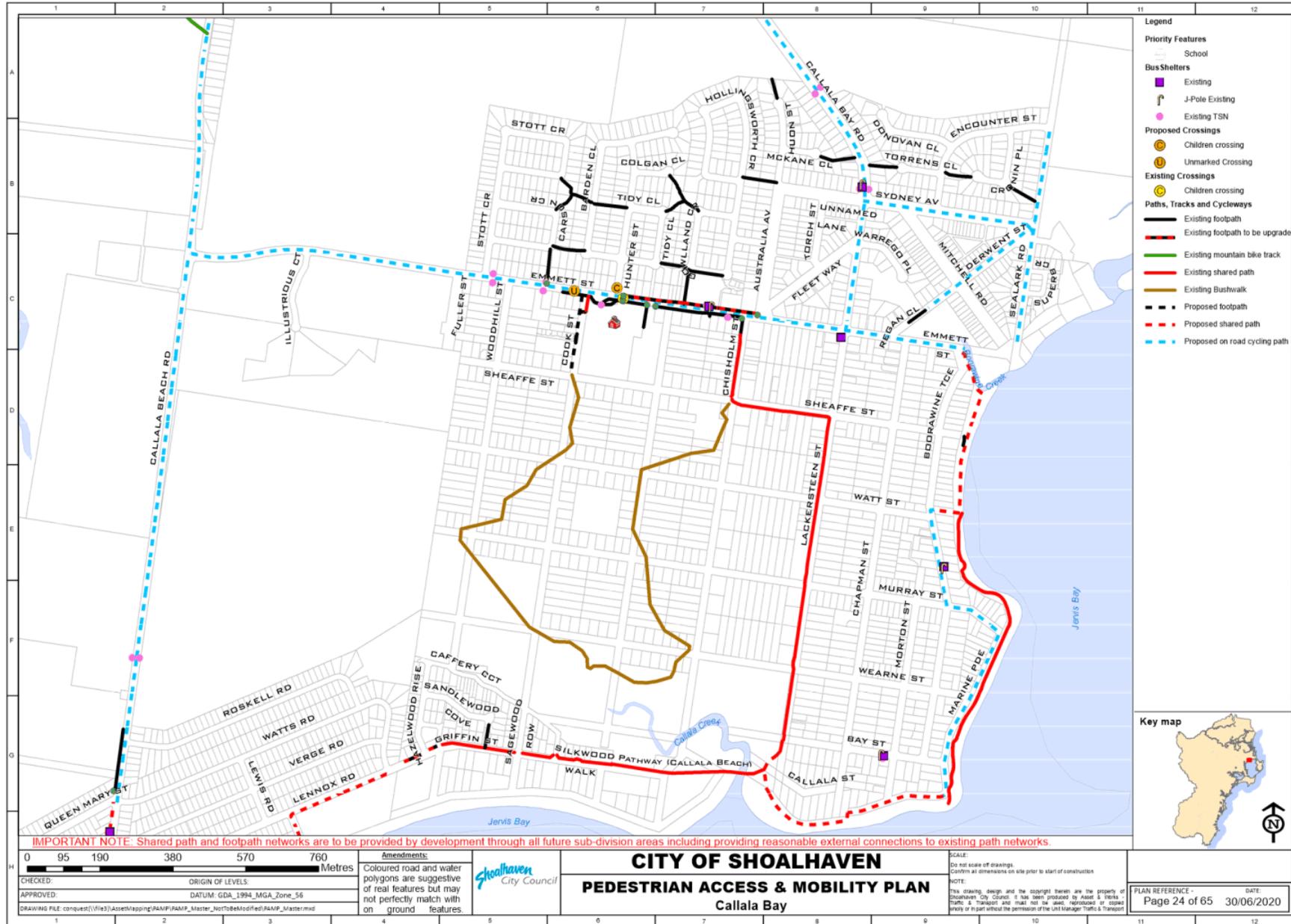
Option 2 - Petitioned route – Emmett Street to Callala Beach Road (concrete path along Callala Beach Road). Current engineering estimates of \$1,450,000 to complete.

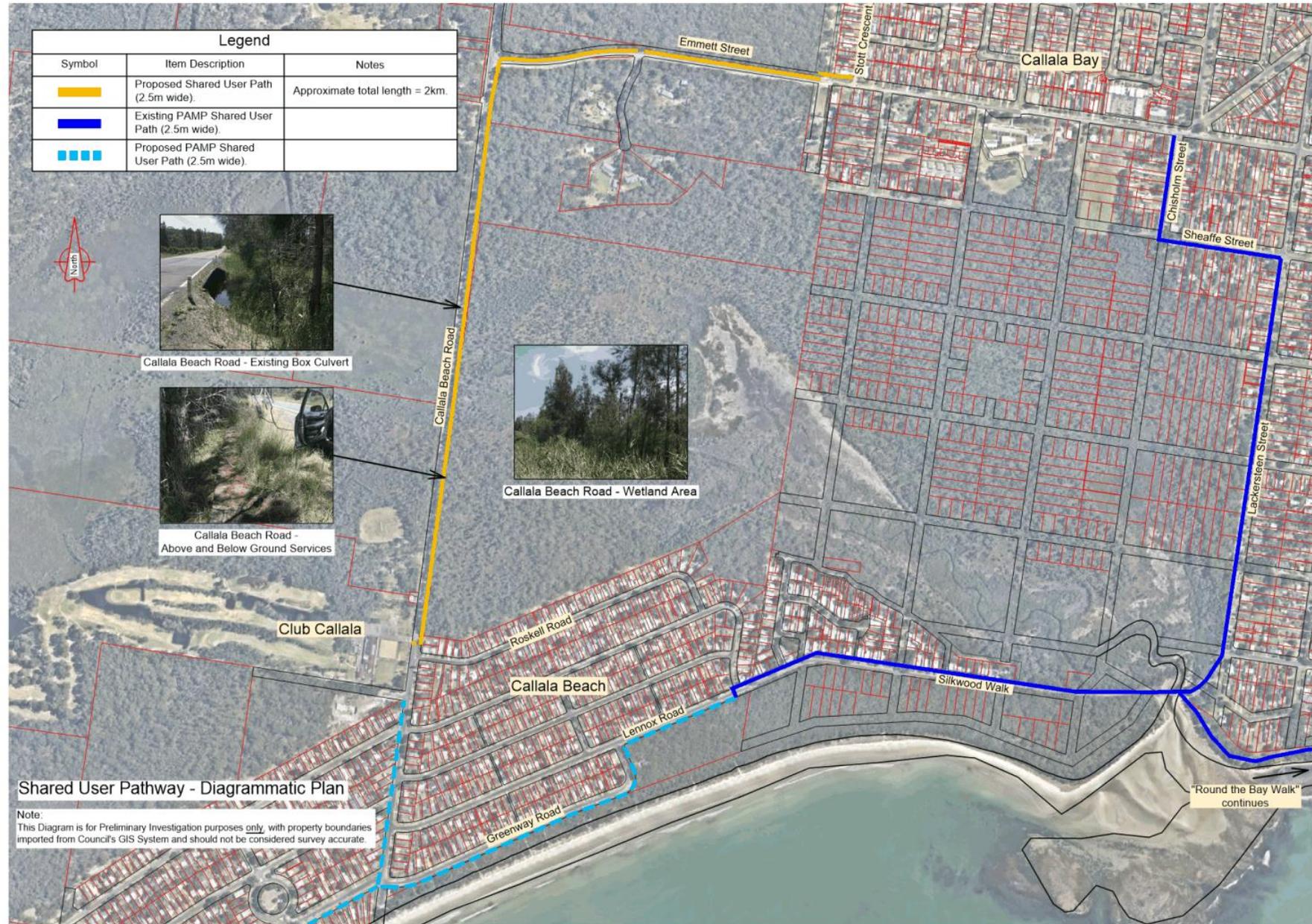
Option 3 - Petitioned route – Emmett Street to Callala Beach Road (raised walkway along Callala Beach Road). Current engineering estimates of \$2,370,000 to complete.

All options will require a staging plan in the 10 year Capital Plan for consideration by Council.



CL21.36 - Attachment 1





**Budget Estimates - Shared Path Construction
Linking Callala Bay to Callala Beach (Club Callala)**

Option 1: PAMP Route (Concrete Path)	Total Cost (25% contingency)	Path Length	Lineal Rate
Stage 1: Hazelwood Rise to Greenway Rd footpath (2.5m wide)	\$ 231,426	340	\$ 680.66
Stage 2: Greenway Rd footpath (2.5m wide)	\$ 397,597	650	\$ 611.69
Stage 3: Callala Beach Rd footpath (2.5m wide)	\$ 188,815	300	\$ 629.38
Total	\$ 817,837	1290	\$ 633.98

Option 2: Callala Beach Rd Route (Concrete Path)	Total Cost (25% contingency)	Path Length	Lineal Rate
Stage 1: Emmett St footpath (2.5m wide), 3 culvert extensions	\$ 412,850	770	\$ 536.17
Pedestrian Refuge	\$ 30,000		
Environmental Studies	\$ 125,000	-	-
Stage 2: Callala Beach Rd shoulder 4m widening, culvert extension	\$ 277,569	-	-
Stage 3: Callala Beach Rd footpath (2.5m wide)	\$ 278,788	650	\$ 428.90
Stage 4: Callala Beach Rd footpath (2.5m wide)	\$ 278,788	650	\$ 428.90
Total	\$ 1,402,994	2070	\$ 677.77

Option 3: Callala Beach Rd Route (Concrete Path on Emmett St, Raised Walkway on Callala Beach Rd)	Total Cost (25% contingency)	Path Length	Lineal Rate
Stage 1: Emmett St footpath (2.5m wide), 3 culvert extensions	\$ 412,850	770	\$ 536.17
Pedestrian Refuge	\$ 30,000		
Environmental Studies	\$ 125,000	-	-
Stage 2: Callala Beach Rd raised walkway (2m wide with handrail)	\$ 361,153	260	\$ 1,389.05
Stage 3: Callala Beach Rd raised walkway (2m wide with handrail)	\$ 361,153	260	\$ 1,389.05
Stage 4: Callala Beach Rd raised walkway (2m wide with handrail)	\$ 361,153	260	\$ 1,389.05
Stage 5: Callala Beach Rd raised walkway (2m wide with handrail)	\$ 361,153	260	\$ 1,389.05
Stage 5: Callala Beach Rd raised walkway (2m wide with handrail)	\$ 361,153	260	\$ 1,389.05
Total	\$ 2,373,617	2070	\$ 1,146.67

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.