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BUSINESS PAPER

Ordinary Council Meeting

4 August 2020

**Warwick Bennett
General Manager**

We hereby give notice that an Ordinary Meeting of Council will be held on:
 Tuesday, 4 August 2020 at 6pm
 in the Council Chambers, Civic Centre
 184 - 194 Bourke Street, Goulburn

Order Of Business

1	Opening Meeting	5
2	Acknowledgement of Country	5
3	Councillors Declaration and/or Prayer	5
4	Apologies	5
5	Applications for a Leave of Absence by Councillors	5
	Nil	
6	Late Items / Urgent Business	5
7	Disclosure of Interests	5
8	Presentations	6
	Nil	
9	Public Forum	6
10	Confirmation of Minutes	7
	10.1 Minutes of the Ordinary Meeting of Council held on 21 July 2020	7
11	Matters Arising	31
	11.1 Matters Arising from Council Meeting Minutes from the 21 July 2020.....	31
	11.2 Outstanding Task List from All Previous Meetings	32
12	Mayoral Minute(s)	36
	Nil	
13	Notice of Motion(s)	36
	Nil	
14	Notice of Rescission(s)	36
	Nil	
15	Reports to Council for Determination	37
	15.1 Draft Policy - Strategic Planning Fees and Charges	37
	15.2 Post Exhibition Report - Enforcement Policy	52
	15.3 1718T0023 Maintenance Grading and Gravel Re Sheeting Tender Extention	74
	15.4 Plant Utilistation Review	75
	15.5 Road Classification Review	79
	15.6 Review of Infrastructure Contributions in NSW	104
	15.7 Greyhound NSW - Track Strategy	179
	15.8 2020 Community Outreach Meeting	206
	15.9 South East Australian Transport Strategy Inc (SEATS) Representation	208

15.10	Grants Update	209
15.11	Marulan Village Plan Working Party Notes - 10 July 2020	214
15.12	External Meeting Minutes	218
16	Closed Session	238
	There were no closed session reports for determination.	
17	Conclusion of the Meeting	238

Cr Bob Kirk
Mayor

Warwick Bennett
General Manager

1 OPENING MEETING

The Mayor will open the meeting and notify that this meeting is webcast live on the Council’s website.

2 ACKNOWLEDGEMENT OF COUNTRY

The following acknowledgement will be made by the Mayor or General Manager.

“I would like to Acknowledge and pay our respects to the Aboriginal Elders both past and present, as well as emerging leaders, and Acknowledge the traditional custodians of the Land on which we meet today.”

3 COUNCILLORS DECLARATION AND/OR PRAYER

The Mayor will ask a Councillor to read either the following Declaration or Prayer on behalf of the Councillors present.

Declaration

“On behalf of the elected Councillors present here tonight I solemnly and sincerely declare and affirm that we will undertake the duties of the office of Councillor in the best interests of the people of Goulburn Mulwaree and that we will faithfully and impartially carry out the functions, powers, authorities and discretions vested in us to the best of our ability and judgement.”

OR

Prayer

“We thank thee, Lord, for this position of honour and trust. Give us the courage to serve our Council and community with honesty and integrity; and to discharge the duties entrusted to us for the common good of all mankind.”

4 APOLOGIES

The Mayor will call for any apologies.

Council will resolve to accept any apology.

5 APPLICATIONS FOR A LEAVE OF ABSENCE BY COUNCILLORS

Nil

6 LATE ITEMS / URGENT BUSINESS

The Mayor will call for any Late Items, Information or Urgent Business.

Council may resolve to accept any late item, information or urgent business to be discussed and/or determined at this meeting.

7 DISCLOSURE OF INTERESTS

With reference to Chapter 14 Local Government Act 1993, and Council’s Code of Conduct, Councillors are required to declare any conflicts of interest in the matters under consideration by Council at this meeting.

8 PRESENTATIONS

Nil

9 PUBLIC FORUM

- (1) In accordance with Council's Public Forum Guideline, Council permits members of the public to address Council meetings in open forum at every Ordinary Council meeting.
- (2) A person wishing to address a meeting must contact staff in Council's Executive Section by 5.00pm [either in writing or via telephone call] on the day of the meeting and provide their name, their contact details and summary details of the item they wish to speak about.
- (3) The Mayor or Chairperson will call members of the public to address the meeting in accordance with the order of business. The address should be for no more than 5 minutes duration.
- (4) Members of the public addressing Council must abide by similar standards that apply to Councillors under the Council's Code of Conduct and this Code of Meeting Practice.
- (5) If a member of the public addressing the meeting fails to comply with the Mayor or Chairperson's call to order, the Mayor or Chairperson may withdraw that person's right to address the meeting.
- (6) In making the address:
 - a. If the chairperson is the Mayor he or she should be addressed as 'Mr Mayor' or 'Madam Mayor' or 'Mayor Surname' or 'Mayor First Name'.
 - b. When the chairperson is not the Mayor they should be addressed as Mr. or Madam Chair or Mr. or Madam Chairperson.
 - c. Councillors must be addressed as 'Councillor Surname or Councillor First Name'.
 - d. Officers must be addressed as Mr. or Madam [job title or surname] e.g Mr. General Manager.

The general standards that apply in Council's Code of Conduct and Code of Meeting Practice (Section 4) are applicable to addresses made by the public in Public Forum.

10 CONFIRMATION OF MINUTES

10.1 MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON 21 JULY 2020

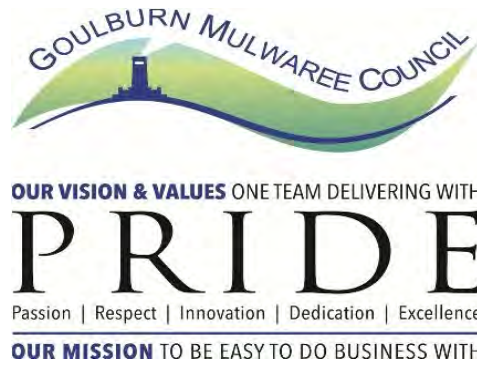
Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: 1. Minutes of the Ordinary Meeting of Council held on 21 July 2020

RECOMMENDATION

That the Council minutes from Tuesday 21 July 2020 and contained in Minutes Pages No 1 to 24 inclusive and in Minute Nos 2020/252 to 2020/294 inclusive be confirmed.



MINUTES

Ordinary Council Meeting

21 July 2020

Order Of Business

1	Opening Meeting	5
2	Acknowledgement of Country	5
3	Councillors Declaration and/or Prayer	5
4	Apologies	5
5	Applications for a Leave of Absence by Councillors	5
	Nil	
6	Late Items / Urgent Business	5
7	Disclosure of Interests	6
8	Presentations	6
8.1	Goulburn Australia Marketing Campaign	6
2.	The presentation from the Marketing staff at the 21 July 2020 Council Meeting be noted and that staff be congratulated on the work they have undertaken.	6
9	Public Forum	6
10	Confirmation of Minutes	6
10.1	Minutes of the Ordinary Meeting of Council held on 16 June 2020	6
11	Matters Arising	7
11.1	Matters Arising from Council Meeting Minutes from the 16 June 2020	7
11.2	Outstanding Task List from All Previous Meetings	7
12	Mayoral Minute(s)	7
	Nil	
13	Notice of Motion(s)	7
	Nil	
14	Notice of Rescission(s)	7
	Nil	
15	Reports to Council for Determination	7
15.1	DA/0032/1920 - 111 Knowlman Road, Run-O-Waters	7
15.2	Draft Urban and Fringe Housing Strategy - Endorsement of Final Changes.....	12
15.3	Residential Care Facility Planning Proposal at Ducks Lane and Lillkar Road, Goulburn	13
15.4	Tribe Breweries Section 64 Developer Charges Annual Report.....	14
15.5	Water Meter Reading Contract Extension	14
15.6	New Community Centre Options	14
15.7	Local Roads and Community Infrastructure Program.....	15
15.8	Bungendore Road Storm Damage RFQ VP189817	16
15.9	September 2020 Council Meeting	16
15.10	Goulburn Aquatic Centre Redevelopment Stage 1 Construction - June 2020 Status Report.....	16
15.11	Goulburn Performing Arts Centre - June 2020 Status Report	16

15.12	St Clair Conservation Works - Status Report	17
15.13	Library Membership and Access Policy	17
15.14	Request for Financial Assistance - Lieder Theatre Company	17
15.15	Request for Financial Assistance - Goulburn Community Radio Association Inc.	18
15.16	Financial Assistance Awarded 2019-2020.....	18
15.17	Rates Outstanding Report	18
15.18	Debtors Outstanding Report	18
15.19	Water Charges Outstanding Report	19
15.20	Monthly Financial Report.....	19
15.21	Statement of Investments & Bank Balances.....	19
15.22	Quarterly Workers Compensation	19
15.23	Goulburn Mulwaree Youth Council Meeting Notes - 29 May 2020 & 26 June 2020.....	20
15.24	Canberra Region Joint Organisation Board Minutes - 30 June 2020	20
15.25	Councillor Briefing Session Summary	20
15.26	Business Development Update	20
15.27	Utilities Directorate Report - June 2020	21
15.28	Planning & Environment Directorate Report June 2020	21
15.29	Corporate & Community Services Directorate Report June 2020	21
15.30	Operations Directorate Report June 2020	21
16	Closed Session	22
16.1	Regulatory Options and Legal Opinion - 555 Forest Siding Road	23
16.2	Hockey Update	23
16.3	Bungendore Road Storm Damage RFQ VP189817	23
15.8	Bungendore Road Storm Damage RFQ VP189817	23
17	Conclusion of the Meeting.....	24

**MINUTES OF GOULBURN MULWAREE COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, CIVIC CENTRE, 184 - 194 BOURKE STREET,
GOULBURN
ON TUESDAY, 21 JULY 2020 AT 6PM**

PRESENT: Cr Bob Kirk (Mayor), Cr Peter Walker (Deputy Mayor), Cr Andrew Banfield, Cr Sam Rowland, Cr Leah Ferrara, Cr Alfie Walker, Cr Margaret O'Neill, Cr Carol James, Cr Denzil Sturgiss

IN ATTENDANCE: Warwick Bennett (General Manager), Brendan Hollands (Director Corporate and Community Services), Marina Hollands (Director Utilities), Scott Martin (Director Planning & Environment, Matt O'Rourke (Director Operations) & Amy Croker (Executive Officer).

1 OPENING MEETING

Mayor Bob Kirk opened the meeting 6pm. The Mayor advised that the meeting would be webcast live.

2 ACKNOWLEDGEMENT OF COUNTRY

Mayor Bob Kirk made the following acknowledgement.

"I would like to Acknowledge and pay our respects to the Aboriginal elders both past and present as well as emerging leaders, and Acknowledge the traditional custodians of the Land on which we meet today."

3 COUNCILLORS DECLARATION AND/OR PRAYER

The opening prayer was read by Deputy Mayor Peter Walker.

4 APOLOGIES

Nil

5 APPLICATIONS FOR A LEAVE OF ABSENCE BY COUNCILLORS

Nil

6 LATE ITEMS / URGENT BUSINESS

RESOLUTION 2020/252

Moved: Cr Sam Rowland
Seconded: Cr Margaret O'Neill

That Council notes that the words 'misleading information' included in the report for Item 15.2 Draft Urban and Fringe Housing Strategy - Endorsement of Final Changes is withdrawn.

CARRIED

7 DISCLOSURE OF INTERESTS

Cr Andrew Banfield declared a pecuniary conflict of interest in Item 15.8 “Bungendore Road Storm Damage RFQ VP189817” as his brother-in-law is a Director of Denrith Group of Companies who have quoted and been recommended for this work. Cr Andrew Banfield is also an employee of the Denrith Group of Companies. Cr Andrew Banfield will leave the meeting while discussion and determination on this item takes place.

Cr Alfie Walker declared a non-pecuniary/significant conflict of interest in Item 15.14 “Request for Financial Assistance - Lieder Theatre Company” as he is a member of the Lieder Theatre and has previously received payments for previous projects. Cr Alfie Walker will leave the meeting while discussion on this item takes place.

8 PRESENTATIONS

8.1 GOULBURN AUSTRALIA MARKETING CAMPAIGN

RESOLUTION 2020/253

Moved: Cr Alfie Walker
Seconded: Cr Sam Rowland

That

- 1. The report from the Business Manager Marketing, Events & Culture on the Goulburn Australia Marketing Campaign be received.**
- 2. The presentation from the Marketing staff at the 21 July 2020 Council Meeting be noted and that staff be congratulated on the work they have undertaken.**

CARRIED

9 PUBLIC FORUM

Kate Cartwright from Plan & Co Pty Ltd, on behalf of her client, addressed Council regarding Item 15.1 DA/0032/1920 - 111 Knowlman Road, Run-O-Waters.

James Collings from Boral addressed Council regarding Item 15.2 Draft Urban and Fringe Housing Strategy - Endorsement of Final Changes.

Jeff Bulfin from Precise Planning, on behalf of his client, addressed Council regarding Item 15.2 Draft Urban and Fringe Housing Strategy - Endorsement of Final Changes.

10 CONFIRMATION OF MINUTES

10.1 MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON 16 JUNE 2020

RESOLUTION 2020/254

Moved: Cr Carol James
Seconded: Cr Andrew Banfield

That the Council minutes from Tuesday 16 June 2020 and contained in Minutes Pages No 1 to 24 inclusive and in Minute Nos 2020/217 to 2020/251 inclusive be confirmed.

CARRIED

11 MATTERS ARISING

11.1 MATTERS ARISING FROM COUNCIL MEETING MINUTES FROM THE 16 JUNE 2020

Nil

11.2 OUTSTANDING TASK LIST FROM ALL PREVIOUS MEETINGS

RESOLUTION 2020/255

Moved: Cr Peter Walker

Seconded: Cr Denzil Sturgiss

That Council notes the Task List and authorises the deletion of completed tasks.

CARRIED

12 MAYORAL MINUTE(S)

Nil

13 NOTICE OF MOTION(S)

Nil

14 NOTICE OF RESCISSION(S)

Nil

15 REPORTS TO COUNCIL FOR DETERMINATION

15.1 DA/0032/1920 - 111 KNOWLMAN ROAD, RUN-O-WATERS

RESOLUTION 2020/256

Moved: Cr Margaret O'Neill

Seconded: Cr Sam Rowland

That Council Move into Committee of the Whole.

Council moved into Committee of the whole at 7:04pm.

CARRIED

RESOLUTION 2020/257

Moved: Cr Andrew Banfield

Seconded: Cr Leah Ferrara

That Council move back into Open Council.

Council moved back into Open Council at 7:37pm.

CARRIED

MOTION

Moved: Cr Margaret O'Neill
 Seconded: Cr Sam Rowland

That:

1. The assessment report of Purdon Planning for a review of a determination of a development application REV/0001/1920 for approval to use the unlawful structure as a shed and associated landscape screening at 111 Knowlman Road, Goulburn be received.
2. Consent be refused for DA/0032/1920 for approval to use the unlawful structure as a shed ancillary to the residential use of the property and associated landscape screening because the reasons of Council in its previous decision of February 2020 have not been addressed satisfactorily being:
 - (a) The proposal does not satisfy Part 1 Section 1.3(g) of “the Act” as it does not to promote good design and amenity of the built environment and the streetscape.
 - (b) The proposal having regard to the provisions of Section 4.15 of “the Act”, is considered to be unsatisfactory and therefore, is not in the public interest.

In Favour: Crs Peter Walker, Andrew Banfield, Sam Rowland and Margaret O'Neill

Against: Crs Bob Kirk, Leah Ferrara, Alfie Walker, Carol James and Denzil Sturgiss

The motion was put and lost.

RESOLUTION 2020/258

Moved: Cr Denzil Sturgiss
 Seconded: Cr Alfie Walker

That:

1. The assessment report of Purdon Planning for a review of a determination of a development application REV/0001/1920 for approval to use the unlawful structure as a shed and associated landscape screening at 111 Knowlman Road, Goulburn be received.
2. Consent be granted for DA/0032/1920 for approval to use the unlawful structure as a shed ancillary to the residential use of the property and associated landscape screening, subject to the following conditions:

PART 1 – GENERAL CONDITIONS

1. Development consent has been granted in accordance with this Notice of Determination for the use of the structure constructed without approval for the purposes of a shed ancillary to the existing dwelling and associated landscape screening. No other works are endorsed, approved or implied.

Reason: To confirm the permissibility of the approval.

2. The development must be carried out substantially in accordance with the approved stamped and signed plans and/or documentation listed below except where modified by any following condition.

Reference/Dwg No	Title/Description	Prepared By	Date
REF 21403	Survey Plan	CPC Land Development Consultants	08/03/2019
Job No. 19075, Sheet No. CC01 to CC08;	Architectural Details	Designs AT M	Dec 2019

In the event of any inconsistency between conditions of this approval and the plans and documentation referred to above, the conditions of this approval prevail.

Reason: To ensure the development is carried out in accordance with the approved plans and documentation.

3. The second driveway and access gate are to be removed and vehicular access to the shed is to be obtained from the driveway currently serving the residential dwelling. Revised plans demonstrating compliance with this condition (including revised landscape plans) shall be submitted for Council's approval within 28 days of the issuing of the notice of consent. The physical works to remove the gate shall be completed within 5 months of Council's endorsement of the revised plans.

Reason: To ensure the use of the shed is ancillary to the primary use of the site

4. A direct pedestrian connection (e.g. concrete path) shall be provided between the existing dwelling-house and the shed. Revised plans demonstrating compliance with this condition shall be submitted for Council's approval within 28 days of the issuing of the notice of consent. The physical works to construct the path shall be completed within 5 months of Council's endorsement of the revised plans.

Reason: To ensure the use of the shed is ancillary to the primary use of the site

5. In accordance with clause 145 of the Environmental Planning and Assessment Regulation 2000, the plans and specifications submitted with any required construction certificate must not be inconsistent with this consent.

Reason: To ensure compliance with clause 145 of the Environmental Planning and Assessment Regulation 2000.

6. In accordance with Division 8A of the Environmental Planning and Assessment Regulation 2000 compliance with the following prescribed conditions are required:
 - Clause 98 Compliance with Building Code of Australia and insurance requirements under the Home Building Act 1989
 - Clause 98A Erection of signs
 - Clause 98B Notification of Home Building Act 1989 requirements
 - Clause 98E Condition relating to shoring and adequacy of adjoining property.

Reason: The condition is prescribed under clause 98 of the Environmental Planning and Assessment Regulation 2000.

7. Within five (5) months from the endorsement of the Notice of Determination, a Building Information Certificate must be obtained from Goulburn Mulwaree Council for the structure. The effect of a Building Information Certificate is that it operates to prevent the Council making an order for a period of seven (7) years to require repair, alter or demolition of the structure.

Reason: Statutory Requirement.

8. Run-off and erosion controls must be implemented to prevent soil erosion, water pollution or the discharge of loose sediment on surrounding land as follows:
 - Divert uncontaminated run-off around cleared or disturbed areas, and
 - Erect a silt fence to prevent debris escaping into drainage systems or waterways, and
 - Prevent tracking of sediment by vehicles onto roads, and
 - Stockpile topsoil, excavated material, construction and landscaping supplies and debris within the site.

Reason: Statutory Requirement.

9. All building work must be carried out in accordance with the provisions of the Building Code of Australia.

Reason: Statutory Requirement.

10. All construction and demolition work shall be carried out in accordance with the 'Noise Guide for Local Government' published by the NSW EPA as amended from time to time. That all construction and demolition work shall be carried out only between the hours of 7.00am and 6.00pm Mondays to Fridays inclusive and on Saturdays between 7.00am and 1.00pm if inaudible on residential premises, otherwise 8.00am to 1.00pm. No construction work shall take place on Sundays or Public Holidays.

Reason: To ensure the amenity of the locality is maintained.

11. The plant out size for each required plant (as specified in the Landscaping Plan CCO6 dated December 2019, including any additional plantings as required by Condition 3) shall be as a minimum in accordance with the following

- Trees must be advanced specimens having a container volume of at least 25 litres and a height of at least 2m. The trees must be staked with three 2500 mm x 50 mm square hardwood stakes and loosely secured with hessian webbing.
- Shrub species minimum 200mm pot size and 500mm in height.

The planting hole is to be twice the width and one and a half times the depth of the pot of the tree to be planted. The hole must be filled with soil suitable for tree growth being made up of free draining coarse sand 50%, loam 20% and composted organic matter 30% and having a neutral pH.

Reason: To ensure the amenity of the locality is maintained.

12. The person having the benefit of this Notice of Determination must maintain all landscaping approved by this Notice of Determination in accordance with the following:

- Fertilise each plant with slow release native plant fertiliser to manufacturer's instructions at least once a year
- Install a drip irrigation system to ensure each plant is given a thorough watering at a minimum once a week
- Provide and maintain animal proof plant guards for each plant.
- Install organic or pebble mulch to be to a depth of 75-100mm and minimum diameter of 1500mm around each plant. Keep mulch back from plant stems. Mulch to be topped up at least every 6 months.
- Undertake weeding of mulched area around plants monthly by hand no chemical application to be used.
- Undertake monthly inspection for pest attack and treat as necessary.
- Replace all dead or damaged plants with the same species and pot size within one month of plant dying.
- Keep a written maintenance log all actions taken to be made available to Council upon request.

Reason: To ensure compliance with the application as submitted and assessed

13. Within 5 months of the date of this consent all required landscape screening must be fully planted out in accordance with this Notice of Determination.

Reason: To ensure compliance with the application as submitted and assessed.

14. Within 5 months of the date of this consent a "Positive Covenant" pursuant to section 88B & 88E of the Conveyancing Act 1919 shall be made on the title requiring the landscaped screening to be maintained in perpetuity until such time as the shed is

removed from the land.

The covenant shall include a statement that the shed is only to be used for storage of personal items and not for any business, commercial or industrial purposes. Goulburn Mulwaree Council shall be nominated as the sole authority empowered to release or modify the same. Plans and draft instrument(s) are to be provided to Council for review and signing.

Reason: To ensure compliance with the application is ancillary to the primary use of the land only.

ONGOING MANAGEMENT

15. At all times the use of shed shall not be used for any business, commercial or industrial purposes. *Reason: To ensure the ongoing use of the shed meets the requirements for a home occupation.*

16. At all times following the commencement of the use of the shed the landscape screening must be maintained for the entire life of the shed noting the "Positive Covenant" on the title in condition 14.

Reason: To ensure compliance with the application as submitted and assessed.

Section 375A of the *Local Government Act 1993* requires General Managers to record which Councillors vote for and against each planning decision of the Council, and to make this information publicly available.

CARRIED

In Favour: Crs Bob Kirk, Leah Ferrara, Alfie Walker, Carol James and Denzil Sturgiss

Against: Crs Peter Walker, Andrew Banfield, Sam Rowland and Margaret O'Neill

Council adjourned for dinner at 8.12pm.

The meeting reconvened at 8.38pm.

15.2 DRAFT URBAN AND FRINGE HOUSING STRATEGY - ENDORSEMENT OF FINAL CHANGES

RESOLUTION 2020/259

Moved: Cr Margaret O'Neill
Seconded: Cr Peter Walker

That Council Move into Committee of the Whole.

Council moved into Committee of the whole at 8:47pm.

CARRIED

RESOLUTION 2020/260

Moved: Cr Peter Walker
Seconded: Cr Sam Rowland

That Council move back into Open Council.

Council moved back into Open Council at 8:59pm.

CARRIED

RESOLUTION 2020/261

Moved: Cr Alfie Walker
Seconded: Cr Peter Walker

That:

1. The report from the Director Planning & Environment be received.
2. Council adopt *Urban and Fringe Housing Strategy* subject to the following amendments:
 - a) Crookwell Road - an area of approximately 52.93 hectares be included, relating to a portion of 515 Crookwell Rd and east of the ridgeline that does not drain to the Sooley Dam Catchment as identified in the map below, for consideration of 2 hectare lots.



- b) The reference to the Brayton Road haulage route at Marulan be amended to read the Gunlake Quarry haulage route comprising of Brayton Road to the Hume Highway including Red Hill and Ambrose Roads.
3. The report Council refer the adopted *Urban and Fringe Housing Strategy* to the

Department of Planning, Industry and Environment for endorsement.

Section 375A of the *Local Government Act 1993* requires General Managers to record which Councillors vote for and against each planning decision of the Council, and to make this information publicly available.

CARRIED

In Favour: Crs Bob Kirk, Peter Walker, Sam Rowland, Leah Ferrara, Alfie Walker, Margaret O'Neill, Carol James and Denzil Sturgiss

Against: Cr Andrew Banfield

15.3 RESIDENTIAL CARE FACILITY PLANNING PROPOSAL AT DUCKS LANE AND LILLKAR ROAD, GOULBURN

RESOLUTION 2020/262

Moved: Cr Andrew Banfield

Seconded: Cr Leah Ferrara

That:

1. The report from the Strategic Planner regarding the Residential Care Facility Planning Proposal at Ducks Lane and Lillkar Road, Goulburn be received.
2. Council draft a planning proposal to amend the *Goulburn Mulwaree Local Environmental Plan 2009* to:
 - (a) Permit a *Residential care facility* with development consent under Schedule 1 for the portion of Lot 14 DP 1102589 identified in this report;
 - (b) Introduce a Schedule 1 land application map for all items under Schedule 1; and
 - (c) Introduce a minimum lot size of between 1 and 4 hectares for all parts of Lot 14 DP 1102589 zoned RU6 Transition subject to further investigation.
3. The planning proposal once drafted, be submitted to the Department of Planning, Industry and Environment for a gateway determination in accordance with Section 3.34 of the *Environmental Planning and Assessment Act 1979*.
4. The Department of Planning, Industry and Environment be advised that Council wishes to be issued with an authorisation to use delegation for the planning proposal.
5. In the event that NSW Planning and Environment issues a gateway determination to proceed with the planning proposal, consultation be undertaken with the community and government agencies in accordance with any directions of the gateway determination.

Section 375A of the *Local Government Act 1993* requires General Managers to record which Councillors vote for and against each planning decision of the Council, and to make this information publicly available.

CARRIED

In Favour: Crs Bob Kirk, Peter Walker, Andrew Banfield, Sam Rowland, Leah Ferrara, Alfie Walker, Margaret O'Neill, Carol James and Denzil Sturgiss

Against: Nil

15.4 TRIBE BREWERIES SECTION 64 DEVELOPER CHARGES ANNUAL REPORT**RESOLUTION 2020/263****Moved: Cr Peter Walker****Seconded: Cr Margaret O'Neill****That**

- 1. The report from the Director of Utilities on the Tribe Breweries Section 64 Developer Charges Annual Report be received.**
- 2. Council notes that Tribe Breweries has met the local employment requirements of Council resolution 2018/105 and that the 50% discount be applied to the developer charges calculated based on 2019/20 water and sewer usage.**
- 3. Tribe Brewery be charged \$1,793,375.09 for Section 64 developer charges based on their water and sewer usage during the 2019/20 Financial year. This is payable by 30 June 2021.**

CARRIED**15.5 WATER METER READING CONTRACT EXTENSION****RESOLUTION 2020/264****Moved: Cr Leah Ferrara****Seconded: Cr Carol James****That**

- 1. The report regarding the Water Meter Reading contract 1617T0017 from the Business Manager Infrastructure be received.**
- 2. The contract with Skilltech Consultancy Services Pty Ltd be extended for an additional two years as per Contract 1617T0017 for Water Meter Reading in accordance with the schedule of rates submitted subject to annual CPI adjustment.**

CARRIED**15.6 NEW COMMUNITY CENTRE OPTIONS****RESOLUTION 2020/265****Moved: Cr Peter Walker****Seconded: Cr Margaret O'Neill****That:**

- 1. The report from the Business Manager Property & Community Services on the new Community Centre Options be received.**
- 2. The decision on the location of the Community Centre be deferred for 18 months.**

CARRIED

15.7 LOCAL ROADS AND COMMUNITY INFRASTRUCTURE PROGRAM

RESOLUTION 2020/266

Moved: Cr Andrew Banfield

Seconded: Cr Leah Ferrara

That:

1. The report of the General Manager on the Local Roads and Community Infrastructure Program be received
2. Council allocates the \$1,072,884 from the Local Roads and Community Infrastructure Grant Program to the following projects:-
 - Footpaths \$400,000
 - Tallong Toilets \$100,000
 - Cookbundoon Amenities Building \$572,884
3. Council brings forward \$500,000 from the 2021/22 budget from the Community Infrastructure Reserve Fund to allow completion of the amenities building at Cookbundoon Reserve
4. The footpath programme to be as follows

Footpath renewals in Goulburn

Goldsmith Street (Auburn St to Bourke St)	\$45,000.00
Union Street (outside Goulburn North School)	\$15,000.00
Union Street outside the Mobil service station	\$10,000.00
Sydney Road (behind North Goulburn School)	\$20,000.00
Sloane Street (Verner St to Clinton St)	\$50,000.00
Clifford Street (Auburn St to McKell PI)	\$60,000.00
Bungendore Road, Tarago	\$45,000.00

New Footpaths

George Street, Marulan (Brayton Road intersection)	\$25,000.00
Maclura Drive, Marulan (Morris PI to Stoney Creek Road)	\$25,000.00
Stoney Creek Road, Marulan (Brayton Road to End)	\$70,000.00
Braidwood Road , Tarago	\$35,000.00

CARRIED

15.8 BUNGENDORE ROAD STORM DAMAGE RFQ VP189817

Cr Andrew Banfield declared an interest in this item and took no part in the discussion or voting on the matter. At 9:12 pm, Cr Andrew Banfield left the meeting.

RESOLUTION 2020/267

Moved: Cr Peter Walker

Seconded: Cr Bob Kirk

That

- 1. The report from the Business Manager of Works on the Bungendore Road Storm Damage Request For Quotation be received.**
- 2. The item be deferred until after discussion in Closed Session of this meeting.**

CARRIED

At 9:14 pm, Cr Andrew Banfield returned to the meeting.

15.9 SEPTEMBER 2020 COUNCIL MEETING**RESOLUTION 2020/268**

Moved: Cr Carol James

Seconded: Cr Denzil Sturgiss

That:

- 1. The report from the General Manager on the September 2020 Council Meeting be received.**
- 2. The Council conduct an ordinary meeting on the 15 September 2020 now that the Local Government elections have been deferred 12 months.**

CARRIED

15.10 GOULBURN AQUATIC CENTRE REDEVELOPMENT STAGE 1 CONSTRUCTION - JUNE 2020 STATUS REPORT**RESOLUTION 2020/269**

Moved: Cr Margaret O'Neill

Seconded: Cr Carol James

That the report from the Director of Operations on the status of the Goulburn Aquatic Centre Redevelopment Stage 1 construction works be received.

CARRIED

15.11 GOULBURN PERFORMING ARTS CENTRE - JUNE 2020 STATUS REPORT**RESOLUTION 2020/270**

Moved: Cr Carol James

Seconded: Cr Alfie Walker

That the report from the Director of Operations on the status of the Goulburn Performing Arts Centre construction be received.

CARRIED

15.12 ST CLAIR CONSERVATION WORKS - STATUS REPORT**RESOLUTION 2020/271****Moved: Cr Peter Walker****Seconded: Cr Carol James**

That the report from the Business Manager Marketing, Events & Culture on the status of the St Clair Conservation Works be received.

CARRIED**15.13 LIBRARY MEMBERSHIP AND ACCESS POLICY****RESOLUTION 2020/272****Moved: Cr Carol James****Seconded: Cr Alfie Walker****That**

- 1. The report from the Business Manager Marketing, Events & Culture on the Library Membership and Access Policy be received.**
- 2. The Draft Library Membership and Access Policy be placed on public exhibition for a period of 28 days.**
- 3. Any submissions or recommended amendments as a result of the exhibition process be reported back to Council prior to the adoption of the Library Membership and Access Policy.**

CARRIED**15.14 REQUEST FOR FINANCIAL ASSISTANCE - LIEDER THEATRE COMPANY**

Cr Alfie Walker declared an interest in this item and took no part in the discussion or voting on the matter. At 9:21 pm, Cr Alfie Walker left the meeting.

RESOLUTION 2020/273**Moved: Cr Peter Walker****Seconded: Cr Carol James****That**

- 1. The report of the Director of Corporate & Community Services on Requests for Financial Assistance – Lieder Theatre Company be received.**
- 2. Council approve a cash contribution of \$5,000 to the Lieder Theatre funded from the Financial Assistance budget.**

CARRIED

At 9:27 pm, Cr Alfie Walker returned to the meeting.

15.15 REQUEST FOR FINANCIAL ASSISTANCE - GOULBURN COMMUNITY RADIO ASSOCIATION INC.

RESOLUTION 2020/274

**Moved: Cr Andrew Banfield
Seconded: Cr Sam Rowland**

That

- 1. The report from the Director Corporate & Community Services on Request for Financial Assistance – Goulburn Community Radio Association Inc. be received.**
- 2. Council approve a cash donation of \$5,000 from the Financial Assistance budget to the Goulburn Community Radio Association Inc. to offset part of the costs of the purchase of equipment essential for the continuation of their broadcast.**

CARRIED

15.16 FINANCIAL ASSISTANCE AWARDED 2019-2020

RESOLUTION 2020/275

**Moved: Cr Margaret O'Neill
Seconded: Cr Sam Rowland**

That the report from the Director of Corporate & Community Services on Financial Assistance Awarded 2019-2020 be received and noted.

CARRIED

15.17 RATES OUTSTANDING REPORT

RESOLUTION 2020/276

**Moved: Cr Peter Walker
Seconded: Cr Denzil Sturgiss**

That the report from the Revenue Coordinator on Rates Outstanding be received.

CARRIED

15.18 DEBTORS OUTSTANDING REPORT

RESOLUTION 2020/277

**Moved: Cr Alfie Walker
Seconded: Cr Denzil Sturgiss**

That the report from the Revenue Officer on Debtor Collections be received.

CARRIED

15.19 WATER CHARGES OUTSTANDING REPORT

RESOLUTION 2020/278

Moved: Cr Margaret O'Neill

Seconded: Cr Carol James

That the report from the Administration Team Leader on Water Outstanding be received.

CARRIED

15.20 MONTHLY FINANCIAL REPORT

RESOLUTION 2020/279

Moved: Cr Peter Walker

Seconded: Cr Denzil Sturgiss

That the report by the Director Corporate & Community Services and the Business Manager Finance & Customer Service on the Monthly Financial Report be received and noted for information.

CARRIED

15.21 STATEMENT OF INVESTMENTS & BANK BALANCES

RESOLUTION 2020/280

Moved: Cr Sam Rowland

Seconded: Cr Leah Ferrara

That the report by the Director Corporate & Community Services and the Business Manager Finance & Customer Service on the Statement of Investments and Bank Balances be received.

CARRIED

15.22 QUARTERLY WORKERS COMPENSATION

RESOLUTION 2020/281

Moved: Cr Alfie Walker

Seconded: Cr Carol James

That the report from the Recover at Work and Wellbeing Officer on the Quarterly Workers Compensation be received.

CARRIED

15.23 GOULBURN MULWAREE YOUTH COUNCIL MEETING NOTES - 29 MAY 2020 & 26 JUNE 2020

RESOLUTION 2020/282

**Moved: Cr Alfie Walker
Seconded: Cr Leah Ferrara**

That the report from Cr Carol James in relation to the Goulburn Mulwaree Youth Council Meeting Notes held on the 29 May 2020 & 26 June 2020 be received.

CARRIED

15.24 CANBERRA REGION JOINT ORGANISATION BOARD MINUTES - 30 JUNE 2020

RESOLUTION 2020/283

**Moved: Cr Leah Ferrara
Seconded: Cr Denzil Sturgiss**

That the minutes from the Canberra Region Joint Organisation Board meeting of the 30 June 2020 be noted.

CARRIED

15.25 COUNCILLOR BRIEFING SESSION SUMMARY

RESOLUTION 2020/284

**Moved: Cr Carol James
Seconded: Cr Andrew Banfield**

That the report from the General Manager on Councillor Briefing Session Summary be received.

CARRIED

15.26 BUSINESS DEVELOPMENT UPDATE

RESOLUTION 2020/285

**Moved: Cr Carol James
Seconded: Cr Andrew Banfield**

That the report from the Communications & Business Development Officer be received and noted for information.

CARRIED

15.27 UTILITIES DIRECTORATE REPORT - JUNE 2020

RESOLUTION 2020/286

Moved: Cr Margaret O'Neill

Seconded: Cr Sam Rowland

That the report from the Director Utilities be received and noted for information.

CARRIED

15.28 PLANNING & ENVIRONMENT DIRECTORATE REPORT JUNE 2020

RESOLUTION 2020/287

Moved: Cr Leah Ferrara

Seconded: Cr Carol James

That the activities report by the Director Planning & Environment be received and noted for information.

CARRIED

15.29 CORPORATE & COMMUNITY SERVICES DIRECTORATE REPORT JUNE 2020

RESOLUTION 2020/288

Moved: Cr Sam Rowland

Seconded: Cr Leah Ferrara

That the activities report by the Director Corporate & Community Services be received and noted for information.

CARRIED

15.30 OPERATIONS DIRECTORATE REPORT JUNE 2020

RESOLUTION 2020/289

Moved: Cr Peter Walker

Seconded: Cr Denzil Sturgiss

That the activities reported for June 2020 by the Director Operations be received and noted for information.

CARRIED

16 CLOSED SESSION

Council must resolve to move into Closed Session to deal with any items under s10 *Local Government Act 1993*.

RESOLUTION 2020/290

Moved: Cr Alfie Walker

Seconded: Cr Carol James

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

16.1 Regulatory Options and Legal Opinion - 555 Forest Siding Road

This matter is considered to be confidential under Section 10A(2) - g of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

16.2 Hockey Update

This matter is considered to be confidential under Section 10A(2) (d) (i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

16.3 Bungendore Road Storm Damage RFQ VP189817

This matter is considered to be confidential under Section 10A(2) (d) (i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

CARRIED

Council resolved into Closed Session at 9.56pm.

Council resolved into Open Council at 10.15pm.

RESOLUTION 2020/291

Moved: Cr Alfie Walker

Seconded: Cr Leah Ferrara

- 2. That Council moves out of Closed Council into Open Council.**
- 3. That the resolutions of the Closed Session meeting which were submitted to Closed Session in accordance with s10A Local Government Act 1993 be adopted.**

CARRIED

16.1 REGULATORY OPTIONS AND LEGAL OPINION - 555 FOREST SIDING ROAD**RESOLUTION 2020/292****Moved: Cr Sam Rowland****Seconded: Cr Alfie Walker****That:**

- 1. The report of the Director Planning & Environment be received.**
- 2. Notices pursuant to s9.22 of the Environmental Planning & Assessment Act 1979 be served upon the land owners of 555 Forest Siding Road, Middle Arm and any contractors or other persons known to have undertaken works on the site. The Notices will require the provision to Council any information in relation to the extent of physical works undertaken or land use activities on site.**
- 3. Council commence Class 4 proceedings in the Land and Environment Court against the owners of 555 Forest Siding Road, Middle Arm, for continued and ongoing unauthorised works and land uses upon the property.**

CARRIED**16.2 HOCKEY UPDATE****RESOLUTION 2020/293****Moved: Cr Alfie Walker****Seconded: Cr Leah Ferrara****That the verbal report from the General Manager on the purchase agreement for the hockey facility be received.****CARRIED****16.3 BUNGENDORE ROAD STORM DAMAGE RFQ VP189817**

Cr Andrew Banfield declared an interest in this item and took no part in the discussion or voting on the matter. At 10:07 pm, Cr Andrew Banfield left the meeting and did not return.

Council sought clarification on the attribute scoring for this tender process.

15.8 BUNGENDORE ROAD STORM DAMAGE RFQ VP189817**RESOLUTION 2020/294****Moved: Cr Peter Walker****Seconded: Cr Leah Ferrara****That:**

- 1. Council approve to engage Denrith Pty Ltd for \$265,960.50 (excl. GST) to undertake storm damage repairs on Bungendore Road as per VP189817 under the terms and conditions of the Concrete Services Panel 1920T0005.**
- 2. Council delegate the General Manager to approve variations up to 10% (\$26,596.05) of the contract amount.**

CARRIED

17 CONCLUSION OF THE MEETING

The Meeting closed at 10.16pm.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 4 August 2020.

.....
Cr Bob Kirk
Mayor

.....
Warwick Bennett
General Manager

11 MATTERS ARISING

11.1 MATTERS ARISING FROM COUNCIL MEETING MINUTES FROM THE 21 JULY 2020

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

11.2 OUTSTANDING TASK LIST FROM ALL PREVIOUS MEETINGS

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: 1. Task List - 4 August 2020 [↓](#) 

RECOMMENDATION

That Council notes the Task List and authorises the deletion of completed tasks.

REPORT

Please find attached the Task List for matters resolved at previous Council meetings that are still currently under action.

OUTSTANDING TASK LIST



Item/Task	Responsible Officer	Status
<p><u>Ducks Lane and Run-O-Waters Traffic Management Plan</u></p> <p>1. The General Manager to commence without prejudice to the determination by the Council of their development application to commence discussions with developers in the Shannon Drive area to determine their intended dates to commence physical works and seek if there is any appetite for the developers to enter into a voluntary planning agreement (VPA) that would allow Council to undertake the physical works generally known as Shannon Drive extension in the 2018/19 financial year.</p>	<p>General Manager</p>	<p>Proposed to have Councillor Briefing on the 11 August 2020 to discuss options</p>
<p><u>Veolia Host Fee</u></p> <p>The Mayor and the General Manager be given delegated authority to negotiate with Veolia Australia. The Mayor and General Manager to report back to Council on the draft Host Fee agreement once the negotiations with Veolia have reached a stage where a firm recommendation can be made to enter into such an agreement.</p>	<p>General Manager</p>	<p>We are awaiting the lawyers from both parties to agree on wording for the deed.</p>
<p><u>Future use of Irrigation Farm Land</u></p> <ol style="list-style-type: none"> 1. Sale of Lot 2 DP1043955 To adjoining land owner 2. Rezone Lot 1 & 2 DP1003261 To residential 3. Discuss with ARTC Safe access across rail line 4. Commence rezoning from Council infrastructure zoning 5. EOI for public/private partnerships on farm land 	<p>Director Utilities</p>	<ol style="list-style-type: none"> 1. EOI to adjoining land owners has been circulated. Report to Council in September 2020 2. Obtaining contamination reports. Rezoning can't occur until after Housing Strategy is endorsed <p>3&4.</p> <p>Will not pursue this matter at this time until Council has determined future and final use of the Waste Water Farm</p> <ol style="list-style-type: none"> 5. EOI for PPP is advertised and closes on the 25 August 2020

OUTSTANDING TASK LIST



Item/Task	Responsible Officer	Status
<p><u>B6 Enterprise Corridor Planning Proposal</u></p> <p>Seeking Department of Planning approval and then be placed on public exhibition</p>	Director Planning & Environment	Pre Gateway Referral to Water NSW undertaken, amended Planning Proposal being prepared for submission to DPIE.
<p><u>Mogo Road Hi Quality</u></p> <p>General Manager to report back on works to be undertaken to fully implement development application</p>	General Manager	Consultation occurring with Hi Quality
<p><u>Tarago Rail Siding</u></p> <p>The General Manager to keep the Council informed on actions by Transport for NSW in regard to the lead contamination at Tarago</p>	General Manager	Briefing conducted, report to Council in August
<p><u>Community Safety & Social Infrastructure Plan Working Party</u></p> <p>Councillors to notify Director of Corporate and Community Services names suitable for this working party</p>	Director Corporate and Community Services	Council approved two community representatives on this essential working party. We are waiting on feedback from Councillors and can't progress this until that feedback is received.
<p><u>New Police Station</u></p> <p>The Mayor and General Manager to discuss options with NSW Police on appropriate sites in Goulburn for new Police Station.</p>	General Manager	Awaiting correspondence from NSW Police on their investigations on all sites in Goulburn
<p><u>Strategic Planning Fees and Charges</u></p> <p>Policy required in regard to subsidies paid where sufficient reports have already been presented to Council prior to the 19 May 2020</p>	Director Planning and Environment	Report included in this Business Paper RECOMMEND COMPLETION
<p><u>Hockey Facility</u></p> <p>The General Manager to continue negotiating with Goulburn Workers Club over the purchase of 3.28 hectares of land at the Goulburn Workers Arena</p> <p>The General Manager to commence discussion with hockey on lease agreement</p>	General Manager	<p>Negotiations continue. Will report when final draft agreement is ready for approval.</p> <p>Discussions with hockey have commenced and lease agreement negotiations underway</p>

OUTSTANDING TASK LIST



Item/Task	Responsible Officer	Status
<u>Lansdowne Street Planning Proposal and DCP Amendment</u> Further discussions to be undertaken with the proponent	Director Planning and Environment	Meetings held, report back to Council in August
<u>Draft Local Strategic Planning Statement</u> To be placed on public exhibition	Director Planning and Environment	Report included in this Business Paper RECOMMEND COMPLETION
<u>Draft Enforcement Policy</u> To be placed on public exhibition	Director Planning and Environment	Report included in this Business Paper RECOMMEND COMPLETION
<u>Community Centre Options</u> Location of Community Centre deferred 18 months	General Manager	Will be referred to Council in December 2021.
<u>Library Membership and Access Policy</u> On public exhibition 28 day	Director Corporate and Community Services	Public consultation process underway
<u>Residential Care Facility at Run-O-Waters</u> Preparing Planning Proposal for consideration by Department of Planning	Director Planning and Environment	Planning Proposal being prepared

12 MAYORAL MINUTE(S)

Nil

13 NOTICE OF MOTION(S)

Nil

14 NOTICE OF RESCISSION(S)

Nil

15 REPORTS TO COUNCIL FOR DETERMINATION

15.1 DRAFT POLICY - STRATEGIC PLANNING FEES AND CHARGES

Author: Nick Thistleton, Strategic Planner

Authoriser: Warwick Bennett, General Manager

- Attachments:**
1. **Reduction or Waiver of Council Fees and Charges Policy** [↓](#) 
 2. **DRAFT Strategic Planning Fees and Charges Policy** [↓](#) 
 3. **Fees and Charges Amendment** [↓](#) 

Link to Community Strategic Plan:	CL4 – Actively investigate and communicate funding sources and collaboration opportunities that can strengthen the region.
Cost to Council:	The cost of advertising this policy is part of the operational budget
Use of Reserve Funds:	NIL

RECOMMENDATION

That

1. The report from the Strategic Planner on the *Draft Strategic Planning Fees and Charges Policy* be received.
2. The *Draft Strategic Planning Fees and Charges Policy* and amendment to Councils fees and charges be placed on public exhibition for a minimum period of 28 days.
3. Any submissions or recommended amendments as a result of the public exhibition process be reported back to Council.

BACKGROUND

Council previously considered a change to the fees and charges for planning proposals at its meetings on 17 March 2020 and 19 May 2020. These reports considered the public exhibition of the new fees and charges and post public exhibition adoption of the new fees and charges, respectively. These reports also considered fees and charges for the preparation of Development Control Plan amendments, however this is not considered relevant to this report.

Prior to these reports, Council’s fees only considered the administration and processing costs of planning proposals. In practice, these fees typically only covered the staffing costs of the strategic planner processing the planning proposal plus the staffing costs required for someone else to undertake their ordinary duties in their stead. These previous fees did not capture the comparatively larger costs of gathering Council’s Executive to discuss the planning proposal, the time spent by other business units providing detailed comments or the significant workload and cost impost associated with preparing subsequent amendments to Council’s development contributions plans, development control plans and other infrastructure plans required to support the planning proposal and plan for resultant development undertaken.

Notwithstanding the above, Council’s previous fees and charges for planning proposals have only emerged as a significant issue in the last few years. Previously, Council received relatively few planning proposals that could be considered major or for land releases, therefore necessitating little to no subsequent amendments to Council’s development contributions plans, development control plans and other infrastructure plans to be undertaken (to adequately plan for resultant development). The lack of major or land release planning proposals during these times meant that the financial implication of undercharging was relatively insignificant in relation to the impact of processing these planning proposals on Council’s workload, and capacity to forward plan for other parts or all of the Goulburn Mulwaree local government area.

Recently however, Council has started to receive multiple 'major' planning proposals, and is expecting numerous new 'land release' planning proposals for Goulburn and Marulan with the implementation of the *Urban and Fringe Housing Strategy*.

Without charging at full cost recovery for the processing of these planning proposals, Council's Strategic Planning team must indefinitely defer some or all of the following planning responsibilities in order to avoid covering the cost by drawing down from Council's general revenue or fully committed capital works budget:

- Development contributions planning (e.g. s7.11, s7.12 and Development Servicing Plans) - required in order for Council to be compensated for a development's impact on the demand for public infrastructure. This is integral to the ongoing financial viability of Council and Council's capacity to provide and maintain infrastructure. It should be noted that Council has already identified in its *Strategic Asset Management Plan* (reported to Council on 19 May 2020), that Council has an existing infrastructure maintenance backlog that it cannot address at this time.
- Structure/Precinct planning- necessary for the coordination and master planning for infrastructure and services in new urban release areas (e.g. planning for drainage reserves, roads, parks, new school locations etc). This is also often a requirement for new urban release areas, meaning that development in such areas must often be placed on hold until these plans are prepared. A possible consequence of deferring this planning duty in favour of processing planning proposals is a further delay in the delivery of new urban release areas for Goulburn and Marulan following on from the adoption of the *Urban and Fringe Housing Strategy*.
- Development control planning (amending/creating the Development Control Plan)-necessary to enforce structure/precinct plans and to ensure that development is delivered in a way that is economical to the area, environmentally sound and acceptable to the community. It should be noted that the delivery of a new Development Control Plan under Council's adopted Strategic Planning Program has already been delayed, in large part as a result of major planning proposals submitted in the last few years.
- Other planning proposals- without additional resources, Council must prioritise and process planning proposals in a staggered manner, resulting in lengthy delays for the delivery of new housing and business development precincts in Goulburn Mulwaree. It should be noted that the current workload presented by planning proposals recently submitted has already required Strategic Planning to defer some Council led planning proposals in favour of these private planning proposals. This includes the commitment by Council at its meeting on 18 February 2020 to review the B6 Enterprise Corridor zoning between the Common Street sub-precinct and Sydney Road.
- Undertaking other strategies and plans on the Strategic Planning Program- necessary to ensuring a whole of Council approach to the planning and development of the Goulburn Mulwaree local government area. It should be noted that many items under the Strategic Planning Program have already been delayed due to the influx of planning proposals received in the last couple of years. This includes the review of height of buildings in Goulburn's CBD, the preparation of an *Agricultural and Resource Lands Strategy*, as well as other future projects flagged in Council's coming *Local Strategic Planning Statement*, such as the preparation of a *Villages Strategy*, creation of a new *Biodiversity Strategy* and creation of a *Cultural Landscape Strategy*.

The cost of the planning proposal fees are based on the average processing time for each category of planning proposal at cost recovery.

For land release planning proposals, it is estimated that a minimum of 280 hours' worth of work, charged at \$150 an hour for a total of \$42,000, is required to undertake all the necessary processing and subsequent planning to finalise and implement the planning proposal, whilst also funding additional staff or consultants to offset the impact on Council's ability to deliver the

Strategic Planning Program. It was considered that this average cost incorporated any assistance that was likely to be provided in kind by the developer and/or their private planning consultant.

This cost is the same as neighbouring Queanbeyan Palerang Regional Council, similar to neighbouring Yass Valley Council's cost of \$38,950, and substantially less than what can be expected in the Sydney Metropolitan Region. Penrith City Council, for example, currently charges \$124,070 for a major planning proposal and \$250,863 for a major land release planning proposal.

Additionally, these planning proposal fees are considered to only account for a relatively small proportion of the cost of development. For example, a 10 hectare land release planning proposal can yield between 85-120 lots if zoned R2 Low Density Residential with a minimum lot size of 700m², depending on site constraints. For the lower estimate of 85 lots for a land release planning proposal of just 10 hectares, the planning proposal fee of \$42,000 equates to less than \$500 per lot or 0.125% of the cost of a \$400,000 house that may be sold on such a lot. This cost would otherwise need to be taken from Council's general revenue or fully committed capital works budget to avoid indefinitely deferring some or all of the necessary planning responsibilities mentioned previously in the report.

In summary, it was considered that the cost impost for submitting a planning proposal under the new fees and charges had a negligible impact on the viability of development in the region. The funds that could be raised, on the other hand, would be critical to ensuring that Strategic Planning can facilitate future development in Goulburn Mulwaree in a way that is financially sustainable for Council, economically viable and timely for developers, environmentally sound and in accordance with the needs and expectations of the community.

On 19 May 2020 Council considered the post exhibition report for the new fees and charges. The recommendation to Council at this meeting was to adopt the fees in full, with the intent that the fees would be applied at a flat rate for each planning proposal category, as is the case for other Councils in the region and each example given earlier in this report. Although the situation may have arisen where the proponent may have exceeded 280 hours' worth of staff processing time or likewise not exceeded this period of time for land release planning proposals in particular, it would have provided a consistent charging regime and could generally be relied upon to be a reasonable and fair average in terms of total cost impost on Council.

In this sense, all costs across all planning proposals in the same category would be cross subsidised to eliminate the administrative problems that arise with accurately recording staff hours across the entire organisation; and to provide the developer certainty in terms of the cost of the planning proposal, which would otherwise fluctuate unpredictably. Any additional refund requests could have been considered at a full meeting of Council on a case by case basis, in accordance with Council's existing *Reduction or Waiver of Council Fees & Charges Policy (Attachment 1)*.

It was also noted that Strategic Planning was not intending to request the full submission of a planning proposal and that this was a cost saving for the developer that they would not get in many other areas. This procedure was introduced in order to streamline the process for planning proposals, as it was observed by Strategic Planning that a similar amount of time was spent preparing planning proposals internally compared to time spent processing planning proposals that have been prepared and submitted externally. This is due to the relatively straightforward administrative nature of much of the documentation required and the inevitable requirement to prepare, send and follow-up multiple additional information requests for externally prepared planning proposals as the result of NSW Government agency referrals required at different stages of the process.

This differs from the development application process, where the documentation required is often far more complex and difficult to prepare, the mandated process for NSW Government agency referrals is more streamlined and where Council cannot rely on the Department of Planning, Industry and Environment to manage conflicts of interest. The decision to prepare planning proposals internally was therefore considered to have a limited impact on the actual cost of processing a planning proposal and no impact on the fee proposed for doing so.

However, in response to concerns from submitters that costs did not consider work undertaken on the planning proposal by planning consultants, Council resolved at the meeting on 19 May 2020 (resolved 2020/168):

That:

- 1. The post exhibition report on Strategic Planning Unit fees and charges by Council’s Business Manager Strategic Planning be received.**
- 2. The planning proposal/rezoning fees as follows be adopted:**

Fee Name	Amount (GST exclusive)
Planning Proposal Commencement (covers pre lodgement meetings, assessment and report to Council) Anomalies & Minor Amendments/Minor Planning Proposal Major Planning Proposal /Land Release	\$1,800 \$4,500
Planning Proposal Fee - Anomalies and minor amendments , no specialist studies required) e.g. adding or removing a heritage item or other matter not requiring complex assessment. <i>Note - proposals will be combined and processed on a 6 monthly basis (not as individual LEP amendments).</i>	\$2,100
Planning Proposal Fee – Minor Planning Proposal (1 lot and less than 1ha) <i>Note – does not include specialist studies and public hearings (if required) which are at the cost of the proponent.</i>	\$6,312
Planning Proposal Fee – Major (More than 1 lot and greater than 1 ha) <i>Note – does not include specialist studies and public hearings (if required) which are at the cost of the proponent.</i>	\$22,100
Planning Proposal Fee – Land Release (Area greater than 10 ha where a residential, rural residential or industrial zoning is proposed). <i>Note – does not include specialist studies and public hearings (if required) which are at the cost of the proponent.</i>	\$42,000

- 3. The Development Control Plan fees as follows be adopted:**

Development Control Plan Amendment – Anomaly or minor amendment	\$1,800
Development Control Plan Amendment	\$5,250
Preparation of site specific Development Control Plan or Development Control Plan Chapter (i.e. for new land release)	\$15,000 – this fee may be waived by Council if the proponent prepares and submits a site specific DCP chapter in consultation with Council and in accordance with a master plan for the release area.

- 4. The General Manager to implement a procedure that ensures actual time is noted against each application and a refund or additional costs be made to ensure the final fee reflects the actual time in processing the planning proposal. Council notes that the fees in paragraph 2 & 3 above are indicative costs.**
- 5. The General Manager prepare a Policy for Councils consideration which sets out the criteria that Council will consider for reviewing planning proposal /rezoning fees.**

This resolution adopted the planning proposal fees originally proposed on 17 March 2020 on the condition that a policy and procedure be prepared to record staff processing hours and issue refunds where appropriate.

This report considers the policy required to be prepared under point 5 of the resolution above. The procedure referenced in point 4 of the resolution above is taken to be an internal procedure that would be made in accordance with the policy referenced under point 5, which would not require public exhibition or a further report to Council in its own right.

DRAFT STRATEGIC PLANNING FEES AND CHARGES POLICY

This report recommends that Council place on public exhibition the *Draft Strategic Planning Fees and Charges Policy* alongside the associated amendment to Council's Fees and Charges for a minimum of 28 days in order to give effect to Council's previous resolution on 19 May 2020 (**Attachment 2**). The *Draft Strategic Planning Fees and Charges Policy* and associated amendment to Council's Fees and Charges will be reported back to Council after the public exhibition period.

The *Draft Strategic Planning Fees and Charges Policy* provides a simple methodology for determining refunds of Council's planning proposal fees and charges in addition to providing a background and justification for the fees. Under the draft policy, the proponent would be eligible for a refund of the processing fees if:

1. The planning proposal is a major or land release planning proposal; AND
2. The planning proposal submitted is "Gateway-ready"; AND
3. Staff assessment and processing costs incurred have not exceeded the applicable fee;

In which case, the refund would be equal to the processing fee, minus staff assessment and processing costs incurred at the hourly rate of \$150, recorded against the application.

For the purposes of the draft policy, a "Gateway-ready" planning proposal is a planning proposal submitted with Council that has been substantially completed to such a degree that Council is not required to amend or alter the document itself prior to submitting it to the Department of Planning, Industry and Environment for a Gateway Determination. This also requires that any outstanding matters raised by Council or NSW Government agencies is addressed by the proponent as well.

If the planning proposal submitted does not meet the requirements above, then the full fee would be applied and Council would not record any hours spent processing the proposal. This is because the processing fees already accurately reflect the average processing costs. It is also noted in the draft policy that there is considered to be no significant difference in the time taken to process a 'minor' planning proposal submitted and the time to prepare such a planning proposal internally, given that they are generally not technically complex or lengthy documents.

An associated amendment to Council's Fees and Charges is also proposed. This is an administrative amendment in order to provide a cross reference to the draft policy and establish the hourly processing cost, which may be reviewed in future financial years independently to the draft policy (**Attachment 3**). The proposed amendment also includes a notation allowing Council to use its discretion in applying the fees in the unlikely event that a planning proposal is submitted that does not clearly fit in one planning proposal category or another.

Council may alternatively choose to not publicly exhibit this draft policy and amendment and instead retain the flat fees for each planning proposal category already adopted, as is done by other Councils in the region. Any reduction or waiver of fees would then be able to be considered on a case by case basis at a full meeting of Council, in accordance with Council's existing *Reduction or Waiver of Council Fees & Charges Policy* (**Attachment 1**). This outcome is preferred by Council staff for the reasons provided and elaborated on in the background of this report and as per the original recommendation made to Council on 19 May 2020.

CONCLUSION

In conclusion, this report recommends the public exhibition of the *Draft Strategic Planning Fees and Charges Policy* alongside the associated amendment to *Council's Fees and Charges* for a minimum of 28 days in order to give effect to Council's previous resolution on 19 May 2020.



Reduction or Waiver of Council Fees & Charges Policy



GOULBURN MULWAREE COUNCIL REDUCTION OR WAIVER OF COUNCIL FEES & CHARGES POLICY

POLICY OBJECTIVE

To provide a framework for the consistent and equitable assessment of requests for the reduction or waiver of Council fees and charges for the use of Council facilities and / or services provided by Council.

LEGISLATIVE PROVISIONS

Local Government Act 1993

POLICY STATEMENT

This policy deals only with the reduction or waiver of Council fees and charges associated with the use of Council facilities and / or services provided, and seeks to ensure:

- A standard process for applicants to follow
- Equitable assessment of each requests received
- Transparency and accountability to the community
- Effective reporting mechanisms

Assessment procedures

- All requests to waive or reduce Council fees must be in writing and addressed to the General Manager or delegated staff
- Eligibility and assessment criteria must be provided to applicants upon request or on receipt of applications
- A written assessment should be provided to the applicant
- Applications that do not exceed \$2,000 will be determined by the General Manager in consultation with the Mayor.

Upon request the applicant may be asked to:

- Demonstrate a substantial degree of community support and representation
- Explain the nature of the event or activity
- Explain the perceived benefit of the event or activity to the local community
- Explain the ability of the event or activity to complement existing community services
- Detail alternative funding sources available and accessed by the organisation
- Detail previous funding assistance provided by the Council
- Detail information regarding the organisation to include:
 - a) Organisation profile
 - b) Membership information
 - c) Funding profile and non profit status
 - d) Marketing intentions and acknowledgement of Council's contribution

Eligibility Criteria

To be eligible for funding the applicant must be considered in at least one of the following categories:

- Charitable organisation
- Be a non profit organisation and dependant upon amount requested, may be asked to provide audited financial accounts
- Pensioner groups
- Community groups
- Schools and any group/organisation as determined from time to time by Council



GOULBURN MULWAREE COUNCIL
REDUCTION OR WAIVER OF COUNCIL FEES & CHARGES POLICY

- Demonstrate special circumstances as determined by the General Manager or Council's delegated staff

Council **will not** consider applications to waive fees and charges for:

- Any profit making ventures for commercial entities
- Any activity, event or program that contravenes Council's existing policies
- The bond associated with the use of Council facilities, (only the waiver of fees for an activity, event or function will be considered)
- Retrospective applications, including refunds

Special Conditions

1. Recurrent requests to waive Council fees and charges will be assessed as per the criteria outlined in this policy.
2. Organisations receiving funding under Council's *Community Grants & Donations Policy* **may be ineligible** for a reduction or waiver of Council fees and charges. All requests will be assessed against this policy
3. A report of each application determined by the General Manager will be forwarded to Council for information.
4. If an application for waiver does not meet the evaluation criteria but is assessed by the General Manager as a case warranting further consideration, it will be forwarded to Council for determination.

Approval to waive Council fees does not imply Council's endorsement of the applicant's event or project or of the applicant's philosophy or objectives.

Version	Council Meeting Date	Resolution	Adoption Date	Effective From
1	19 May 2009	09/264	6 July 2009	6 July 2009
2	19 March 2013	13/81	10 May 2013	10 May 2013
3	6 June 2017	17/228	6 June 2017	7 July 2017
All policies can be reviewed or revoked by resolution of Council at anytime.				

DIRECTORATE: Executive Services

BUSINESS UNIT: Executive Services



DRAFT Strategic Planning Fees & Charges Policy



GOULBURN MULWAREE COUNCIL DRAFT STRATEGIC PLANNING FEES AND CHARGES POLICY

POLICY OBJECTIVE

The Objective of this policy is to establish clear and consistent guidance for the implementation of the Strategic Planning Fees and Charges.

LEGISLATIVE PROVISIONS

Local Government Act 1993

Environmental Planning and Assessment Act 1979

POLICY STATEMENT

Goulburn Mulwaree Council endorsed a fees and charges regime in May 2020 for the preparation and implementation of planning proposals that seek to amend the *Goulburn Mulwaree Local Environmental Plan 2009*.

The fees and charges proposed at this time were considered necessary so as to ensure the logical and practical implementation of a number of strategy documents, including but not limited to the *Employment Land Strategy* and the *Urban and Fringe Housing Strategy*. To implement such strategies requires several bodies of intensive planning work to be undertaken including master/precinct planning and contributions planning. More often than not in rural and regional areas, this work is carried out by Council.

The calculation of the endorsed fees and charges was based on the typical timeframes associated with Council staff preparing a planning proposal and the subsequent strategic documents, allowing for full cost recovery of staff time and Council resources. In effect, the broad principle of the charging regime is to ensure that Council is appropriately and financially compensated for the work involved in the preparation of the planning proposal.

Notwithstanding the above, Council is often required to engage external consultants or temporarily engage additional staff to ensure that the required planning is carried out in a timely manner. The fees and charges should therefore also cover these costs.

Applicants may however engage the services of a suitably qualified, experienced and practising planning consultant to prepare a planning proposal on their behalf. It is recognised that in instances such as this, there may be a reduction in the amount of time and resources expended by Council, and therefore the applicant may be entitled to a partial refund of their application fees. It could also be the case where the landowner has already prepared and lodged with Council reports that are required to be considered as part of a planning proposal and thus would not consume the same amount of staff time as a new report. Such reporting may also attract a discount on the fee structure.

It is noted that many aspects of the planning proposal pathway require tasks to be completed by Council alone, and therefore would not attract any form of fee relief. Such tasks include, but are not limited to, preparation of Council Business Paper reports, community consultation, and liaison with various government agencies such as the Department of Planning, Industry & Environment and Parliamentary Counsel's Office.

As such, it is Council's position that an applicant must prepare a "Gateway-ready" planning proposal to be eligible for a partial refund on fees and charges.

This Policy is made in accordance with Council's fees and charges, allowing Council to issue refunds independently of the requirements of any other policy, provided that the prescribed conditions are met.



GOULBURN MULWAREE COUNCIL
DRAFT STRATEGIC PLANNING FEES AND CHARGES POLICY

Application of Fees and Charges

The table below outlines how and when fees and charges will be applied to new planning proposals:

(Refer to the adopted Fees and Charges for specific monetary amounts)

Fee Name	Application
Planning Proposal Commencement Fee	<p>Payment of this fee will be required upon receipt of a planning proposal or a formal letter requesting a rezoning. Council will exercise its discretion as to what constitutes a formal letter to request a planning proposal, and will always require payment of this commencement fee prior to the matter being reported to Council.</p> <p>As per Council’s fees and charges, the commencement fee varies in size depending on whether or not it is considered to be an anomalous, minor, major or land release planning proposal.</p>
Planning Proposal Fee Anomalies, Administrative etc.	<p>This fee is applicable for any planning proposal to correct anomalies (e.g. removing heritage items).</p> <p>In these circumstances planning proposals will generally be undertaken by Council on a six-monthly basis. If the applicant wishes to pursue their own planning proposal, it will be considered a minor planning proposal for the purposes of fees and charges.</p>
Additional Assessment & Processing Fee – Minor	<p>This fee is applicable for minor planning proposals that apply to 1 lot or less than 1 hectare of land.</p> <p>This fee is payable if Council resolves to proceed with the planning proposal.</p>
Additional Assessment & Processing Fee – Major*	<p>This fee is applicable for major planning proposals that apply to more than 1 lot or more than 1 hectare of land. This fee is not applicable to land release planning proposals, as defined in the next category.</p> <p>This fee is payable if Council resolves to proceed with the planning proposal.</p>
Additional Assessment & Processing Fee – Land Release*	<p>This fee is applicable to land release planning proposals for more than 10 hectares of land, where residential, rural residential, business/industrial other zoning intensification is proposed.</p> <p>This fee is payable if Council resolves to proceed with the planning proposal.</p>
<p>Note: In circumstances where it is unclear which category a planning proposal belongs in, Council will exercise its discretion in applying the appropriate fee.</p>	
<p>*Denotes fees that may be subject to partial refunds in this policy if prescribed conditions are met.</p>	



**GOULBURN MULWAREE COUNCIL
DRAFT STRATEGIC PLANNING FEES AND CHARGES POLICY**

Partial Refunds for “Gateway-Ready” Planning Proposals

A partial refund may be granted if the planning proposal submitted is a “Gateway-ready” major or land release planning proposal. For the purposes of this policy, a “Gateway-ready” planning proposal has addressed all outstanding matters to such a degree that it is able to be provided to the Department of Planning, Industry and Environment for a Gateway Determination without requiring Council to amend the document. This requires that any matter raised by Council or a NSW Government agency be addressed by the applicant prior to the planning proposal being reported to Council. This includes any requirement to produce specialist studies or assessments (e.g. a flora and fauna assessment, bushfire, water cycle management, heritage, etc.).

Planning proposals that are considered “Gateway-ready” will have all staff hours logged against the application. The actual refund amount in this instance will vary depending on staff assessment and processing costs occurred up to this date, with the difference between staff hourly assessment costs and the full fee for the planning proposal being the refund amount. No amount will be refunded if the assessment and processing costs are equal to or greater than the assessment and processing fee.

In the event that the planning proposal is not “Gateway-ready” or is considered a minor planning proposal, staff hours will not be recorded and the full fee will apply in all instances. This is because all planning proposal fees equate to the average cost imposed on Council to develop planning proposals internally. Council also notes that there is no significant difference in time loss or cost imposed between preparing a minor planning proposal and assessing a minor planning proposal that has been submitted.

Version	Council Meeting Date	Resolution	Adoption Date	Effective From
1	[Date]	[Number]	[Date]	[Date]
All policies can be reviewed or revoked by resolution of Council at anytime.				

DIRECTORATE: Planning & Environment

BUSINESS UNIT: Strategic Planning

CURRENT Fees and Charges Schedule (Extract)

Note: Changes only applicable to 2020/2021 fee for the fee categories below

Fee Name	Fee Notes	Units	Price Policy	2019/20 GST Inclusive	GST	2020/21 GST Inclusive
Amendments to the Local Environmental Plan						
Additional Assessment & Processing Fee - Major	Additional fee payable after a Council meeting where Council has resolved to support the planning proposal, whether partly or wholly, for major planning proposals (applying to more than 1 Lot or more than 1ha of land). This fee does not apply to planning proposals initiated by the Strategic Planning Unit. Fee is a minimum - may increase due to need to cover additional specialist reports/consultation	Per assessment	Development Fee	13,750.00	GST Free	22,100.00
Additional Assessment & Processing Fee – Land Release	Additional fee payable after a Council meeting where Council has resolved to support the planning proposal, whether partly or wholly, for land releases on greenfield sites (more than 10ha of land where a residential, rural residential or business/industrial zoning or other intensification is proposed). Fee is a minimum – may increase due to need to cover additional specialist reports/consultation.	Per assessment	Development Fee	42,000.00	GST Free	42,000.00

PROPOSED NEW Fees and Charges Schedule

Note: Changes only applicable to 2020/2021 fee for the fee categories below

Note: Proposed changes in RED

Fee Name	Fee Notes	Units	Price Policy	2019/20 GST Inclusive	GST	2020/21 GST Inclusive
Amendments to the Local Environmental Plan						
Note: In circumstances where it is unclear which category a planning proposal belongs in, Council will exercise its discretion in applying the appropriate fee.						
Additional Assessment & Processing Fee - Major	Additional fee payable after a Council meeting where Council has resolved to support the planning proposal, whether partly or wholly, for major planning proposals (applying to more than 1 Lot or more than 1ha of land). This fee does not apply to planning proposals initiated by the Strategic Planning Unit. Fee is a minimum - may increase due to need to cover additional specialist reports/consultation <i>Fee may be partially refunded in accordance with Council's Strategic Planning Fees and Charges Policy based on hourly processing costs incurred.</i>	Per assessment	Development Fee	13,750.00	GST Free	22,100.00 <i>(150.00 hourly processing cost)</i>
Additional Assessment & Processing Fee – Land Release	Additional fee payable after a Council meeting where Council has resolved to support the planning proposal, whether partly or wholly, for land releases on greenfield sites (more than 10ha of land where a residential, rural residential or business/industrial zoning or other intensification is proposed). Fee is a minimum – may increase due to need to cover additional specialist reports/consultation. <i>Fee may be partially refunded in accordance with Council's Strategic Planning Fees and Charges Policy based on hourly processing costs incurred.</i>	Per assessment	Development Fee	42,000.00	GST Free	42,000.00 <i>(150.00 hourly processing cost)</i>

15.2 POST EXHIBITION REPORT - ENFORCEMENT POLICY

Author: Sarah Ainsworth, Business Manager Environment & Health

Authoriser: Warwick Bennett, General Manager

Attachments: 1. Enforcement Policy [↓](#) 

Link to Community Strategic Plan:	EN1 Protect and enhance the existing natural environment, including flora and fauna native to the region CL1 Effect resourceful and respectful leadership and attentive representation of the community
Cost to Council:	Nil
Use of Reserve Funds:	Nil

RECOMMENDATION

That:

1. The report from Business Manager Environment & Health be received.
2. The Enforcement Policy be adopted inclusive of the following amendments:
 - (a) Minor changes to Section 16 of the Policy ‘Role of Council where there is Private Certifier’ per the legislative provisions as incorporated; and
 - (b) Correction of minor grammatical, spelling, sentence structure and formatting errors.

BACKGROUND

The Draft Enforcement Policy was reported to Council on 2 June 2020 and was placed on public exhibition between 3 June 2020 and 13 July 2020.

The Draft Policy attracted two (2) external and one (1) internal review submission. The internal review submission received is with regard to a change in the legislative process associated with private certifier requirements and is a minor amendment to the Draft Policy as discussed in this report. One of the external submissions warranted minor grammatical and sentence structure amendments to the Policy only, as deviation from the model policy is discouraged. The other external submission did not require amendment of the Draft Policy as reported.

The Draft Enforcement Policy therefore requires another Council resolution to be adopted. A copy of the amended Policy is attached (refer Attachment 1).

REPORT

Councils are required to have an adopted Enforcement Policy that provides information for internal and external stakeholders and other interested parties that outline Council’s position on compliance and enforcement matters in the local government area.

As previously reported, Councils earlier Enforcement Policy was rescinded by resolution on 17 July 2017 as a thorough review of the Policy was required. The previous Policy also did not give consideration or incorporate the requirements of the NSW Ombudsman ‘*Enforcement Guidelines for Councils*’ or the ‘*Model Compliance and Enforcement Policy*’ (2015). At the time it was also considered that a documented procedure, rather than a policy, would be a more appropriate manner in which to deal with the matter.

More recent advice from the NSW Ombudsman has challenged this approach, and as such it is considered necessary to re-adopt a policy related to Council's enforcement functions. The Enforcement Policy remains generally in accordance with the 'Model Compliance and Enforcement Policy' as developed by the NSW Ombudsman, apart from minor wording changes, contextual commentary and specific sections that are intended to be customised by Council's based on local considerations.

As part of the public exhibition process one (1) internal review submission and two (2) external submissions were received in relation to the Draft Policy (refer Attachment 2). For the purposes of this report the submissions received in their entirety are noted with poignant components of these submissions addressed separately in the table below.

Submission	Comment & Response
<p>Submission 1 (Internal)</p>	<p>Comment</p> <p><i>The requirements relating to the enforcement powers of private certifiers and the role of Council where there is a private certifier appointed for a development as detailed in Section 16 of the Draft Policy have changed since the 'Model Compliance and Enforcement Policy' was released by the NSW Ombudsman.</i></p> <p>Response</p> <p>Section 16 of the Policy has been updated to reflect the overarching changes. The internal procedure for dealing with these issues will be updated as necessary operationally.</p>
<p>Submission 2 (External)</p> <p>Date: 1 July 2020</p>	<p>Comment</p> <p><i>In summary, within this submission a number of minor changes and comments were suggested by the author with regard to:</i></p> <ol style="list-style-type: none"> <i>1. Matters of grammatical, spelling and sentence structure.</i> <i>2. The separation of code of conduct complaints from this Policy.</i> <i>3. The need to detail the risk based time frame system within the Policy.</i> <p>Response</p> <p>Council has addressed grammatical, spelling and other minor sentence structure issues throughout the Policy as required both through internal review and those identified as part of this submission. Council acknowledges comments received with regard to the general wording, structure and language used throughout and the perceived repetitive nature of the document, however this follows the NSW Ombudsman 'Model Compliance and Enforcement Policy' as required and as such proposed changes in this regard are noted only. The risk based time frame system is recorded in Councils Customer Request Management Procedure and as this is an operational document it is not intended to be included in Councils overarching Enforcement Policy.</p>
<p>Submission 3 (External)</p> <p>Date: 13 July 2020</p>	<p>Comment</p> <p><i>In summary, within this submission a number of statements and allegations were made by the author with regard to:</i></p> <ol style="list-style-type: none"> <i>1. Council not currently following this Policy with particular regard to complaints made by the author about a specific site and company being non-compliant.</i> <i>2. Allegations regarding staff conduct.</i> <i>3. Councils GIPA process.</i> <i>4. The status and actions taken by Council with regard to a number of other compliance actions.</i> <i>5. The author also provided details regarding the lodgement of a further three</i>

Submission	Comment & Response
	<p><i>complaints against the company and premises they would like investigated.</i></p> <p>Response</p> <p>This submission does not relate to the Policy and as such does not require an amendment of the Policy nor can it be considered as a submission. The comments received with regard to Council process and compliance with the Policy are noted only as the Policy has not been adopted as yet and as such is not currently applicable. With regard to the comments about the specific compliance matter and further lodgement of complaints about the company and premises these have been provided to the relevant internal Department for consideration, response and action if necessary. It should be noted however that the complainant has lodged several complaints about the premises and company detailed in this submission which have already been registered and actioned by Council appropriately with extensive advice provided to the complainant in this regard.</p>

CONCLUSION

A number of minor grammatical, spelling, sentence structure and formatting errors were corrected as part of the submission response and internal review process. This was in addition to the minor changes made to section 16 of the draft Policy. It is now recommended that the Enforcement Policy be adopted as amended.



Enforcement Policy



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

Contents

1	PURPOSE	3
2	SCOPE	3
3	POLICY OBJECTIVE	3
4	LEGISLATIVE PROVISIONS	4
5	APPLICATION	4
6	COMPLIANCE AND ENFORCEMENT PRINCIPLES	5
7	RESONSIBILITY	5
8	SUBMITTING REPORTS OF UNLAWFUL ACTIVITY	6
9	RESPONDING TO CONCERNS ABOUT UNLAWFUL ACTIVITY	8
10	UNREASONABLE COMPLAINANT CONDUCT	9
11	INVESTIGATING ALLEGED UNLAWFUL ACTIVITY	9
12	DECIDING WHETHER OR NOT TO TAKE ENFORCEMENT ACTION	10
13	OPTIONS FOR DEALING WITH CONFIRMED CASES OF UNLAWFUL ACTIVITY	11
14	TAKING LEGAL ACTION	14
15	SHARED ENFORCEMENT RESPONSIBILITIES	15
16	ROLE OF COUNCIL WHERE THERE IS A PRIVATE CERTIFIER	15
17	ROLE OF COUNCILLORS IN ENFORCEMENT	15
18	DELEGATIONS	16
19	REVIEW	16
20	RELATED COUNCIL POLICIES	16
21	RELATED DOCUMENTS	16
	APPENDIX 1 - APPLICABLE LEGISLATION	17
	APPENDIX 2 - DEFINITIONS	18



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

1 PURPOSE

This policy provides information for internal and external stakeholders and interested parties about Council's position on compliance and enforcement matters in the Goulburn Mulwaree local government area.

The purpose of this policy is to provide structure for consistency and transparency in decision making, and to facilitate a proportional approach to compliance and enforcement. It is also intended to assist Council staff to act promptly, effectively and consistently in response to allegations of unlawful activity.

This policy outlines factors to be considered at the various stages of the enforcement process from the receipt and investigation of reports alleging unlawful activity, including how matters are assessed and prioritised for investigation, through to enforcement options available to council and considerations given when determining how to best respond to these compliance matters including whether to commence criminal or civil proceedings.

2 SCOPE

This policy applies to all compliance and enforcement actions where Goulburn Mulwaree Council has a regulatory responsibility and is the appropriate regulatory authority under New South Wales legislation. This policy applies to all regulatory and compliance functions including scheduled regulatory programs, investigation of complaints and enforcement actions.

Council's regulatory responsibilities are applicable to actual unlawful activity, as well as a failure to take action (in order to be compliant with certain legislative or legal requirements) including failure to comply with approvals or legal directions. For simplicity, this policy refers to both an act and/or an omission by an alleged offender as 'unlawful activity'.

In certain circumstances Council will have shared enforcement responsibilities with other regulatory authorities. This policy sets out a collaborative and cooperative approach to such matters. Advice and guidance is also provided on the role of Council in building and construction compliance matters where there is a private certifier, and the role of Councillors in enforcement.

Council will undertake compliance and enforcement action where appropriate in accordance with this Policy document. However, Responsible Council staff are not limited by this policy in their use of discretion and exercise of official functions. The full circumstances and facts of each case need to be considered and a decision made on the merits.

It should be noted that this policy is distinct from Council's Complaint Handling Policy as it does not respond to expressions of dissatisfaction received by Council relating to the business of Council or the action/s of Council staff or agents.

3 POLICY OBJECTIVE

Policy objectives:

- To provide clear guidelines and protocols for the management of Councils regulatory activities and to assist Council officers in making decisions in the undertaking of their enforcement functions;
- To specify the criteria which Council will take into consideration when deciding:
 - a) If enforcement action is necessary; and
 - b) The most appropriate type of action;



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

- To provide guidelines for the exercising of discretion when dealing with non-compliances including taking into account not only legislative provisions but all relevant information including the available evidence, cost to the community, the circumstances of the individual case, public policy and precedent considerations;
- To provide a consistent approach in the enforcement and resolution of matters and to ensure these matters are managed in a fair and transparent manner;
- To ensure the principles of procedural fairness and natural justice are followed;
- To provide information to the public about Councils role and policy position on enforcement; and
- Ensures that the enforcement process is conducted proportionate to the risk associated.

4 LEGISLATIVE PROVISIONS

Local Government organisations are responsible for the enforcement of a diverse range of legislative provisions designed to protect public infrastructure, public health, safety and amenity and the environment. The guiding principles, under section 8 of the Local Government Act 1993, require Council to ensure that its regulatory powers are exercised fairly and in a consistent manner without bias and in the best interests of the community.

In determining regulatory actions to be taken in regards to a compliance matter Council will take into account the circumstances surrounding the matter, the risk presented by the non-compliance, community needs and interests and the principles of social justice. Council decision-making will be transparent and in accordance with this policy.

This is policy outlines Councils broad approach to enforcement and provides a framework that promotes understanding of the manner in which enforcement activities and actions will be undertaken. This Policy is supported by detailed procedures that provide further guidance to Council officers.

5 APPLICATION

This policy applies to all compliance and enforcement actions where Goulburn Mulwaree Council has a regulatory responsibility and is the appropriate regulatory authority under New South Wales legislation. As a statutory body, the Council cannot act in a particular situation unless it has been given the power to do so by an Act or Regulation. In the exercise of Councils regulatory functions it is required to act in the public interest rather than the private interest of individuals or landowners.

Activities and functions for which Council has an enforcement or regulatory responsibility include but are not limited to:

- | | |
|-----------------------------|-------------------------------|
| • Development and building | • Biosecurity Weeds |
| • Pollution | • Impounding |
| • Environmental Health | • Parking and Traffic Control |
| • Food Safety | • Abandoned Articles |
| • On-site Sewage Management | • Tree Preservation |
| • Companion Animals | • Fire Safety |
| • Swimming Pools | • Boarding Houses |
| • Public Health and Safety | • Water and Sewer |



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

6 COMPLIANCE AND ENFORCEMENT PRINCIPLES

The following are the principles that underpin Council actions relating to compliance and enforcement.

Principle	Action
Accountable and transparent	<ul style="list-style-type: none"> • Acting in the best interests of public health and safety and the environment • Ensuring accountability for decisions to take or not take action • Acting fairly and impartially and without bias or unlawful discrimination • Providing information about compliance and enforcement priorities and reasons for decisions to improve understanding and certainty and promote trust by the regulated community • Ensuring meaningful reasons for decisions are given to all relevant parties, particularly when there is a departure from this Policy. • Acting on any complaints or concerns about the conduct of officers in accordance with council's complaints management policy and procedures • Advising people and organisations subject to enforcement action of any avenues available to seek an internal or external review of a decision
Consistent	<ul style="list-style-type: none"> • Ensuring compliance and enforcement action is implemented consistently • Encouraging customer reports about possible unlawful activity by acting reasonably in response to the circumstances and facts of each matter
Proportional	<ul style="list-style-type: none"> • Ensuring the level of enforcement action is proportionate to the level of risk and seriousness of the breach • Making cost effective decisions about enforcement action • Taking action to address harm and deter future unlawful activity
Timely	<ul style="list-style-type: none"> • Ensuring responses to reports alleging unlawful activity and decision making in relation to those is timely.

7 RESONSIBILITY

Council receives information about alleged unlawful activity from members of the public, contact from other Government Agencies and information gathered by its Officers during proactive inspections.

All Council staff who deal with reports alleging unlawful activity are responsible for implementing this policy. Council staff are also responsible for ensuring that any other possible unlawful activity identified as a result of an inspection, proactive enforcement or other activity is brought to the attention of the appropriate business unit of council.

Only Council officers with appropriate delegations from the General Manager can undertake investigations or compliance and enforcement actions in relation to this Policy.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

Council staff are required to:

- treat all relevant parties with courtesy and respect;
- communicate with all relevant parties and provide feedback on the progress of an investigation and any reasons for delay without compromising the integrity of the investigation;
- make full and proper records in relation to the assessment and investigation of reports alleging unlawful activity, including reasons for any decisions;
- inform all relevant parties of reasons for decisions;
- provide as much information as possible to all relevant parties about the outcomes of investigations to show that adequate and appropriate action was taken and/or is proposed to be taken in response to a report of alleged unlawful activity;
- provide information to all relevant parties about any avenues to seek an internal or external review of a decision.

All reports alleging unlawful activity are to be entered into Council's customer request management system and actioned within the appropriate risk based time frame by the appropriate business unit.

8 SUBMITTING REPORTS OF UNLAWFUL ACTIVITY

Reports alleging unlawful activity will be recorded in Council's customer request systems and will be allocated a unique reference number. The report will be referred to the relevant Council Officer to commence any necessary action.

The name, address and contact details of the person submitting the report will also be recorded. This information is critical as Council may need to rely on evidence from the complainant to prove any alleged offence and commence enforcement action. Council will advise any complainants of the action, if any, taken or the reasons why no action was taken in the circumstances.

Council generally seeks to keep confidential, personal information identifying a complainant. However, Council may be required to disclose the identity of complainants in a variety of circumstances including the following:

- The matter proceeds to Court or legal proceedings are commenced and the information is disclosed in evidence served;
- When access to the information is permitted under Legislation, including the Government Information (Public Access) Act 2009 or the Local Government Act 1993;
- The person consents to the disclosure;
- The disclosure is required to comply with the principles of procedural fairness;
- The disclosure is necessary to investigate the matter.

It should also be noted that in some circumstances it may be possible to ascertain the identity of the person submitting the report by the nature of the allegation. Council will take seriously any concerns an individual may have about their physical safety being endangered as a result of making a report. However, this may limit council's ability to investigate the matter.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

8.1 What Council expects from people who report allegations of unlawful activity

Council expects that people who report allegations of unlawful activity will cooperate and act in good faith in respect of any investigations conducted by Council. This includes:

- providing a clear description of the problem (and the resolution sought, if relevant);
- providing a clear description/account of the impact that the alleged activity is having;
- giving all available and relevant information to Council, including any new information about the alleged activity that may become known to the person following the making of their report;
- not giving any information that is intentionally misleading or wrong;
- cooperating with Council's inquiries and giving timely responses to questions and requests for information;
- treating Council's staff with courtesy and respect.

If these expectations of the individual are not met, Council may need to set limits or conditions on the continuation of the investigation or may need to restrict any further communications with the individual. Any unreasonable conduct will be dealt with in accordance with Council's Unreasonable Complainant Conduct Policy.

8.2 Anonymous Reports

Anonymous reports will be recorded and assessed in accordance with the requirements of this Policy. However, because it is not possible to seek clarification or additional information about a matter, it may be more difficult to evaluate the allegations and therefore these reports are less likely to warrant investigation.

8.3 Neighbour Disputes

Council will at times receive reports from parties involved in neighbour disputes seeking council's involvement. When a dispute between two neighbours is a civil matter, council will often have no authority to resolve the issue in dispute. Some reports will raise several matters, some of which will require council's involvement and some of which will be personal to the parties.

Council staff will thoroughly assess such reports to determine whether there is evidence of any possible unlawful activity requiring action by council. Care will be taken to explain which aspects of a report council can deal with and which cannot be dealt with and why. Where possible, individuals will be provided with information about how to resolve neighbour disputes including referral information resources such as LawAccess NSW and Community Justice Centres.

It is possible that one party may provide further information about a matter which changes council's decision about whether it will become involved. In such circumstances, council staff will carefully consider the matter before taking action and document reasons for the new decision. Relevant parties will be advised about the reasons council has changed its position on a matter.

Council staff will not change a decision about whether or not council should be involved purely as a response to the conduct of an individual such as persistent demands or threats.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

8.4 Complaints regarding Council Enforcement Actions

Any complaints about Council's handling of reports alleging unlawful activity will be recorded separately and handled in accordance with council's complaints management policy and associated procedures.

Where a person or organisation subject to enforcement action merely disputes Council's decision to take enforcement against them, they will be directed to make representations in accordance with any relevant internal and external appeal processes.

Council will act on any complaints about the conduct of compliance officers in accordance with council's complaints management policy and procedures and the code of conduct.

9 RESPONDING TO CONCERNS ABOUT UNLAWFUL ACTIVITY

Council will record every report alleging unlawful activity in the customer request management system. Council will provide a response to every such report unless the person raising the matter has indicated they do not wish to receive a response about council's handling of the matter, or the report is anonymous.

Generally speaking, council's objectives when dealing with reports alleging unlawful activity are to:

- maintain the collective good and welfare of the community;
- prevent or minimise harm to health, welfare, safety, property or the environment;
- consider the broader public interest having regard to council's priorities and any resource limitations;
- consider the report fairly and impartially.

Not all reports received can, will or need to be investigated. A preliminary assessment of all matters will be made to determine the priority for a response and a risk assigned in accordance with Council's customer request response procedure, to determine whether investigation or other action is required.

An investigation of alleged unlawful activity may take a significant amount of time to complete, particularly where the issues are complex. If Council decides to investigate, staff will give the person who reported the alleged unlawful activity regular feedback on the progress of the investigation, and any reasons for delay. This does not mean that the individual can expect to be given details about every aspect of the investigation or information that would compromise the integrity of the investigation.

Decisions about what action should be taken by Council are made at the Council's discretion. This means the objective is that reports alleging unlawful activity will be resolved to the satisfaction of Council, not necessarily the person raising the matter. Council will generally try to resolve matters as quickly and informally as possible so as to avoid the need to take formal action.

Council staff will endeavour to manage the expectations of people who report alleged unlawful activity, and in particular explain that in the absence of sufficient evidence of unlawful activity, Council may be unable to take further action. Council does not have unlimited resources and powers to deal with all reports alleging unlawful activity. If council is unable to fully investigate or take action on a matter because it is restricted by any legal or resource limitations this will be explained to the individual. While there are certain statutory requirements that must be met in relation to notices and orders council staff will ensure that all explanatory communications are made in plain English and explain any technical language the law requires to be used.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

10 UNREASONABLE COMPLAINANT CONDUCT

Council has an obligation to use resources efficiently and effectively. While Council acknowledges a customer’s entitlement to make requests and complaints, it reserves the right to cease responding to customers that continually exhibit unreasonable customer behaviour including:

- a) requests that place unreasonable demands on Council’s staff;
- b) requests that place unreasonable demands on Council’s resources;
- c) unreasonable persistence;
- d) unreasonable lack of cooperation;
- e) requests or complaints based on unreasonable arguments;
- f) behaviour that is threatening, abusive or aggressive.

In the context of the above situations officers will follow Council’s Unreasonable Complainant Conduct Policy.

11 INVESTIGATING ALLEGED UNLAWFUL ACTIVITY

Not all reports alleging unlawful activity will warrant investigation. A preliminary assessment of all matters will be made to determine whether investigation or other action is required. Council will prioritise matters on the basis of risk to public safety, human health and environment in accordance with its Customer Request Response Procedure.

If there is insufficient information in the report to undertake a preliminary assessment, further information may need to be sought from the person who made the report or an inspection undertaken. Staff may also need to consult council records and other internal business units to understand the relevant history and context of a matter.

11.1 Circumstances where no action will be taken

Council will take no further action if, following a preliminary assessment, it is identified that:

- the report is not supported with evidence or appears to have no substance;
- Council does not have jurisdiction to investigate or is not the appropriate authority to take action on the issues raised.
Where there is another appropriate authority or course of action, council may bring the matter to the attention of the authority or provide information and contact details to the individual. For example NSW WorkCover for workplace safety matters, the NSW Environment Protection Authority for possible environmental offences and licensed sites and Community Justice Centres NSW for personal disputes;
- the report relates substantially to a matter previously determined by Council and no new or compelling information is presented which would cause Council to change its earlier decision. In this case, staff will acknowledge the report and advise that no further action will be taken as no new information had been provided (other than where the person has previously been advised they would receive no further response);
- the allegations relate to a lawful activity (e.g. where there is an existing approval or the activity is permissible without Council approval or consent being required);
- the relevant Business Manager, Director or the General Manager determines that investigation or other action would have an unreasonable impact on resources and/or is unlikely to achieve an outcome sufficient to justify the expenditure of resources.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

11.2 Relevant factors guiding decisions as to whether take action

When deciding whether to investigate, Council will consider a range of factors including whether:

- the activity is having a significant detrimental effect on the environment or it constitutes a risk to public safety;
- the report is premature as it relates to some unfinished aspect of work that is still in progress;
- the activity or work is permissible with or without permission;
- all conditions of consent are being complied with;
- how much time has elapsed since the events, the subject of the report, took place;
- another body is a more appropriate agency to investigate and deal with the matter;
- it appears there is a pattern of conduct or evidence of a possible wide spread problem;
- the person or organisation reported has been the subject of previous reports;
- the report raises matters of special significance in terms of the Council’s existing priorities;
- there are significant resource implications in relation to an investigation and any subsequent enforcement action;
- it is in the public interest to investigate the report.

The above are factors for Council to consider and weigh in making a determination. Council staff are not limited in their use of discretion by these considerations and may decide to investigate or not investigate based on these and other factors.

The objective of the processes Council staff use when investigating incidents of alleged unlawful activity, is to:

- determine the cause of the incident;
- determine if there has been a contravention of law, policy or standards;
- gather evidence to the required standard to support any required enforcement action;
- determine any necessary action to mitigate the possibility of reoccurrence of similar incident.

Any decision not to investigate an allegation of unlawful activity will be recorded and the reasons for that decision clearly stated to the complainant.

12 DECIDING WHETHER OR NOT TO TAKE ENFORCEMENT ACTION

When deciding whether to take enforcement action in relation to a confirmed case of unlawful activity, council will consider the full circumstances and facts of the matter including the public interest. The following common considerations will assist council staff in determining the most appropriate response in the public interest:

12.1 Considerations about the alleged offence and impact:

- the nature, extent and severity of the unlawful activity, including whether the activity is continuing;
- the harm or potential harm to the environment or public health, safety or amenity caused by the unlawful activity;
- the seriousness of the breach, including whether the breach is merely technical, inconsequential or minor in nature;
- the time period that has lapsed since the date of the unlawful activity.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

12.2 Considerations about the alleged offender:

- any prior warnings, cautions, instructions, advice that was issued to the person or organisation reported or previous enforcement action taken against them;
- whether the offence was committed with intent;
- whether the person or organisation reported has been proactive in the resolution of the matter and assisted with any Council requirements and instructions;
- any mitigating or aggravating circumstances demonstrated by the alleged offender;
- any particular circumstances of hardship affecting the person or organisation reported.

12.3 Considerations about the impact of any enforcement action:

- the need to deter any future unlawful activity;
- whether an educative approach would be more appropriate than a coercive approach in resolving the matter;
- the prospect of success if the proposed enforcement action was challenged in Court;
- the costs and benefits of taking formal enforcement action as opposed to taking informal or no action;
- what action would be proportionate and reasonable in response to the unlawful activity;
- whether Council is prevented from taking action based on earlier advice given, i.e. whether an estoppel situation has been created.

12.4 Considerations about the potential for remedy:

- whether the breach can be easily remedied;
- whether it is likely consent would have been given for the activity if it had been sought;
- whether there is a draft planning instrument on exhibition that would make the unauthorised use legal.

Prior to taking enforcement action, council staff will take into account the above considerations as well as the evidence gathered during their investigation. Council staff must act impartially, be mindful of their obligations under council's code of conduct and not act as a decision-maker in relation to any matter in which they have a personal interest. Enforcement action will not be taken purely as a response to the conduct of an individual such as persistent demands or threats.

Council staff are required to maintain records about critical thinking and decision-making processes in relation to reports alleging unlawful activity and any enforcement actions undertaken, as well as records of interactions with relevant parties. Council staff will at all times adhere to council's internal processes prior to the commencement of any enforcement action.

Council staff will take all steps necessary to ensure that any enforcement action is taken against the correct person or organisation.

13 OPTIONS FOR DEALING WITH CONFIRMED CASES OF UNLAWFUL ACTIVITY

Council will use the most effective, informal option to deal with unlawful activity where ever possible unless there is little likelihood of compliance with such options. Council staff will use discretion to determine the most appropriate response to confirmed cases of unlawful activity and may take more than one approach.

Any enforcement action taken by Council will depend on the full circumstances and facts of each case, with any decision being made on the merits.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

At all times, Council's key concerns are:

- to prevent or minimise harm to health, welfare, safety, property or the environment;
- to influence behaviour change for the common good and on behalf of the community.

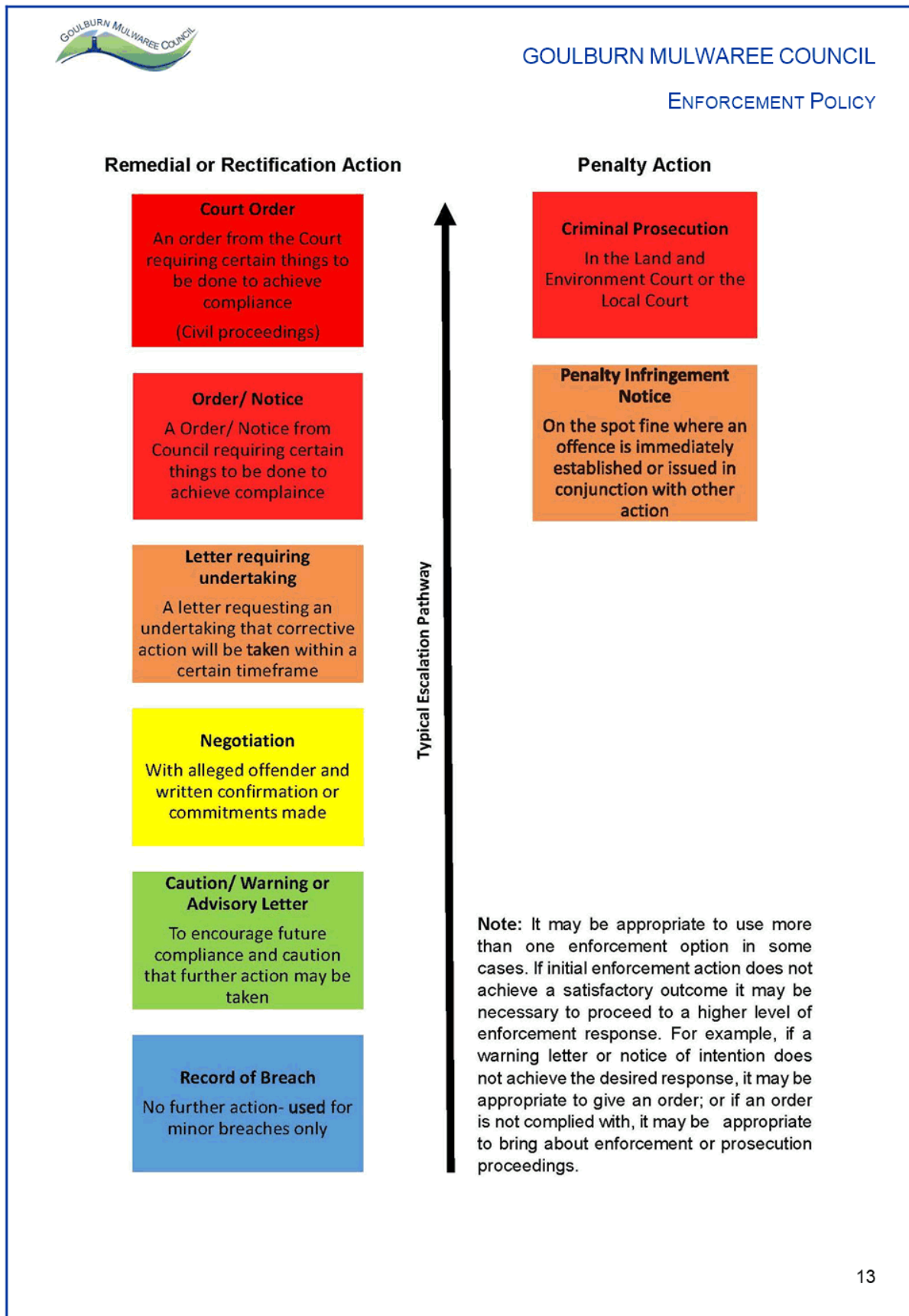
There are a range of enforcement actions available to Council officers as shown in Figure 1. It should be noted however, that enforcement options are not necessarily mutually exclusive: for example, in some circumstances it may be appropriate to simultaneously issue an Order and a Penalty Infringement Notice.

13.1 Following up enforcement action

All enforcement action will be reviewed and monitored to ensure compliance with any undertakings given by the subject of enforcement action or advice, directions or orders issued by Council. Reports alleging continuing unlawful activity will be assessed and further action taken if necessary. If the unlawful activity has ceased or the work has been rectified, the matter will be resubmitted for follow up action to ensure compliance outcomes are met. Should initial enforcement action be found to have been ineffective, Council staff will consider other enforcement options.

13.2 Figure 1: Enforcement actions available to Council

The Figure on the following page depicts the typical escalation pathway that may be followed by Council in undertaking enforcement action for unlawful activity. Council may however commence enforcement at any step in the below process based on the considerations in item 12 of this Policy.





GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

14 TAKING LEGAL ACTION

Council and delegated staff will be guided by legal advice in deciding whether to commence criminal or civil proceedings and will consider the following:

- whether there is sufficient evidence to establish a case to the required standard of proof;
- whether there is a reasonable prospect of success before a Court;
- whether the public interest warrants legal action being pursued;
- time within which to commence proceedings.

14.1 Whether there is sufficient evidence to establish a case to the required standard of proof

Council considers the decision to take legal action a serious matter, and as such will only initiate and continue proceedings once it has been established that there is admissible, substantial and reliable evidence to the required standard of proof.

The basic requirement of any **criminal** prosecution is that the available evidence establishes a prima facie case. The prosecutor is required to prove the elements of the offence beyond reasonable doubt.

In **civil** enforcement proceedings, Council will require sufficient evidence to satisfy the Court that an actual or threatened breach has occurred on the balance of probabilities.

14.2 Whether there is a reasonable prospect of success before a Court

Given the expense of legal action Council will not take legal action unless there is a reasonable prospect of success before a Court. In making this assessment, Council staff will consider the availability, competence and credibility of witnesses, the admissibility of the evidence, all possible defences, and any other factors which could affect the likelihood of a successful outcome.

14.3 Whether the public interest warrants legal action being pursued

The principal consideration in deciding whether to commence legal proceedings is whether to do so is in the public interest. In making this determination, the same factors to be considered when taking enforcement action apply.

The following considerations relate more specifically to the decision to commence legal proceedings and will assist Council and its delegated staff in making this determination:

- the availability of any alternatives to legal action;
- whether an urgent resolution is required (Court proceedings are lengthy processes);
- the possible length and expense of Court proceedings;
- any possible counter-productive outcomes of prosecution;
- what the effective sentencing options are available to the Court in the event of conviction;
- whether the proceedings or the consequences of any resulting conviction would be unduly harsh or oppressive.

14.4 Time within which to commence proceedings

Council staff must be aware of legislative time limits in which enforcement proceedings must be commenced. Sometimes legal action will be statute barred despite good evidence that unlawful activity has occurred.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

15 SHARED ENFORCEMENT RESPONSIBILITIES

Some reports will raise matters involving shared regulatory responsibilities between Council and other authorities including the Environment Protection Authority, NSW Police, NSW Liquor and Gaming, NSW Fair Trading, NSW Food Authority and Crown Lands.

Council recognises that collaboration and cooperation between authorities to address issues of shared regulatory responsibility is the best approach. To this end, where there are shared legislative responsibilities, Council staff will work with relevant authorities to establish:

- which authority will take the leading role on any joint investigation;
- which activities each authority will carry out;
- responsibilities for updating an individual where relevant;
- protocols for exchanging confidential information between the relevant authorities.

Council will reasonably endeavor to respond to requests for information or assistance on joint regulatory matters in a timely manner.

16 ROLE OF COUNCIL WHERE THERE IS A PRIVATE CERTIFIER

Where a Private Certifier has been appointed as the Principal Certifying Authority (PCA) for a site the Council recognises that the Private Certifier is the authority responsible for ensuring compliance with the conditions of development consent.

Persons making complaints regarding a site under the supervision of a Private Certifier will be advised to contact the Private Certifier in the first instance. This will give the Private Certifier an opportunity to address the issues and take appropriate action as necessary. Although Private Certifiers have limited enforcement powers as the PCA they are required to issue a Written Directions Notice for non-compliances where they become aware of a breach or possible breach as detailed under the Environmental Planning and Assessment Act, 1979.

Should the Private Certifier fail to use their enforcement powers to address the issue raised within a reasonable timeframe, Council may act to investigate the matter.

It must be noted that Council is not the regulator of Private Certifiers and any complaints about the conduct of Private Certifiers must be directed to the Building Professionals Board www.bpb.nsw.gov.au.

Council will endeavor to work with Private Certifiers to resolve any issues when they arise to achieve compliance with the development consent or complying development certificate. Council staff will take steps to ensure individuals are clear about which agency performs which role.

17 ROLE OF COUNCILLORS IN ENFORCEMENT

Compliance and enforcement matters are sensitive and easily susceptible to allegations of impropriety, bias or inconsistency. In order to manage the risk associated with these functions and in accordance with the Code of Conduct, Councillors should carefully consider their role and the provisions of the Code of Conduct and Local Government Act prior to any perceived or actual involvement with a compliance matter or regulatory action.

Decision making relating to the investigation of reports alleging unlawful activity and taking enforcement action is the responsibility of appropriately authorised Council officers or the Council itself.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

Individual Councillors are not permitted to direct council staff in their day-to-day activities. Councillors can help individuals who raise concerns with them by satisfying themselves that their Council's policies are being carried out correctly, however they cannot ignore or alter a policy in order to satisfy the demands of special groups or individuals or seek to influence or change an enforcement action.

The General Manager may present certain decisions to be ratified by the elected Council if this is necessary or desirable, and the Councillors may also have the right to call for a report about particular issues to a Council meeting.

18 DELEGATIONS

Council staff delegations for taking action under this policy are detailed in Council's Delegation Register.

19 REVIEW

This policy is to be reviewed at least every two years or as circumstances warrant (e.g. when changes to legislation are enacted or where a particular judicial decision may have an impact on the procedures or process outlined in this policy).

20 RELATED COUNCIL POLICIES

This policy is distinct from Council's *Complaint Handling Policy* as it does not respond to expressions of dissatisfaction received by Council relating to the business of Council or the action/s of Council staff or agents.

This policy references Council's *Unreasonable Complainant Conduct Policy* and the processes referred to therein.

21 RELATED DOCUMENTS

This policy is adapted for Council from the NSW Ombudsman '*Model Compliance and Enforcement Policy*' (2015).

Council officers undertaking compliance or enforcement actions under this policy may also reference the following related documents in addition to others not detailed, in determining appropriate actions.

- *Caution guidelines under the Fines Act, 1996*. Attorney General (2010).
- *Enforcement Guidelines for Councils*. NSW Ombudsman (2015).
- *Guideline on the exercise of functions under the Companion Animals Act*. Department of Premier and Cabinet (2013).
- *Powers and Notices- Draft Guideline for Authorised Officers and Enforcement Officers*. NSW EPA (2020).
- *Prosecution Guidelines*. NSW Department of Planning (2016).



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

APPENDIX 1 - APPLICABLE LEGISLATION

The Policy applies, but is not limited to, Council's responsibilities under the following Acts, their associated Regulations and any subsequent legislative amendments:

- Australian Road Rules 2014
- Biodiversity Conservation Act 2016
- Biosecurity Act 2015
- Boarding Houses Act 2012
- Companion Animals Act 1998
- Contaminated Land Management Act 1997
- Crown Lands Act 1989
- Environmental Planning & Assessment Act 1979
- Fines Act 1996
- Food Act 2003
- Impounding Act 1993
- Liquor Act 2007
- Local Government Act 1993
- Motor Dealers and Repairers Act 2013
- Protection of the Environment Operations Act 1997
- Public Health Act 2010
- Roads Act 1993
- Road Transport Act 2013
- Rural Fires Act 2008
- Swimming Pool Act 1992



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

APPENDIX 2 - DEFINITIONS

The following are the definitions of key terms in this Policy:

Appropriate Regulatory Authority (ARA):

Refers to the agency or body responsible for enforcing a particular regulation. Council is not the appropriate regulatory authority for all enforcement matters.

Complaint:

A complaint is an expression of dissatisfaction made about council services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required.

For the purposes of this policy, a complaint does not include:

- a report alleging unlawful activity (see definition below);
- a request for information about a council policy or procedure;
- a request for an explanation of actions taken by council;
- a request for internal review of a council decision.

Enforcement:

Actions taken in response to serious or deliberate contraventions of laws.

Regulation:

Using a variety of tools and strategies to influence and change behaviour to achieve the objectives of an Act, Regulation or other statutory instrument administered by Council.

Report alleging unlawful activity:

An expression of concern or a request for service in relation to alleged unlawful activity, where a response or resolution is explicitly or implicitly expected or legally required.

Unlawful activity:

Any activity or work that has been or is being carried out contrary to the below and/or failure to take required action in order to be compliant with:

- terms or conditions of a development consent, approval, permit or license;
- an environmental planning instrument that regulates the activities or work that can be carried out on particular land;
- a legislative provision regulating a particular activity or work;
- a required development consent, approval, permission or license.



GOULBURN MULWAREE COUNCIL

ENFORCEMENT POLICY

Version	Council Meeting Date	Resolution	Adoption Date	Effective From
1	2 June 2020	2020/207	N/A	N/A
2	4 August 2020			
All policies can be reviewed or revoked by resolution of Council at any time.				

DIRECTORATE: Planning & Environment

BUSINESS UNIT: Environment & Health

15.3 1718T0023 MAINTENANCE GRADING AND GRAVEL RE SHEETING TENDER EXTENTION

Author: Andrew Cartwright, Business Manager Works

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

Link to Community Strategic Plan:	IN2.2 Eliminate network safety hazards when identified IN3.2 Implement road infrastructure capital works and maintenance programs
Cost to Council:	To be funded from the current 2020/21 and future Operational budgets for both Maintenance and Capital Works
Use of Reserve Funds:	Nil

RECOMMENDATION

That:

1. The report of the Business Manager Works on the one (1) year extension of the 1718T0023 Maintenance Grading and Gravel Re Sheeting be received.
2. Council extend the current tender for a period of one (1) year for Maintenance Grading and Gravel RE Sheeting to expire on the 13th of August 2021 for the following companies:
 - Denrith Pty Ltd
 - Keegan Civil Pty Ltd
 - Coopers Earth Moving and Haulage Pty Ltd
 - JCF Contracting

BACKGROUND

As per the Council meeting held on the 7th of August 2018 (Item 12.10) Council approved to establish four (4) suitably qualified and equipped contractors to provide maintenance grading and gravel re sheeting services to maintain and improve Council’s unsealed road network for a period of two (2) years with the provision of two (2) one (1) year extensions subject to Council approval.

REPORT

Maintenance grading and gravel re sheeting forms an integral part of the Council’s annual capital works and maintenance programme.

Annually Council maintain over 420km of unsealed roads, many of these unsealed roads require multiple grades throughout the financial year due to unforeseen circumstances such as storm events, extended dry periods and increased traffic volumes. To achieve Council’s level of service in maintaining the unsealed road network to a safe standard, Council require contractor assistance to ensure the required service standards are maintained.

The current contract allows for two (2) one (1) year extension options at the discretion of Council if the contractor’s performance has been satisfactory and they have met all of their contractual obligations.

The performance of the contractors has been reviewed by Works staff and they are satisfied that Denrith Pty Ltd, Keegan Civil Pty Ltd, Coopers Earth Moving and Haulage Pty Ltd and JCF Contracting have met their contractual obligations and it is therefore recommended that the contract be extended for a period of one (1) year to expire on the 13th August 2021.

15.4 PLANT UTILISATION REVIEW

Author: Matthew O'Rourke, Director Operations

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

Link to Community Strategic Plan:	CL1.3 Ensure the long term financial sustainability of Council through effective and prudent financial management.
Cost to Council:	The sale of nominated vehicles will reduce
Use of Reserve Funds:	N.A. for this report

RECOMMENDATION

That the report from the Director of Operations on the Plant Utilisation Review be received.

BACKGROUND

That the report from the Director of Operations on the Plant Utilisation Review be received.

REPORT

An initial review of Council's heavy plant fleet was carried out in September 2019, found a number of heavy plant items with low utilisation. Additional plant utilisation data was obtained between 1 October 2019 and 30 March 2020 to verify these initial findings. For the purposes of comparison, plant items were grouped into like categories where a utilisation threshold was applied in either hours or kilometres per day. For example, there were five backhoes grouped into a single category for comparison.

The utilisation data for individual plant items indicated whether plant items were deemed to have ok or low utilisation against the category threshold. Plant with low utilisation were subject to further review to determine if that plant item should be retained or sold. Plant with ok utilisation were not subject to further review and deemed suitable to be retained.

Further review was necessary to provide relevant context to the evaluation as specific tasks performed will have a direct bearing on the utilisation. The following considerations were applied to plant items for further review:

- Brief outline of use of plant;
- Current annual cost of plant item to Council;
- Cost to hire a similar item of plant;
- Capacity within Council to share the item of plant;
- Factors contributing to low utilisation;
- Proposed actions to address low utilisation.

The outcome from the further review confirmed low utilisation for the plant below and recommends sale of these items:

- Husqvarna zero turn mower (Plant # 9969);
- Mack prime mover & dog trailer (Plant # 1023);
- HAMM smooth drum roller (Plant # 47);
- SDLG loader (Plant # 20);
- Case 410 Skid Steer (Plant # 9947).

Additionally, two trucks – the Isuzu cleaners truck (Plant # 9015) and the Hino long tray pipe truck (Plant # 9098) are not required in their current configuration and are recommended for replacement as Utes.

The further review also recommended retention of some plant items with low utilisation as the current use and workload are appropriate for the tasks performed.

An additional initiative from this review is to purchase a gravel bin from the sale of the Mack prime mover and dog trailer. This gravel bin would be used with the Isuzu prime mover (Plant # 97) when it is not being used to float plant items between work sites, increasing the utilisation of this prime mover.

As the plant utilisation review is concluded the heavy plant replacement program will be developed to realise the operational savings from this review. Further, the plant replacement criteria will be reviewed to ensure the correct plant items are up for replacement at the appropriate time. It is proposed that a plant utilisation review be conducted annually to ensure Council’s heavy plant fleet is being appropriately utilised.

Following are photos of the plant items that are being sold or are sold.



Husqvarna zero turn mower (Plant # 9969)



Mack prime mover & dog trailer (Plant # 1023)



HAMM smooth drum roller (Plant # 47)



SDLG loader (Plant # 20)



Case 410 Skid Steer (Plant # 9947)



Hino long tray pipe truck (Plant # 9098)



Isuzu cleaners truck (Plant # 9015)

15.5 ROAD CLASSIFICATION REVIEW

Author: Matthew O'Rourke, Director Operations

Authoriser: Warwick Bennett, General Manager

Attachments: 1. **NSW Road Classification Review and Transfer Information Paper 2020** [↓](#) 

Link to Community Strategic Plan:	IN1.1 Maintain and upgrade Goulburn Mulwaree Council's regional road network.
Cost to Council:	Council receives annual allocations from TfNSW to maintain and upgrade the Regional Road network. The financial outcome of this review is unknown at this stage.
Use of Reserve Funds:	N.A for this report

RECOMMENDATION

That:

1. The report from the Director of Operations on the Road Classification Review be received.
2. Goulburn Mulwaree Council (GMC) makes a submission to the NSW Road Classification Review consultation period with the following points:
 - GMC provide in principle support for the concept of reclassifying Regional Roads to State Roads subject to achieving a higher standard road network and on the assumption that there is no adverse impacts on local employment and Councils work programme.;
 - GMC undertake all maintenance and upgrade responsibilities for all the State and Regional Roads within the GMC road network and it be signal early that these physical works will not be outsourced by contract until a robust process cannot be achieved within local government;
 - Existing funding levels for maintenance and upgrade works for Regional Roads be increased to achieve a higher standard road network;
 - Incorporate State and Regional Road maintenance and upgrade responsibilities into the RMCC to be allocated to the local government area in which the roads are located;
 - Maintenance standard for State and Regional Roads to align with RMCC specifications;
 - Reclassify the following Local Roads in the GMC road network to State Roads:
 - Goldsmith Street (between Auburn Street and Sloane Street);
 - Grafton Street and Sloane Street (between Sydney Road to Bradley Street and onto Clinton Street);
 - Reclassify Lagoon Street and Auburn Street (between Sydney Road to Bradley Street and onto Clinton Street) from a State Road to a Local Road.
 - Reclassify the following Local Roads in the GMC road network to Regional Roads:
 - Jerrara Road / Oallen Ford Road (between Hume Highway and GMC LGA boundary at Shoalhaven River);
 - Sandy Point Road / Cullulla Road / Lumley Road (between Oallen Ford Road and Braidwood Road at Tarago);
 - Windellama Road (between Braidwood Road and Oallen Ford Road at Windellama).
 - Provide clarity on transition period and proposed maintenance responsibilities.

BACKGROUND

This report is to provide Council with information on the Regional Road reclassification process currently underway.

REPORT

The NSW Government announced a road classification review in 2019 to ensure the state road classification framework remains fit for purpose and roads across NSW are appropriately classified. The review was an initiative in the Future Transport 2056 strategy. The NSW Road Classification Review and Transfer Information Paper 2020 is attached.

The road classification review was initiated as it considered good practice that such reviews occur regularly. Some local government areas are having difficulty maintaining regional roads and may not have additional funds to add beyond the annual allocations from Transport for NSW (TfNSW). This is the case with Goulburn Mulwaree Council (GMC) A review provides opportunity to better align road classifications with state and national frameworks.

There are three broad road classifications. State Roads, Regional Roads and Local Roads. The review process will consider in detail the current road classification framework and may transfer up to 15,000 km of council owned Regional Roads across NSW from Local government to State government. All roads in NSW can be submitted for consideration in the review.

An independent panel was established in January 2020 to oversee this process and have the following considerations:

- Provide advice to government for a final determination;
- Consultation with stakeholders including local government;
- Financial analysis;
- Local issues such as employment, impact of fires and floods, drought and COVID-19.

Regional Road are routes that generally link Local Roads to the State Road network. Local government has the responsibility to fund, prioritise and carry out works on Regional Roads. The GMC Local Government Area (LGA) has the following Regional Roads:

- Highland Way, from the Hume Highway north of Marulan to Tallong, a distance of 13.4 km.
- Taralga Road, from Lagoon Street in Goulburn to the Tarlo River Bridge, a distance of 18.4 km.
- Bungendore Road, from Braidwood Road at Tarago to Bungendore, a distance of 12.5 km.

Council receives annual funding from TfNSW to assist with maintenance of regional roads under the Regional Road Block Grant Program (RRBGP) and the Regional Road Repair Program (RRRP).

The RRBGP is an annual grant to local government to assist with maintenance works on Regional Roads. The 2019/20 budget allocation for the RRBGP was \$530,000.

The RRRP provides additional funds to supplement block grants. These funds are generally used for more substantial rehabilitations works. The 2019/20 budget allocation for the RRRP is \$105,220.

Note, the State Roads within the GMC LGA are:

- MR676 – Sydney Road (Old Hume Highway), linking the northern and southern exit points to the Hume Highway;
- MR79 – Braidwood Road, linking Braidwood to Goulburn;
- MR54 – Crookwell Road, linking Crookwell to Goulburn.

GMC has just entered into a Road Maintenance Council Contract (RMCC) with TfNSW to carry out maintenance works on the 60km/hr sections of these roads within the GMC LGA. The reclassification concept provides an opportunity for GMC to expand to initial scope in the RMCC by incorporating the reclassified Regional Roads.

The independent panel has commenced a consultation process, seeking input into the review process including:

- Physical description of GMC's Regional Roads – length, load limits (if any), sealed / unsealed, road condition, road standard.
- Outline of current road management practices, issues, concerns, criticisms;
- Financial concerns and opportunities;
- Suggested improvements to the way Local and State Governments work together to manage the road network.

The timeline for the consultation period is between June and August 2020. An interim report from the Minister for Regional Transport and Roads will be delivered late 2020.

Although there are a number of opportunities in this exercise to better fund regional roads and have more roads reclassified as regional roads there are also some concerns that this exercise may have a number of dis-benefits to regional and rural local government.

The opportunities for Goulburn Mulwaree Council are:-


- Auburn Street swap with Sloane Street – this has been a contentious issue for Council for a number of years and every time the matter is raised a further obstacle is placed in Councils way. In one of the last meetings with TfNSW they advised that this process will be the opportune time to have this matter finalised. The major stumbling block to achieving this logical outcome have been cost. TfNSW have stated that Sloane and Grafton Streets requires significant upgrade (their estimates \$6.5million) to bring up to State Road standard. We have always argued that Sloane and Grafton Streets have carried the heavy regional/state road traffic since the early 1990's when the bypass was developed – so it would be extremely unreasonable for the Ratepayers of this region to fund this questionable upgrade when this Council local road has carried the state heavy traffic for decades. Thus the recommendation in this report is that Auburn and Lagoon Streets be reclassified a local roads and Sloane Grafton Streets be reclassified as State Roads.
- Following on from the point above, this report is also recommending that that portion of Goldsmith Street from Auburn Street to Sloane Street be reclassified State Road to ensure connectivity.
- Opportunity to have other high traffic volume roads reclassified to regional status.
- The opportunity to have our Regional Roads fully funded by the State Government is positive move forward. One of the concerns of local government for many years is that tax from the sales of fuel is never reasonable allocated back to road maintenance and it should be. This is an opportunity to have these funds appropriately allocated to road maintenance.
- Road Maintenance Council Contract have also been a concern for a long time for this Council. We still have neighbouring Council doing considerable road maintenance works in our Council area. Although we have been able to secure work within the city boundary – we have been made many promises that all maintenance works on State Roads would be undertaken by this Council. Those promises have been consistently broken. Now is the opportunity to time to insist that all work on State and Regional Roads is undertaken by this Council within our LGA boundaries via an RMCC contract.

The cautious issues that Goulburn Mulwaree Council need to be


- It could be a concern that Regional Road maintenance works will be allocated from the TfNSW office in Wollongong. It has been very much our experience that the bureaucracy of TfNSW does cause many delays in allocating works orders. If this becomes the norm for all state and regional roads then we could see many delays in priority works that our customers expect more timely responses.
- Our experience with TfNSW operations is their estimates for works is expensive, sometimes extravagant and certainly not timely. It is vital that if these roads are going to be managed and administered by TfNSW that Councils have complete delegated authority to undertake the works that meets customer expectation, community affordability and timeliness.
- It is a major concern that if TfNSW takes over this work that additional to the concerns raised above there is also the potential of reducing the Council works programme creating more regional and rural localised unemployment. If the works is put out for tender – to other than local government – experience around other jurisdictions is that the work will go to out of the regions large construction companies.

In responding to the feedback request from the consultation period, relevant issues for GMC's Regional Roads include:

- GMC provide in principle support for the concept of reclassifying Regional Roads to State Roads subject to achieving a higher standard road network and on the assumption that there is no adverse impacts on local employment and Councils work programme
- GMC to retain maintenance and upgrade responsibilities of the State and Regional Roads within the GMC road network;
- Existing funding arrangement for maintenance and upgrade works for Regional Road be increased to achieve a higher standard road network;
- Incorporate State and Regional Road maintenance and upgrade responsibilities into the RMCC;
- Maintenance standard for Regional Roads to align with RMCC specifications;
- Reclassify the following local roads in the GMC road network to state roads:
 - Goldsmith Street (between Auburn Street and Sloane Street);
 - Grafton Street and Sloane Street (between Sydney Road to Bradley Street and onto Clinton Street);
- Reclassify the following local roads in the GMC road network to Regional Roads:
 - Jerrara Road / Oallen Ford Road (between Hume Highway and GMC LGA boundary at Shoalhaven River);
 - Sandy Point Road / Cullulla Road / Lumley Road (between Oallen Ford Road and Braidwood Road at Tarago);
 - Windellama Road (between Braidwood Road and Oallen Ford Road at Windellama).
- Provide clarity on transition period and proposed maintenance responsibilities.




NSW ROAD CLASSIFICATION REVIEW AND TRANSFER



Independent Panel

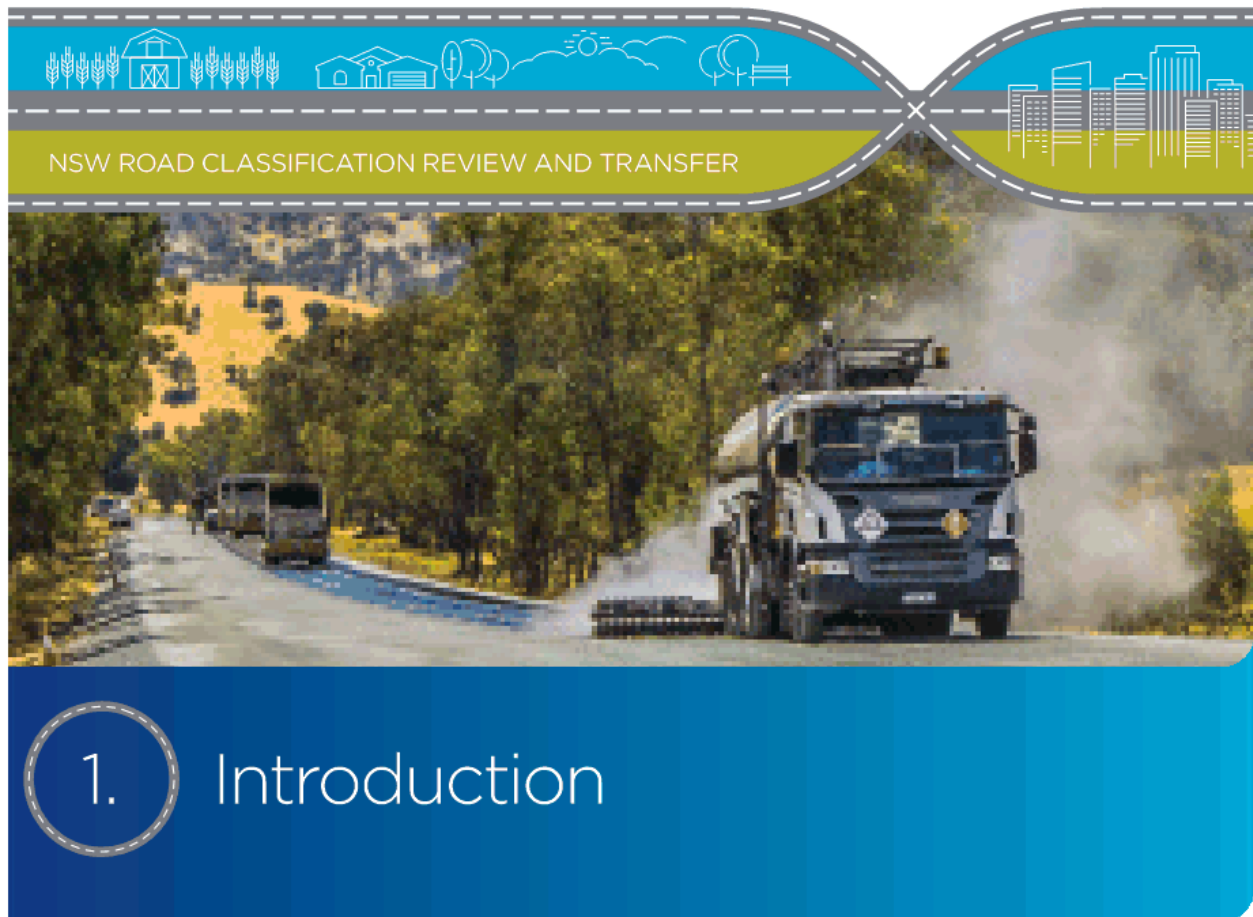
Road Classification Review and Transfer Information Paper

June 2020



Contents

1. Introduction	3	5. Principles	11
		5.1 Strategic principles	11
2. Purpose	4	5.2 Road Classification Review	11
2.1 A 20-Year Economic Vision for Regional NSW	6	5.2.1 Current classification framework	11
		5.2.2 Classification criteria	12
		5.2.3 Other conditions	14
3. Key terms	7	5.3 Regional Road Transfer	14
3.1 Road classification	7	5.3.1 Transfer criteria	14
3.2 Functional classification	7	5.3.2 Other conditions	14
3.3 Administrative classification	8	5.4 Priority consideration	14
3.4 Joint Organisations	9		
3.5 Functional Economic Region	9	6. Frequently asked questions	15
3.6 Regional Economic Development Strategies	9		
		7. Consultation schedule	19
4. Scope	10		
4.1 Within scope	10	8. Maps	20
4.2 Out of scope	10		

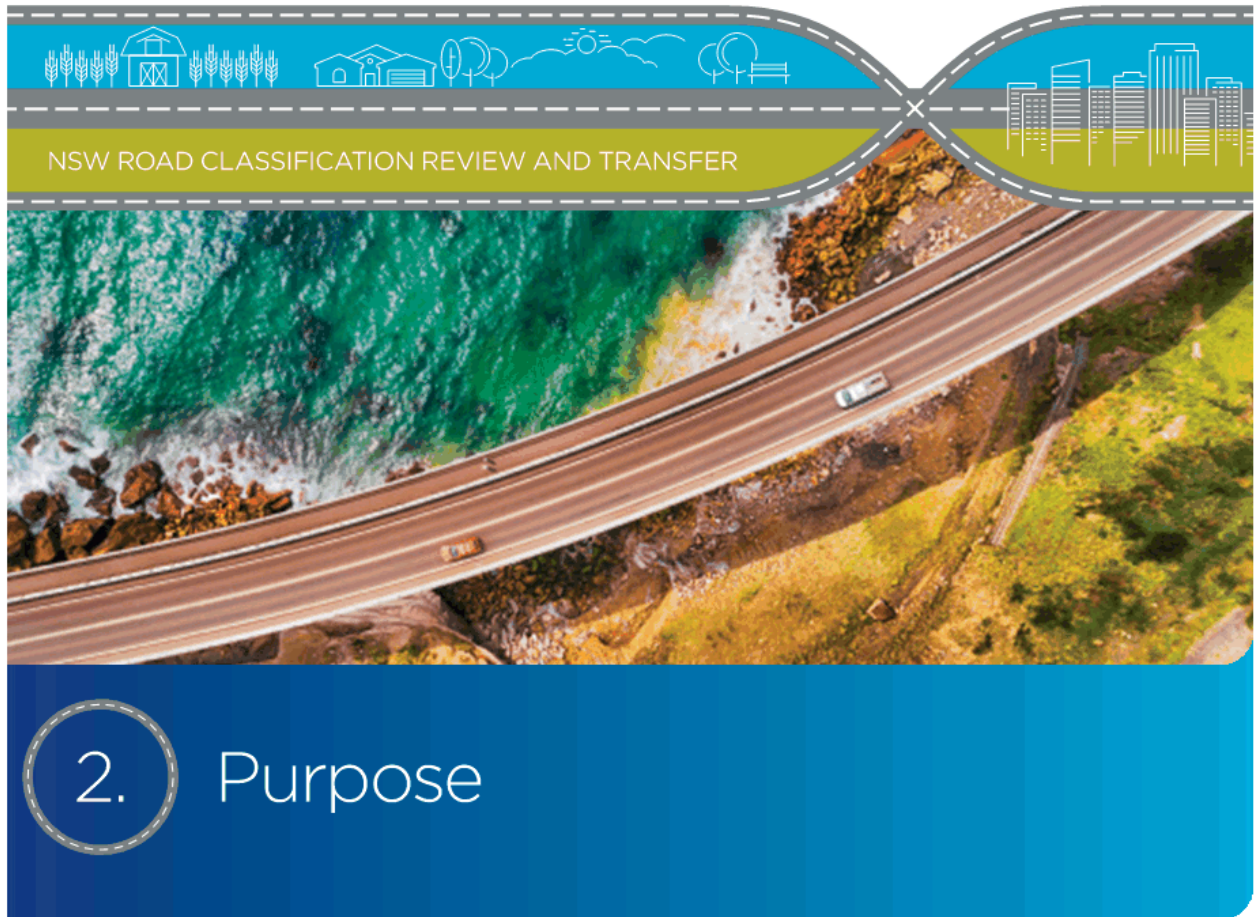


In February 2019, the Deputy Premier and Minister for Roads, Maritime and Freight announced the initiation of a Road Classification Review and the transfer of up to 15,000 kilometres of council owned and managed roads to State management. These commitments are now being carried forward as the Road Classification Review and Transfer project, led by an Independent Panel.

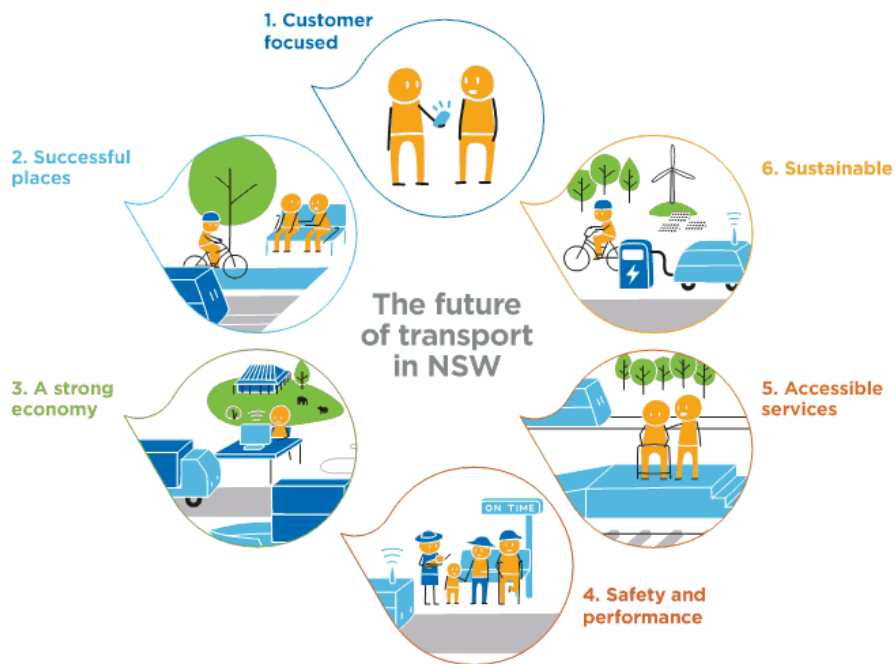
This project combines a comprehensive review of road classifications around NSW with broader considerations around how we think about our road network and its capacity to meet the needs of industry and the community. To make informed and meaningful recommendations to government, the Independent Panel is entering into a conversation with our biggest road managers – local councils – and other stakeholders and road users to find out how we can best manage our roads, sustain healthy communities, promote their economies and work together to support a cohesive, well run road network.

This background paper sets out the division between Local, Regional and State Roads and describes the features of each category. All of this information – how our road network is managed, maintained, funded and categorised – is being opened to consultation. At the same time, a priority round of submissions for reclassification and transfer will run as the first phase of the project.

The scale of this project is significant. All interested parties are asked to critically assess the content of this document and engage with the Independent Panel through the consultation process to inform the review and make the changes that will improve the ongoing management of the road network.



Future Transport 2056 and its supporting plans require a regular review of the policy principles that underpin the road classification framework to ensure that they align with its six core outcomes.



The Road Classification Review has been initiated because:

- a) A review of existing road classifications should occur on a regular basis to maintain the integrity of the road network to support planning, policy making and the equitable distribution of resources.
- b) An issue has been identified in some council areas with the cost of maintaining regional roads, or with the standard of maintenance of some regional roads.
- c) There is an opportunity to make adjustments to individual road classifications and to re-examine the current classification framework to better align with current and developing State and national frameworks.

The Independent Panel has been established to consider a broad range of issues to:

- Lighten the load on councils by identifying which roads are appropriately managed by the State Government, and which are of sufficient significance to receive State funding
- Consider larger-scale changes to the management of the road network such as levels of service, design standards, the collection and validation of data and reporting
- Consider how technologies of the future can be accommodated on the NSW road network.

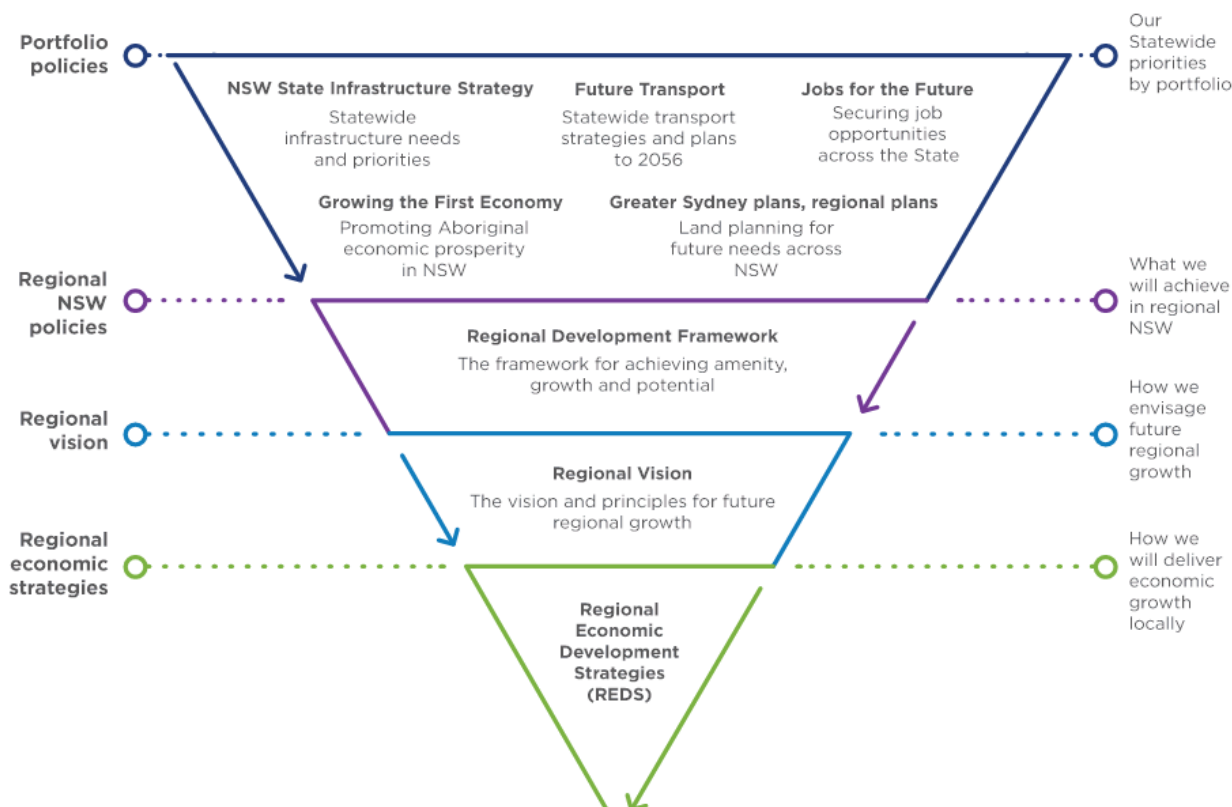
Clear and logical road classification matters. Apart from assigning management responsibility between jurisdictions and directing funding, classifications matter fundamentally to the experience of the road user. Even where the technical aspects of classification may be unknown to an average driver, cyclist or pedestrian, its effects will be communicated through the design and usage of the road. These elements are known to influence road user behaviour. A clear and strategic set of principles, consistently applied, is foundational to improving customer experience and safety on the network.

2. Purpose

2.1 A 20-Year Economic Vision for Regional NSW


A 20-Year Economic Vision for Regional NSW is a comprehensive vision for the future of regional NSW. It lays out a priority pathway to support the acceleration of regional growth and the long-term health and prosperity of the State.

The 20-year vision sets out the interaction of regional plans and strategies as follows:




The vision recognises several key principles aligned with the economic enablers that support the review of regional roads and networks, including:

INFRASTRUCTURE



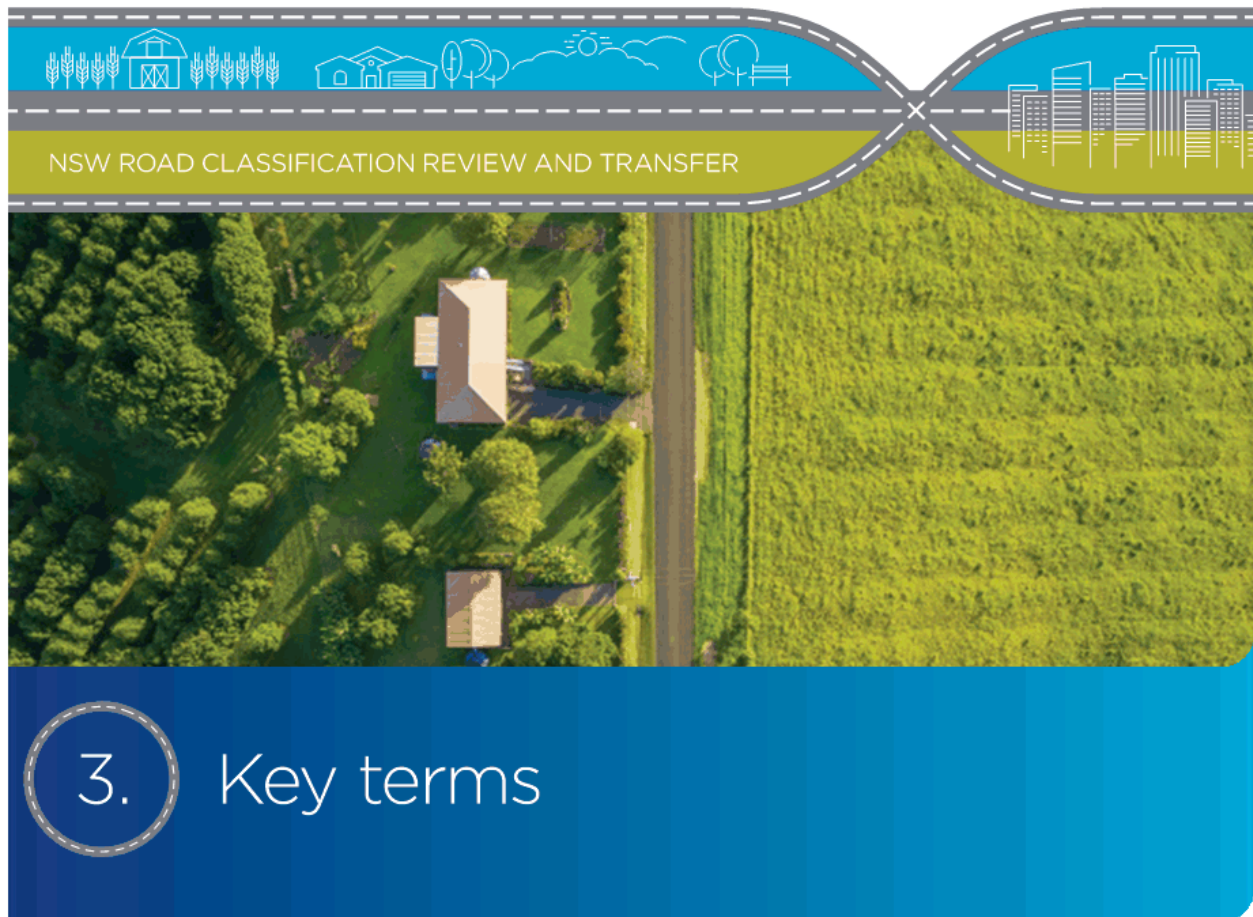
1. Improved travel between regional centres and from cities and international gateways

Better transport infrastructure and services enable increased business activity, a wider labour market and better lifestyles.



2. Freight networks that will increase the competitiveness of key regional sectors

Efficient freight transportation underpins the viability and competitiveness of key and emerging sectors. High-performing freight networks are essential for regional NSW to compete in the global marketplace.



3.1 Road classification

The process of classifying roads is a mechanism used by the State government to assist in the effective allocation of State government road funds, and the allocation of road management responsibility between State and Local Government jurisdictions.

The *Roads Act 1993* provides for roads to be classified as Freeways, Controlled Access Roads, Tollways, State Highways, Main Roads, Secondary Roads, Tourist Roads, Transitways and State Works. These classified roads include all State Roads and some Regional Roads.

To simplify the administration of the various legal road classes, roads in NSW are also grouped into a three-tier administrative classification of State, Regional and Local Roads. These are not statutory categories but are agreed between levels of government and used to determine who is responsible for the management of a road and what type of funding it can receive.

3.2 Functional classification

This is the most common type of classification system. Road function is an element of any system that considers either how roads behave or how they would desirably behave as part of the network to define a classification framework.

In theory, the purpose of a functional classification is that traffic should flow in a logical way through road networks within the same functional category. This drives customer expectations and behaviour, and influences place-making and road safety.

A potential limitation of functional classification is that it may fail to reflect newer thinking about movement and place. Many roads have a mixed character, and a functional classification may need a degree of flexibility to be able to reflect both a road's form, or structural characteristics (which may indicate a variety of functions), as well as its place in the broader road network.

3. Key terms

3.3 Administrative classification

This classification assigns a category to roads on the basis of who is responsible for its management.

There is a view that the functional and administrative classifications should exactly align, and that functional hierarchy is able to also determine management arrangements for each road type. As classification systems are not an exact science, how far this is true

will vary between policy makers and according to circumstances. However, neither can they be entirely separated. The State, Regional and Local road categories are primarily administrative as they are assigned to indicate who is responsible for the management of a road and reflect the funding arrangements for that road. However, the categories are also broadly applied to describe the role the road plays in the network.

State Roads

State Roads are major arterial links throughout the State and within major urban areas which are the responsibility of the State government to fund and prioritise, due to their significance in the network.

State Roads include roads classified under the *Roads Act 1993* as Freeways, State Highways and Important Main Roads.

Regional Roads

Regional Roads are routes of secondary importance between State Roads and Local Roads. Some Regional-classified roads are located within metropolitan areas. They are designated Regional based on their significance rather than their geographical location.

Regional Roads include roads classified under the Act as Secondary Roads and the less significant Main Roads. They also include some roads not classified under the Act.

It is the responsibility of councils to fund, prioritise and carry out works on Regional Roads. They are eligible for funding assistance from the State government in recognition of their importance to the network.

Local Roads

Local Roads are the remaining council-controlled roads which provide for local circulation and access. It is the responsibility of councils to fund, prioritise and carry out works on Local Roads.

Local Roads are eligible for State government grant funding to support maintenance through the \$500m Fixing Local Roads program as well as Financial Assistance Grant funding through the Federal Government.



3.4 Joint Organisations

In NSW, Joint Organisations (JOs) are a legislated network of council groups designed to strengthen regional collaboration.

JOs are voluntary groupings of non-metropolitan councils. There are currently 13 JOs across the State, which work to:

- Establish strategic priorities for the region and plans for the delivery of priorities
- Advocate for regional priorities
- Provide region-wide leadership
- Identify opportunities for inter-government cooperation.

Bodies such as JOs may be engaged in the development of reclassification and transfer submissions. Roads of any class may cross local government boundaries, and roads of the Regional class are likely to cross multiple Local Government Areas.

Councils choosing not to become part of a JO may lodge an individual submission or collaborate with other Local Government Areas to develop their submissions.

3.5 Functional Economic Region

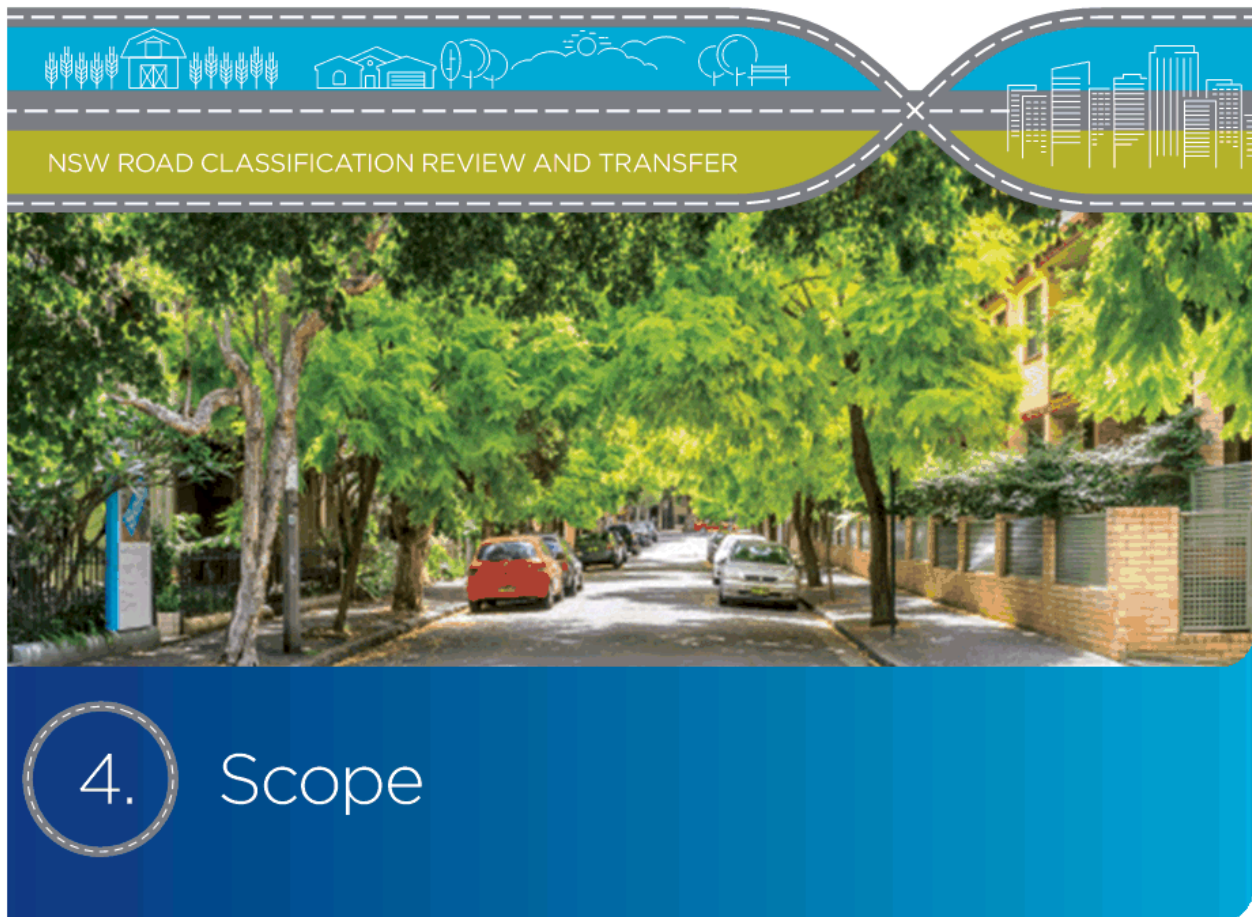
Functional Economic Regions (FERs) are groupings of regional communities with strong economic links, which are thought of as creating smaller economies within the Statewide economy. Regional NSW is divided into 37 FERs, with groupings based on economic data from the Australian Bureau of Statistics.

A map of the NSW FERs can be found at <https://www.nsw.gov.au/improving-nsw/regional-nsw/a-20-year-economic-vision-for-regional-nsw/regional-nsw-today/>.

3.6 Regional Economic Development Strategies

Regional Economic Development Strategies (REDS) are developed in line with the FERs, in that they are strategies which apply to the groupings of Local Government Areas known as FERs. REDS are strategies that can guide the economic development activity of councils and businesses in a FER. They may help the Local Government Areas in a particular FER to access State funding, comply with State legislation governing infrastructure investment, and support grant applications to State and Federal Government.

A REDS may also apply to a single Local Government Area, where it is based on a FER comprising only one Local Government Area, although this is rare.



4.1 Within scope



- **For classification review:** All Local Government Areas Statewide may submit any road for reclassification as part of the review. Submissions should align as far as possible with the criteria and principles to be released by the Independent Panel.



- **For transfer:** Regional Councils, which are consistent with the regional boundaries under Restart NSW, may submit council owned regional roads for transfer.

Where a road that is the subject of a submission crosses Local Government Area boundaries, every attempt should be made to present a joint submission to the Panel. If a submission is made to transfer or reclassify part of a road, the Panel may be unable to conduct a satisfactory assessment.

The Panel may look favourably on joint submissions, including those supported by Joint Organisations or other collaborative groupings or bodies, or with an awareness of the significance, operation and promotion of Functional Economic Regions (FERs) and Regional Economic Development Strategies (REDS).

4.2 Out of scope

The Panel will not consider:

- Proposals to **transfer** council owned regional roads located in Greater Sydney, Wollongong or Newcastle. A list of eligible councils is attached to this document.

If councils are unsure whether their application for reclassification or transfer is eligible for consideration, they are advised to contact the Secretariat in the first instance.



5.1 Strategic principles

These strategic principles will inform the high-level decision-making of the Panel.

That the submission:

- Aligns with the Movement and Place, Hub and Spoke and 30-Minute City frameworks underpinning Future Transport 2056
- Aligns with the six outcomes for NSW identified in Future Transport 2056
- Aligns with *A 20-Year Economic Vision for Regional NSW* and related regional plans and strategies
- Aligns with freight policy
- Supports and promotes the economic productivity of the region
- Supports or enhances the resilience of the network
- Aligns with emergency management planning
- Enhances road safety outcomes.

5.2 Road Classification Review

5.2.1 Current classification framework

The *Roads Act 1993* sets out a seven-tier framework for classified roads in NSW. These categories are:

- Main roads
- Highways
- Freeways
- Controlled access roads
- Secondary roads
- Tourist roads
- Tollways/Transitways.

In NSW, a simplified three-tier administrative classification framework is used to define management and funding categories, as well as to cover types of roads which are not described in the *Roads Act* (the Act does not apply to unclassified roads, which include Local Roads and some Regional Roads).

5. Principles

The classifications are:

- **State Roads:** freeways and primary arterials managed by the State
- **Regional Roads:** secondary or sub-arterials managed by Local Government, for which councils receive financial assistance from the State, reflecting their importance in the road network
- **Local Roads:** collector and local access roads, managed and funded by Local Government.

These definitions are a guideline only, to which there are exceptions. For example, the State government has responsibility for some roads with a special purpose or function, such as major tourist roads.

These administrative categories have been in place since 1995. They do not exist in the legislation but by agreement between the levels of government.

5.2.2 Classification criteria

State Road

General principles:

- Form a critical network link – closure to through traffic is not an option
- Priority to safety and efficiency of through traffic movement
- High flows of general traffic over long distances and high capacity relative to surrounding roads
- Continuous and regularly spaced in relation to traffic generating density
- Access to property and on street parking restricted as far as practicable
- Access available to all general access vehicle types as far as practicable
- Generally prioritises 'movement' over 'place'
- Provides for mass transit, smart motorways and high-volume freight where applicable
- Likely to form a major 'spoke' between regional centres or between regional and metropolitan centres
- Provides safe and efficient movement of high-volume freight
- Provides access for significant freight vehicles to major rural intermodal interchanges and urban distribution areas
- Support regional or State-significant economic activity
- Support 30-minute cities, where applicable

- May form a future autonomous vehicle/truck platooning route
- Perform city-shaping corridor or city-serving corridor functions (metropolitan areas).

Definition

The State Road network (including the National Highways) is formed by the primary network of principal traffic carrying and linking routes for the movement of people and goods within the urban centres of Sydney, Newcastle, Wollongong and Central Coast, and throughout the State.

Criteria

A road may be a State Road if its primary function meets at least one of the following criteria:

1. **Links major commercial, industrial and residential areas and distribution centres and ports within the Sydney, Newcastle, Wollongong and Central Coast urban centres**
 - Urban centres as defined by the Australian Bureau of Statistics, and
 - Primary through traffic route carrying significant volumes of traffic, or
 - Major public transport corridor, or
 - Major freight corridors, or
 - Connection between major rural arterials and major ports, freight terminals and distribution centres, or
 - Significant and essential supplementary route for through traffic parallel to a primary route as defined by the above, in critical strategic locations only.
- 2(a) **Links major NSW towns with the Sydney, Newcastle, Central Coast and Wollongong urban centres**
- 2(b) **Links these major NSW towns with each other where there is significant interaction**
 - Major towns population generally in the range 10,000 to 100,000 but may include slightly smaller centres which provide a wide range of commercial, community and administrative functions to an extensive hinterland, and
 - Primary route exhibiting best operational features and an intention to manage as the major route, and
 - Significant economic and social interaction exhibited, and



- Generally carry a minimum Annual Average Daily Traffic (AADT) greater than 1,000, or at least greater than 500 and growing at a faster rate than on surrounding roads, and
- May include cross border links to interState major centres.

3. Links major regions throughout the State with each other

- Provides a long distance connection between regions not already provided for in the network defined by the above criteria or ‘missing links’ that complete long distance connections between the network already defined by the above, and
- Sustains a high flow of general traffic (generally AADT greater than 500) over long distances (100km), or
- Significant long distance freight or coach route.

Regional Road

General principles

- Likely to prioritise ‘movement’ over ‘place’
- May form a ‘spoke’ road depending on road’s location and function.

Definition

Regional Roads comprise the secondary network which, together with State Roads, provide for travel between smaller towns and districts and perform a sub-arterial function within major urban centres.

Criteria

A road may be a regional road if its primary function meets at least one of the following criteria:

- 1. Links** smaller towns within the State Road network
- 2. Connects** smaller towns with each other
- 3. Performs** a sub-arterial function in major urban centres by:
 - **Supplementing** the State Road network for significant intra-urban flows
 - **Providing** access for significant flows to other commercial and industrial centres
- 4. Provides access from the State Road network to major recreation and tourist areas of State significance**
- 5. Provides a town or suburban centre relief route for significant flows through traffic, especially freight vehicles**

6. Provides access for significant flows of freight vehicles to major rural intermodal interchanges and urban distribution areas.

Additional tests for regional roads

A road is potentially a Regional Road if it meets one or more of the following criteria:

- Forms the main regional link between population centres either directly or as part of the main route joining such centres
- Forms the main regional link between secondary suburban centres either directly or as part of the main route joining such centres
- Provides necessary connectivity between State Roads in urban areas
- Joins smaller service towns to their higher order economic and social regional centre
- Has significance for more than one Local Government Area
- If not otherwise connecting centres, functions as a collector road to a service town serving an extensive catchment area
- Carries a steady to increasing traffic volume with some potential for future growth
- Is an important route for significant flows of freight vehicles especially relative short haul farm to market/transport intermodal interchanges
- Provides access for secondary flows of urban public transport to major transport interchanges
- Carries a minimum AADT that is similar to surrounding main roads
- Is a main route performing the functions of closed railway line
- Provides a relief route for significant flows of through traffic, especially for heavy vehicles wishing to bypass a busy town or suburban centre.

A road is potentially NOT a Regional Road if it meets one or more of the following criteria:

- Closely parallels a State Road or another Regional Road which performs a similar function. Thus in rural areas where capacity is not a problem, arguments that a road relieves an existing declared road normally are not valid
- Carries a non-substantial, steady to declining traffic volume with little prospect for future growth
- Is a short spur road wholly within one LGA
- Is a short spur road to a local tourist feature (as distinct from a tourist area of regional significance)

5. Principles

- Is a short spur road to a low throughput wharf, railway or other facility which is of local rather than regional significance
- Functions more as a local access road and acts as a minor collector serving a small catchment area with volumes steadily decreasing along the length of the road
- Overservices an area where land use has become less intensive and products have reduced time sensitivity (e.g. dairying) and rural populations have fallen
- Has no significant development requirements in the foreseeable future.

Local Roads

Local Roads support local access and circulation. Local Roads do not meet the criteria for either Regional or State classification. Local Roads:

- Have the primary function of supporting local access and circulation
- Are likely to prioritise 'place' and 'local streets' over 'movement'
- Provide access to and from properties
- Provide key first and last mile connections to key freight sites as part of a road freight network involving Regional and State roads.

5.2.3 Other conditions

The Panel will evaluate all submissions independently against the published criteria. Councils will have the opportunity to review the outcome of their reclassification submission with the Panel.

5.3 Regional Road Transfer

5.3.1 Transfer criteria

The Regional Road Transfer initiative will consider the transfer of responsibility for the management of council owned regional roads from Local to State government.

All submissions will be weighed to determine the issues, risks and benefits of any recommendation for transfer, and whether transfer is the most appropriate response likely to achieve the best outcome for the network.

Roads submitted for consideration under the Regional Road Transfer initiative must meet the following criterion for eligibility:

- The road is a council owned regional road located outside Greater Sydney, Newcastle and Wollongong.

5.3.2 Other conditions

Councils should note that the selection of priority submissions is at the discretion of the Panel and that alignment with conditions and principles will not automatically lead to the transfer of any Regional-classified road, priority or otherwise. This will be an assessment exercise whereby the rationale, benefits, risks, cost and timing of the submission will be evaluated by the Panel.

If a council is unsuccessful in the priority round of submissions, they are encouraged to submit an application in future rounds.

5.4 Priority consideration

Some roads may be selected by the Panel for priority consideration and recommended for reclassification or transfer in an early tranche of recommendations to government.

Criteria for priority consideration include, but are not limited to, a road which is:

- Subject to a government commitment; or
- council is able to demonstrate past or current difficulty in meeting the demands associated with maintaining the road in the short, medium and/or long term to the standard which allows the road to perform as intended as part of the broader network.

It is also desirable that priority submissions be uncontested by other councils, road users or any government department.

The assignment of priority status does not guarantee that any or all rehabilitation works will be undertaken within a specified time frame or that the standard of the road, where relevant, will be increased within a specified time frame.

Where the Panel's recommendations are accepted by government, the reclassification and transfer of roads will be staged according to a timeline to be developed by government.



1. What is the purpose of the Road Classification Review and Transfer?

The Road Classification Review and Transfer is made up of two initiatives being delivered as one project:

- Road Classification Review
- Regional Road Transfer.

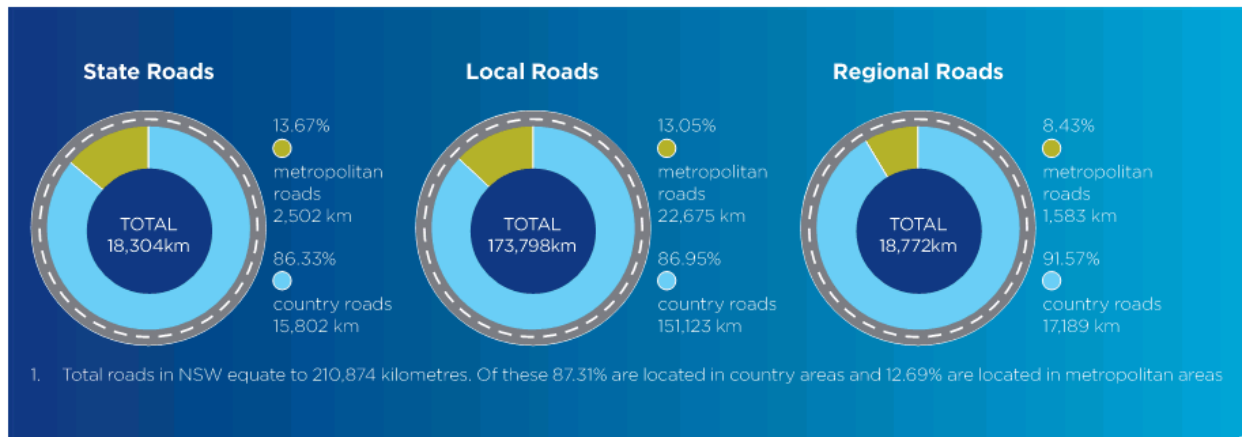
As part of business as usual activities, road classifications across the State need to be evaluated on a regular basis. Road managers periodically need the opportunity to seek reclassification where the function or usage pattern of a road has changed, perhaps due to the construction of new transport infrastructure or changes in population density. This process will ensure that roads are being appropriately managed and funded, in line with the role they play in the network.

The transfer of up to 15,000 kilometres of regional roads to State management aims to lighten the load on regional and rural councils who are finding the maintenance of their council owned regional roads difficult or even unmanageable. This class of road has broader significance for the State, which is reflected in the financial assistance provided by government to councils for their maintenance. However, councils have made representations to government over a number of years to ask for further relief with some of these roads. The return of certain Regional Roads to State management will ensure they are able to be maintained in line with their significance to the broader network, and in a way that supports the social and economic health of communities across the State.

The overall purpose of the project is to contribute to a better managed, contemporary road network for NSW, with benefits that include supporting regional growth, ensuring the funding available to maintain our roads is appropriately distributed, and promoting healthy communities through place-making and engaging with other forms of transport.

6. Frequently asked questions

The current breakdown of Regional and Local roads in metropolitan and country NSW is as follows:



2. Which councils are eligible to make submissions for road reclassification?

All councils across NSW are invited to participate in the Road Classification Review. This means providing feedback on the policy principles that decide how roads are classified as State, Regional or Local. It also means that every council in NSW will have the opportunity to submit individual roads to be reclassified between any of these categories.

Submissions may also be made by Transport for NSW. These submissions will be evaluated against the published criteria by the Independent Panel.

3. Which councils are eligible to make submissions for Regional Road transfer?

Eligibility has been determined based on Restart NSW boundaries. A list of councils eligible to submit their council owned regional roads for transfer is Appendix 1 to this paper. It includes all councils outside Greater Sydney, Newcastle and Wollongong.

The majority of NSW's regional roads are located outside metropolitan areas, although a small number are located within metropolitan areas. Where metropolitan councils believe their council owned regional roads are no longer performing as Regional Roads, and are therefore receiving inadequate funding, they will be able to submit to have them reclassified, but cannot be considered for transfer.

Submissions may also be made by Transport for NSW. These submissions will be evaluated by the Independent Panel against the published criteria and taking into consideration the views of stakeholders affected by the proposal, as with all other submissions.

4. How will the project be impacted by COVID-19?

All parties – including the Independent Panel and the Minister – are acutely aware of the unprecedented circumstances now faced Australia-wide due to the impacts of the coronavirus pandemic. This will impact the planned consultation activities of the Panel.

With that said, there is determination to continue to drive this important project forward and obtain results for road managers and road users across NSW.

The Independent Panel, supported by an interdepartmental advisory group, is now considering options to adjust the consultation schedule/plan to reflect these new circumstances, while still giving all councils an opportunity to put their views in full. This may include video conferencing and webinars, plus the existing channels of phone and email. Measures will be based on the best advice from our communications specialists.

Information will be distributed directly to councils wherever possible, as well as through bodies such as Office of Local Government and Local Government NSW, and will be made available on the website.



5. What assistance is available for bushfire, drought or flood-affected councils?

The Independent Panel and NSW government acknowledge that many council areas have experienced and may currently be experiencing hardship associated with drought or bushfires.

The goal of the project is to improve conditions for councils and road users around the State. For this reason, care will be taken not to unduly increase workloads in affected areas.

Councils who expect to have difficulty meeting submission timelines or drafting submissions are encouraged to contact the Panel Secretariat at their earliest convenience.

6. Will existing arrangements under Road Maintenance Council Contracts (RMCCs) be maintained?

The Panel is not currently tasked with reviewing contractual maintenance arrangements on the road network. Its focus will be road classifications, management responsibilities and funding allocations.

The recommendations of the Independent Panel will be based on sound research and consultation. They will aim to promote the values and priorities of the *Future Transport 2056 Strategy*, including a commitment to a strong economy and successful places.

The Panel acknowledges that the RMCCs are important to local councils, to ensure strong economies, local employment and capable local road maintenance crews. The Panel will ensure consideration is given to maintaining local employment in roads maintenance works, such as through RMCC and direct employment by councils, and supporting economic growth in the regions.

7. What are the economic and planning principles of the *Future Transport 2056 Strategy*?

The *Future Transport 2056 Strategy* is a 40-year vision for NSW’s transport system. The six outcomes underpinning the strategy are:

1. Customer focused
2. Successful places
3. A strong economy
4. Safety and performance
5. Accessible services
6. Sustainability.

Future Transport 2056 Strategy can be downloaded [here](#).

The work of the Independent Panel will also align with other government policies and plans, including the Heavy Freight Vehicle Access Policy Framework, the Road Safety Plan and other State and national frameworks either existing or in development.

8. What impact will the review and transfer have on State and Federal Government funding sources for councils?

The Independent Panel does not have any authority to make recommendations about Federal Government funding allocations.

Transfer of a council owned regional road to State management may result in a commensurate reduction in Block Grant funding or any other funding attached to that road which correctly sits with the road manager.

Reclassification may also lead to reallocation of funds in cases where a road attracts different funding streams based on its classification, or where the road manager changes through classification, or both.

However, the overall level of funding is outside the Terms of Reference for the Independent Panel and will be a matter for the government.

6. Frequently asked questions

9. Will roads being reclassified or transferred be brought up to standard before they are reclassified or in a specified timeframe after transfer?

The implementation process is a matter for government. The Independent Panel will identify individual roads to recommend for reclassification or transfer; make recommendations for a suitable timeline to implement changes; and estimate the financial impact to councils of its recommendations.

The condition of roads returning to State management will be assessed in terms of the standard required for the road to play its role in the network.

Where the cost to the State government of rehabilitation is significant, a prioritisation process will take place to ensure works are carried out where they are most needed as a first order.

Where repairs or increases in the standard of a road by the State government are deemed necessary, it may not be possible to carry out repairs immediately.

It is expected that councils will continue current maintenance standards on all roads for which they are currently the road manager, including roads that are submitted for reclassification or transfer, and until a subject road is formally transferred to the responsibility of another party. This includes the continuation of current funding arrangements, such as the Block Grant. There is no requirement for councils to increase their standard of maintenance on any road prior to or subsequent to its reclassification or transfer.

10. What opportunity will councils and other stakeholders have to provide input into the project?

The Independent Panel values input from all customers and stakeholders, including all types of road users, councils and industry.

As has been outlined above, the mode of consultation for the Independent Panel must now be revised to accommodate changed circumstances due to the COVID-19 pandemic. Technology will be utilised as far as possible to facilitate live meetings with the Panel.

Further, the Panel is committed to providing a variety of mechanisms through which feedback can be provided, including via the website, by email, and by phone or video, and will make every effort to accommodate the individual needs of any interested stakeholder. If you would like to discuss any other mode for the submission of feedback, please contact the Secretariat in the first instance.

A consultation schedule is outlined in this paper. Any issues or concerns with this plan or schedule should be raised with the Secretariat.

11. Will the full project be completed by the milestone date of July 2021?

The Independent Panel plans to deliver its final recommendations to the Government by July 2021. The milestone dates are marked indicative and may be subject to change, particularly given the impacts of the COVID-19 pandemic.

Part of the Panel's task is to determine an appropriate timeline for recommended reclassifications and transfers to take place. It is expected that these processes will be undertaken over a period of time, taking into account both administrative processes and economic impacts.

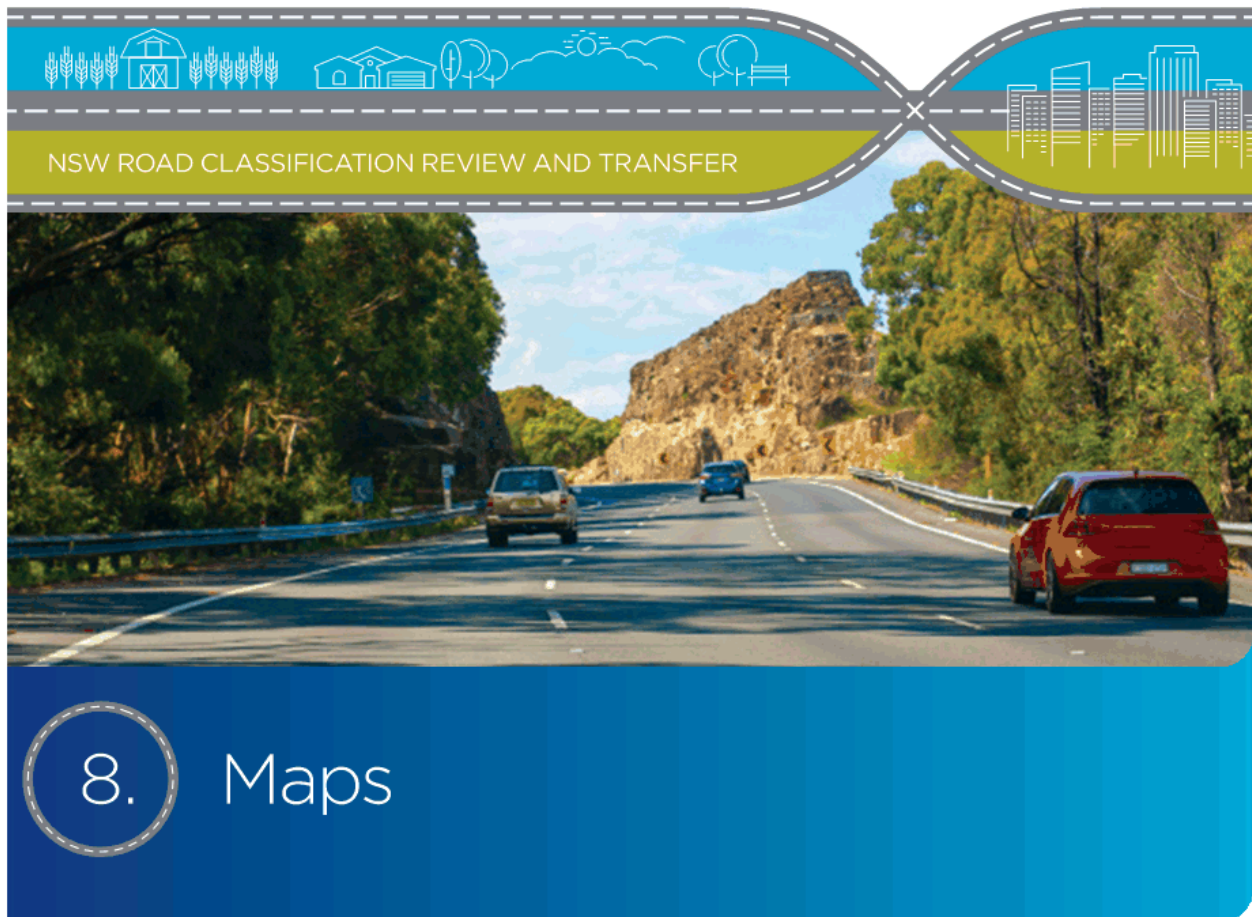


The schedule for consultation sessions with local councils is below. This does not include briefing sessions with other stakeholders.

These dates may be amended or added to as the scheduling process continues.

Session name	Date and time
Hunter JO	2pm-4pm, 23 June 2020 2pm-4pm, 2 July 2020
Far North West, Brewarrina	2.30pm-4.30pm, 29 June 2020
New England JO	2pm-4pm, 1 July 2020 1.30pm-3.30pm, 3 July 2020
Orana JO, Dubbo, Coonamble	9.30am-11.30am, 3 July 2020 9.30am-11.30am, 9 July 2020
Northern Rivers JO	10am-12pm, 7 July 2020
Canberra Region JO	9.30am-11.30am, 10 July 2020 2pm-4pm, 14 July 2020
Illawarra Shoalhaven JO	9.30am-11.30am, 14 July 2020
Riverina JO, Wagga Wagga	9.30am-11.30am, 15 July 2020 1.30pm-3.30pm, 20 July 2020
Riverina-Murray JO	9.30am-11.30am, 20 July 2020 2pm-4pm, 24 July 2020

Session name	Date and time
Central NSW JO	9.30am-11.30am, 24 July 2020 3pm-5pm, 3 August 2020
Namoi JO	9.30am-11.30am, 31 July 2020
Far South West JO	2.30pm-4.30pm, 27 July 2020
Mid North Coast JO, Clarence Valley, Coffs Harbour, Nambucca	10am-12pm, 5 August 2020
Metro sessions: Inner West, Lower North, Upper North and Central Coast	10am-12pm, 11 August 2020 1.30pm-3.30pm, 14 August 2020
Metro sessions: Greater Western, Southern and Blue Mountains	10am-12pm, 17 August 2020 1.30pm-3.30pm, 20 August 2020



Maps of the NSW road network showing State, Regional and Local classifications are available at the program webpage: nswroads.work/roadreview

These maps will be enhanced on a rolling basis to show more data about the State's roads as it becomes available.

Contact us – For more information

-  roadreview@transport.nsw.gov.au
-  nswroads.work/roadreview
-  Independent Panel, Road Classification Review and Transfer
Locked Bag 928 North Sydney NSW 2059



This document contains important information about road projects in your area. If you require the services of an interpreter, please contact the Translating and Interpreting Service on 131 450 and ask them to call the project team on 1800 413 640. The interpreter will then assist you with translation.




June 2020

Privacy Transport for NSW ("TfNSW") is subject to the Privacy and Personal Information Protection Act 1998 ("PPIP Act") which requires that we comply with the Information Privacy Principles set out in the PPIP Act. All information in correspondence is collected for the sole purpose of assisting in the delivery this project. The information received, including names and addresses of respondents, may be published in subsequent documents unless a clear indication is given in the correspondence that all or part of that information is not to be published. Otherwise RMS will only disclose your personal information, without your consent, if authorised by the law. Your personal information will be held by RMS at 27 Argyle Street, Parramatta. You have the right to access and correct the information if you believe that it is incorrect.

15.6 REVIEW OF INFRASTRUCTURE CONTRIBUTIONS IN NSW

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: 1. **NSW Productivity Commission Review of Infrastructure Contribution NSW** [↓](#) 

Link to Community Strategic Plan:	CL1 – Our Civic Leadership
Cost to Council:	Nil
Use of Reserve Funds:	Nil

RECOMMENDATION

That

1. The report of the General Manager in regard to the review of Infrastructure Contributions in NSW be received
2. Mayor Bob Kirk be authorised to forward a submission to the Productivity Commissioner in regard to Infrastructure Contributions in NSW and generally set out in this report.

BACKGROUND

The Productivity Commission has been appointed by the Minister for Planning and Public Spaces to undertake a comprehensive review of the infrastructure contributions system in New South Wales

REPORT

A copy of that report is in a separate document

The purpose of the review is a follow up on the 2019 announcements that the Government would progress planning reforms to:

1. Cut red tape, increase transparency, reduce assessment timeframes and make e-planning mandatory for metro councils
2. Supercharge new hubs across New South Wales to ensure people can live in communities close to their work
3. Fix the uncertainty of developer contributions to boost investment, and
4. Preserve our heritage, create beautiful new public places, and promote good design.

The Review’s Terms of Reference, the privacy Commissioner was tasked with was:-

The NSW Productivity Commission should:

- review the infrastructure contributions system to determine whether it meets the objectives of certainty and efficiency while delivering public infrastructure required to support development
- make recommendations for reform aimed at delivering a principles-based system that delivers the infrastructure required to accompany growth, and
- identify legislative and regulatory changes necessary to implement the proposed reforms.

Contributions under Part 7 of the Environmental Planning and Assessment Act 1979 are within the scope of the Review. The Review should also have consideration of the relationship to and impact of other charges and levies relating to the development process.

In reviewing the contributions system, the Commission should, at a minimum, consider the following:

- certainty and transparency for communities, local government and developers
- the extent that contributions rates reflect efficient costs and the principle that beneficiaries should pay
- the major cost drivers in the contributions system and how these factors can be managed
- the relationship with local government funding and service provision, and
- implications for the volume and nature of the housing market and the delivery of public open space.

This report and thus the recommendation in this report have focused on the local government section commencing on pages 27 and 28. The following would be the recommended submission

The Productivity Commissioner

By email - ICReview@productivity.nsw.gov.au

Dear Sir

The Goulburn Mulwaree Council thanks you for the opportunity of making a submission to the Review of Infrastructure Contributions in NSW.

This Council supports the concept of eliminating the rate-cap from the Local Government legislation and allowing Councils to make business decisions on behalf of our community's. It is unreasonable in any environment that Councils are so controlled by State Government legislation in financing the needs and expectations of community's. In other jurisdictions around the world local Councils can make rate increase decision separate from controls imposed by Governments. In a democracy the community either through the public consultation process, social media or the election cycle will certainly let Councils know if the rate increases are beyond community affordability.

The State Government is very quick to pass on cost shifting new services – but is reluctant to allow Council to properly fund those additional services.

This means that Councils struggle to fund necessary infrastructure demands and requirements in our community. Other than grants, rates is Councils main source of income and the amount Councils are capable of raising through annually imposed IPART determinations is often eroded by State Government imposed additional and compulsory responsibilities' – cost shifting.

Councils have the experience and the intellect to determine what is right and affordable for their community and understand the desire to meet the needs and expectations. If Council wish to increase rates to meet the infrastructure demands of their community then that decision should be made at a local level and not an organisation like IPART – that has no democratic or community accountability.

Thus leave local rate decisions local and not the decision of a central unaccountable organisation.

Yours faithfully

Mayor Bob Kirk

July 2020

Review of Infrastructure Contributions in New South Wales

NSW Productivity Commission

Issues Paper



Preface

The NSW Government is committed to delivering a reformed infrastructure contributions system that achieves greater certainty, transparency, efficiency, and fairness in infrastructure funding and delivery in New South Wales.

On 15 April 2020, I was appointed by the Minister for Planning and Public Spaces to undertake a comprehensive review of the infrastructure contributions system in New South Wales (the Review). This follows the Premier's announcement in November 2019 that the Government would progress planning reforms to:

1. Cut red tape, increase transparency, reduce assessment timeframes and make e-planning mandatory for metro councils
2. Supercharge new hubs across New South Wales to ensure people can live in communities close to their work
3. Fix the uncertainty of developer contributions to boost investment, and
4. Preserve our heritage, create beautiful new public places, and promote good design.

As part of the Review's Terms of Reference, I was tasked with reviewing and making recommendations to deliver an infrastructure contributions system that:

- delivers the public infrastructure required to support development in New South Wales
- achieves greater certainty, transparency, efficiency and fairness in the setting of infrastructure contributions
- identifies legislative regulatory changes necessary to implement the proposed reforms.

During May and June 2020, I heard from some peak stakeholder groups and this helped me better understand the issues in the current infrastructure contributions system and shape the discussion in the Issues Paper.

This Issues Paper is not NSW Government policy, but rather a broad summary of key issues with the existing system. It is designed to support community feedback on how we can best address these issues and ask questions that will inform broad reform directions. Stakeholders are invited to make a submission via ICReview@productivity.nsw.gov.au.

The Issues Paper will be followed by a series of stakeholder roundtables (held in August) with participation from NSW Government agencies, local government, industry, and community groups. This will enable further discussion of the issues and feedback on potential reform options.

The outcomes from the public submissions and stakeholder roundtables will be used to inform and refine the design of a shortlist of reform options. These will be contained in the Final Report, planned for release later this year, for consideration by the Minister for Planning and Public Spaces.

With this, I invite you to have your say on how we can work together to deliver a reformed infrastructure contributions system for New South Wales.

"Seek the peace and prosperity of the city ... because if it prospers, you too will prosper" (Jeremiah 29:7)

Peter Achterstraat AM
NSW Productivity Commissioner

July 2020

Terms of Reference

The NSW Productivity Commission should:

- review the infrastructure contributions system to determine whether it meets the objectives of certainty and efficiency while delivering public infrastructure required to support development
- make recommendations for reform aimed at delivering a principles-based system that delivers the infrastructure required to accompany growth, and
- identify legislative and regulatory changes necessary to implement the proposed reforms.

Contributions under Part 7 of the *Environmental Planning and Assessment Act 1979* are within the scope of the Review. The Review should also have consideration of the relationship to and impact of other charges and levies relating to the development process.

In reviewing the contributions system, the Commission should, at a minimum, consider the following:

- certainty and transparency for communities, local government and developers
- the extent that contributions rates reflect efficient costs and the principle that beneficiaries should pay
- the major cost drivers in the contributions system and how these factors can be managed
- the relationship with local government funding and service provision, and
- implications for the volume and nature of the housing market and the delivery of public open space.

The Review should be complementary to broader reforms to the planning system. The Review will coincide with system improvements led by the Department of Planning, Industry and Environment.

The Commission should provide a Final Report to the Minister for Planning and Public Spaces by the end of 2020. In undertaking its review, the Commission should:

- consult with NSW Government agencies, external stakeholders, and the community, as appropriate
- assemble and analyse relevant data, and
- draw on best practice in other jurisdictions, previous review and published research.

Note

General inquiries concerning this document should be initially directed to:
NSW Productivity Commission; ICReview@productivity.nsw.gov.au.

This publication can be accessed from the NSW Productivity Commission's website
www.productivity.nsw.gov.au/.

Contents

Preface	1
Terms of Reference	2
Summary	4
Chapter 1: Introduction	10
a. Context for this Review	10
b. Principles for the infrastructure contributions system	11
c. Outline for the rest of this Paper	16
Chapter 2: Infrastructure funding in New South Wales	17
a. Infrastructure funding sources	17
b. Challenges in State Government service provision	22
c. Challenges in local government service provision	27
Chapter 3: Infrastructure contributions mechanisms and issues	29
a. Infrastructure contributions mechanisms	29
b. Development case studies	44
Chapter 4: Further issues in infrastructure contributions	47
a. Property owners benefit from public investment in infrastructure	47
b. Land acquisition and rising land values	47
c. Corridors	51
d. Provision of open space	51
e. Water charges	52
f. Better use of digital tools	52
g. Skills and experience	53
h. Exemptions	54
i. Works-in-kind	55
Chapter 5: The way forward for this Review	57
Appendix A: Key concepts and terms associated with the current contributions system	58
Appendix B: Background to infrastructure contributions in New South Wales	61
Appendix C: Local government rate pegging in New South Wales	64
Appendix D: Jurisdictional analysis of infrastructure contributions frameworks	65
References	69

Summary

An effective infrastructure contributions system is important to delivering vital public infrastructure, unlocking new housing supply, supporting commercial development and boosting investment in New South Wales. Cost recovery through the infrastructure contributions system was first introduced with the passage of the *Environmental Planning and Assessment Act 1979* ('the Act'). Section 94 of the Act allowed councils to levy contributions for infrastructure provision with a nexus to their developments.

Since then, numerous reforms to the system have been undertaken including the introduction of additional mechanisms and further regulatory requirements being imposed. This has resulted in a more complex system, with a perceived lack of transparency and efficiency. In addition to this, limitations on other funding sources is placing greater pressure on the contributions system to raise the funds needed to meet rising infrastructure costs.

In response to these infrastructure funding challenges, in April 2020, the Minister for Planning and Public Spaces requested the NSW Productivity Commissioner conduct a comprehensive review of the infrastructure contributions system.

This Paper is the first stage of this Review. We aim to explore the issues relating to the existing infrastructure funding system, including mechanisms under Part 7 of the Act, as well as the broader infrastructure funding system. Each section of this Paper presents questions for stakeholder consideration.

Chapter 1 outlines the context of this Review and presents high level principles for consideration in a reformed contributions system, including **efficiency, equity, certainty and simplicity**. These principles do not necessarily sit easily with each other; it can be difficult to have a system which is both efficient and equitable, while at the same time certain and simple. Finding the right balance between efficiency, equity, certainty, and simplicity will pose a key challenge in reforming the infrastructure contributions system.

Chapter 2 explores the various ways infrastructure is currently funded in New South Wales. This includes through the NSW Government's **budget** (Consolidated Fund and Restart NSW), the Commonwealth through **grants**, local government from **general rates revenue** and cost recovery through direct **user charges** and **infrastructure contributions**. The chapter also discusses key challenges faced by State and local governments in service provision, such as growing infrastructure demand, rising infrastructure costs and implications of the local government rate peg.

Key issues identified within the current infrastructure contributions mechanisms are discussed in Chapter 3, while issues with infrastructure funding more broadly are discussed in Chapter 4. Discussion boxes highlight the key issues throughout the document and proposes a series of discussion questions – see Table S.1 below for the discussion questions.

The goal of this Review is to deliver a set of recommendations that will:

- fund the infrastructure needed to support our growing communities
- lead to an infrastructure contributions system this is simple to understand, transparent and principles-based
- meet the objectives of certainty and efficiency to support our stakeholders and boost investment in New South Wales.

The release of this Issues Paper starts the conversation on the way we currently fund infrastructure in New South Wales, focusing on key issues within the current infrastructure contributions system.

Feedback provided on the issues and discussion questions in this Paper will inform the direction of future reforms.

Table S.1: Issues and discussion questions

<p>Issue 1.1: Striking the right balance</p> <p>There can be difficulty in reconciling the competing principles of efficiency, equity, certainty, and simplicity. Failure to strike the right balance can undermine confidence in the planning system.</p> <ul style="list-style-type: none"> ▪ Is a 'one size fits all' approach appropriate or do parts of the State require a bespoke solution? ▪ What are the advantages and disadvantages of a site-specific calculation based on demand generated, compared with a broader average rate? ▪ Do other jurisdictions have a better approach to infrastructure funding we should explore? ▪ How can a reformed contributions system deliver on certainty for infrastructure contributions while providing flexibility to respond quickly to changing economic circumstances?
<p>Issue 2.1: Enable a broader revenue source for the funding of infrastructure</p> <ul style="list-style-type: none"> ▪ Are there any potential funding avenues that could be explored in addition to those in the current infrastructure funding mix?
<p>Issue 2.2: Integrating land use and infrastructure planning</p> <p>The Greater Sydney Region Plan provides the overarching vision and infrastructure needs, which is translated into separate District Plans and Local Strategic Planning Statements. These are used by councils for land use and infrastructure planning.</p> <ul style="list-style-type: none"> ▪ How can the infrastructure contributions system better support improved integration of land use planning and infrastructure delivery?
<p>Issue 3.1: Principles for planning agreements are non-binding</p> <p>The Planning Agreements Practice Note is currently non-binding on councils, although the Ministerial Direction exhibited by the Department aims to change this. There are no equivalent guidelines for use when negotiating planning agreements with the State. Additionally, there is little agreement between stakeholders on what the principles should be for either local or State planning agreements and there is no consensus on the appropriateness of value capture through planning agreements.</p> <ul style="list-style-type: none"> ▪ What is the role of planning agreements? Do they add value, or do they undermine confidence in the planning system? ▪ Is 'value capture' an appropriate use of planning agreements? ▪ Should planning agreements require a nexus with the development, as for other types of contributions? ▪ Should State planning agreement be subject to guidelines for their use?
<p>Issue 3.2: Transparency and accountability for planning agreements are low</p> <p>Reporting and accounting requirements for planning agreements are low, although proposed changes to the Regulation may improve this. Differing practices between councils and the State in maintaining separate planning agreement registers and public notice systems is confusing and reduces transparency and accountability.</p> <ul style="list-style-type: none"> ▪ What could be done to improve the transparency and accountability of planning agreements, without placing an undue burden on councils or the State? ▪ Should councils and State government be required to maintain online planning agreement registers in a centralised system? What barriers might there be to this?

<p>Issue 3.3: Planning agreements are resource intensive</p> <p>Planning agreements are a resource intensive mechanism but have potential to deliver unique and innovative outcomes.</p> <ul style="list-style-type: none"> ▪ Should the practice note make clear when planning agreements are (and are not) an appropriate mechanism?
<p>Issue 3.4: Contributions plans are complex and costly to administer</p> <p>Contributions plans can be opaque, making it hard for developers to calculate a potential contribution liability and the community to know what infrastructure it can expect and when.</p> <p>Many plans are not updated in a timely manner, leading to issues with cost escalation, outdated assumptions, and difficulty meeting community infrastructure needs. Some councils have significant contributions balances, indicating there may be barriers to timely expenditure.</p> <ul style="list-style-type: none"> ▪ How could the complexity of s7.11 contributions planning be reduced? ▪ What are the trade-offs for, and potential consequences of, reducing complexity? ▪ How can certainty be increased for the development industry and for the community?
<p>Issue 3.5: Timing of payment of contributions and delivery of infrastructure does not align</p> <p>Developers want to delay the payment of contributions to the occupation certificate stage to support project financing arrangements. This would delay receipt of funds to councils and, in the absence of borrowing funds, may delay infrastructure delivery.</p> <ul style="list-style-type: none"> ▪ What are the risks or benefits of deferring payment of infrastructure contributions until prior to the issuing of the occupation certificate, compared the issuing of a construction certificate? Are there options for deferring payment for subdivision? ▪ Would alternatives to financial securities, such as recording the contributions requirement on property title, make deferred payment more viable? ▪ Would support to access borrowing assist councils with delivering infrastructure? What could be done to facilitate this? Are there barriers to councils to accessing the Low Cost Loans Initiative? ▪ What else could be done to ensure infrastructure is delivered in a timely manner and contributions balances are spent?
<p>Issue 3.6: Infrastructure costs and contributions rates are rising</p> <p>Infrastructure costs are rising—particularly for land acquisition—as are contribution rates. Caps and thresholds introduced to encourage sector activity have, however undermined important market signals for development efficiency and are now likely to be reflected in higher land values.</p> <p>The application of the essential works list can put councils' finances under pressure given their current inability to expand their rate base in line with population growth.</p> <ul style="list-style-type: none"> ▪ Currently IPART reviews contributions plans based on 'reasonable costs', while some assert the review should be based on 'efficient costs'. What are the risks or benefits of reframing the review in this way? ▪ Should the essential works list be maintained? If it were to be expanded to include more items, what might be done to ensure that infrastructure contributions do not increase unreasonably? ▪ What role is there for an independent review of infrastructure plans at an earlier point in the process to consider options for infrastructure design and selection?

<p>Issue 3.7: The maximum s7.12 rate is low but balanced with low need for nexus</p> <p>Section 7.12 local infrastructure levies are low and do not reflect the cost of infrastructure.</p> <ul style="list-style-type: none"> ▪ Given that the rationale for these low rates reflects the lower nexus to infrastructure requirements, what issues might arise if the maximum percentages were to be increased? ▪ What would be a reasonable rate for s7.12 development consent levies?
<p>Issue 3.8: Limited effectiveness of special infrastructure contributions</p> <p>Special infrastructure contributions were introduced to strengthen delivery of state infrastructure. They can be an efficient and equitable mechanism for modest infrastructure cost recovery, while helping to ensure that development is serviced in a timely way. Over time, incremental changes and <i>ad hoc</i> decisions have, however, led to inconsistencies in their application, which may have limited their effectiveness.</p> <ul style="list-style-type: none"> ▪ Is it appropriate that special infrastructure contributions are used to permit out-of-sequence rezoning? ▪ Should special infrastructure contributions be applied more broadly to fund infrastructure? ▪ Should they be aligned to District Plans or other land use planning strategies? ▪ Should the administration of special infrastructure contributions be coordinated by a central Government agency i.e. NSW Treasury?
<p>Issue 3.9: Difficulty funding biodiversity through special infrastructure contributions</p> <p>Biodiversity offsetting is a key part of the plan for developing Greater Sydney and requires a secure source of funding. The application of special infrastructure contributions to support this has been inconsistent.</p> <ul style="list-style-type: none"> ▪ Should implementation of special infrastructure contributions for biodiversity offsets be subject to a higher level of independent oversight? ▪ Are special infrastructure contributions the appropriate mechanism to collect funds for biodiversity offsetting, or should biodiversity offsets be managed under a separate framework?
<p>Issue 3.10: Affordable housing</p> <p>Affordable housing contributions are made on top of other infrastructure contributions. The percentages are determined individually, and each scheme must demonstrate the rate does not impact development viability.</p> <ul style="list-style-type: none"> ▪ Is provision of affordable housing through the contributions system an effective part of the solution to the housing affordability issue? Is the recommended target of 5-10 per cent of new residential floorspace appropriate? ▪ Do affordable housing contributions impact the ability of the planning system to increase housing supply in general?
<p>Issue 4.1: Sharing land value uplift</p> <p>If investment in public infrastructure increases land values, then the benefits are largely captured by private property owners. 'Value capture' mechanisms can return a share of the value created by public investment to the taxpayer.</p> <p>There are several ways a 'value capture' mechanism could be applied, including land tax, council rates, betterment levy, or an infrastructure contribution.</p> <ul style="list-style-type: none"> ▪ Where land values are lifted as a result of public investment, should taxpayers share in the benefits by broadening value capture mechanisms? What would be the best way to do this?

<p>Issue 4.2: Land values that consider a future infrastructure charge</p> <p>When land is rezoned, there is often an increase in land values as a result of the change in development potential.</p> <ul style="list-style-type: none"> ▪ Should an "infrastructure development charge" be attached to the land title?
<p>Issue 4.3: Land acquisition for public infrastructure purposes</p> <p>Requiring the direct dedication of the land that is needed for infrastructure purposes is an option that aims to address the problem of rapidly increasing land values.</p> <ul style="list-style-type: none"> ▪ If supported, how could direct dedication be implemented? How could this be done for development areas with fragmented land ownership? ▪ Could earlier land acquisition be funded by pooling of contributions, or borrowings? ▪ Are there other options that would address this challenge such as higher indexation of the land component?
<p>Issue 4.4: Keeping up with property escalation</p> <p>Land values (particularly within the Sydney metropolitan area) can increase rapidly and often increase on early signs of land being considered for future development; well ahead of the rezoning process.</p> <ul style="list-style-type: none"> ▪ What approaches would most effectively account for property acquisition costs?
<p>Issue 4.5: Corridor protection</p> <p>Early identification of corridors has the potential to result in better land use and investment decisions. Without funds available to facilitate their early acquisition, it is likely that being 'identified' would encourage speculation and drive up land values, making the corridor more expensive to provide later.</p> <ul style="list-style-type: none"> ▪ What options would assist to strike a balance in strategic corridor planning and infrastructure delivery?
<p>Issue 4.6: Open space</p> <p>While the seven-acre open space standard is not based on evidence, it nevertheless continues to be relied upon. Open space provision is moving towards a performance-based approach.</p> <ul style="list-style-type: none"> ▪ How can performance criteria assist to contain the costs of open space? ▪ Should the government mandate open space requirements, or should councils be allowed to decide how much open space will be included, based on demand? ▪ Are infrastructure contributions an appropriate way to fund open public space?
<p>Issue 4.7: Metropolitan water charges</p> <p>Currently, costs of new and upgraded connections for Sydney Water and Hunter Water are borne by the broader customer base rather than new development.</p> <ul style="list-style-type: none"> ▪ How important is it to examine this approach? ▪ What is the best way to provide for the funding of potable and recycled water provision?

Issue 4.8: Improving transparency and accountability

There are limited infrastructure contributions reporting requirements.

- What would an improved reporting framework look like? Should each council report to a central electronic repository?
- What elements should be included? How much has been collected by contributions plan and other mechanisms? How much council has spent, and on what infrastructure items?
- Should an improved reporting framework consider the scale of infrastructure contributions collected?

Issue 4.9: Shortage of expertise and insufficient scale

The ability of the local government sector to efficiently deliver contributions plans are impaired by shortages of skilled professionals and lack of scale for smaller councils.

- What can be done to address this issue?
- Should the contributions system be simplified to reduce the resourcing requirement? If so, how would that system be designed?

Issue 4.10: Current issues with exemptions

Exemptions from contributions are complex as they are set out across a range of planning documents and are inconsistent across contribution mechanisms.

- Given that all developments require infrastructure, should there be any exemptions to infrastructure contributions?
- Is it reasonable to share the cost of 'exemptions' across all of the new development rather than requiring a taxpayer subsidy?
- Are there any comparative neutrality issues in the providing exemptions for one type of development, or owner type, over another?

Issue 4.11: Works-in-kind agreements and special infrastructure contributions

Works-in-kind agreements can realise savings and efficiencies, but they can result in infrastructure being provided out of the planned sequence and prioritise delivery of some infrastructure (such as roads) at the expense of other infrastructure (such as open space and biodiversity offsetting).

- Should developers be able to provide works-in-kind, or land, *in lieu* of infrastructure contributions?
- Developers may accrue works-in-kind credits that exceed their monetary contribution. Should works-in-kind credits be tradeable? What would be pros and cons of credits trading scheme?
- What are implications of credits being traded to, and from, other contributions areas?

Chapter 1: Introduction

In November 2019, the NSW Premier, the Hon. Gladys Berejiklian MP, announced the Government's vision to improve the timeliness, certainty, and transparency of the State's planning system. A key element of proposed planning reforms is to fix the uncertainty of infrastructure contributions.

In April 2020, the Minister for Planning and Public Spaces, the Hon. Rob Stokes MP ('the Minister'), asked the NSW Productivity Commissioner to conduct a holistic review of the infrastructure contributions system. Specifically, the Commissioner has been asked to:

- determine whether it meets the objectives of certainty and efficiency, while delivery public infrastructure to support development
- make recommendations for reform aimed at delivering a principles-based system, and
- identify legislative and regulatory changes necessary to implement the proposed reforms.

As part of this Review, the Productivity Commission will assemble and analyse relevant data, draw on best practice and consult with stakeholders including local government, industry, and NSW Government agencies.

This Issues Paper provides some background on how infrastructure is funded in New South Wales while highlighting key issues and challenges. It is the first step in the review process and will be followed by:

- invitation to lodge submissions on issues identified in this Paper
- stakeholder roundtables to further refine proposed reform options
- a Final Report, to be delivered to the Minister by the end of 2020.

The purpose of the Paper is to discuss the issues and importantly, to seek your feedback. To assist with this, we have used text boxes to highlight issues and pose questions to help structure feedback and reform ideas. The feedback we receive will be considered as we identify options for reform to be presented to the Minister later this year.

a. Context for this Review

Infrastructure contributions are an integral part of the planning and infrastructure delivery systems in New South Wales, raising over \$1 billion each year to support growth. Presently, mechanisms are prescribed by Part 7 of the *Environmental Planning and Assessment Act 1979* ('the Act'):

- section 7.4 planning agreements
- section 7.11 local infrastructure contributions
- section 7.12 fixed development consent levies
- section 7.24 special infrastructure contributions
- section 7.32 affordable housing contributions.

Early feedback to the Review suggests that the existing infrastructure contributions system could be improved to provide greater certainty, consistency and transparency in both how contributions are set and how revenues are managed. There is scope to make the system simpler, more efficient, and one that allows for better coordination between infrastructure delivery and development activity when accommodating growth.

Since commencing in 1980, there have been several reviews of the infrastructure contributions system. The last major legislative reforms occurred in 2005 when planning agreements and fixed development consent levies (then known as s94A levies) were introduced. While other reviews have been conducted since 2005, this Review is broader in scope as it is not limited to the Act in its consideration of contributions in the context of infrastructure delivery in New South Wales.

This Review is being progressed in parallel with improvements to the contributions system by the Department of Planning, Industry and Environment ('the Department') outlined in Box 1.1. These proposed reforms are iterative and complementary to this Review and are aimed for near term implementation. They do not, however, encompass the systematic reform of infrastructure funding in New South Wales.

Box 1.1: The Department's immediate reforms (exhibited May – June 2020)

- guidance material to provide more transparent negotiations of **planning agreements** (s7.4)
- reforms to how **contributions plans** (s7.11) are reviewed
- criteria for when higher percentage rates for **consent levies** (s7.12) may be appropriate
- guidelines to improve transparency of **special infrastructure contributions** (s7.24)
- draft amendments to the **Environmental Planning and Assessment Regulation 2000** ('the Regulation') to improve councils' and planning authorities' transparency in accounting for, and reporting on, contributions revenues.

b. Principles for the infrastructure contributions system

The term 'infrastructure' relates to the stock of physical assets that enable our society—the state of New South Wales, its cities, towns, and regions—to properly function. This captures a very wide range of services:

- **Transport**—roads, footpaths, rail, and ports—for the movement of people and freight
- **Water**—pipes and drainage—for drinking water and waste and stormwater removal
- **Energy**—electricity, gas, and fuel—to power economic activities
- **Communications**—telecommunications and digital—to enable business, service delivery and social inclusion
- **Housing**—social, affordable, and private—ideally located where people can enjoy a quality lifestyle within reasonable commute of their jobs
- **Education**—schools, universities, and colleges—for accumulation of human capital
- **Health**—**primary care facilities and hospitals**—to allow the delivery of health services
- **Sport and recreation facilities**—stadia, parks, playing grounds, pools—to allow people to gather, enjoy the outdoors and exercise
- **Community facilities**—such as libraries and community centres.

All three levels of governments—Commonwealth, State, and local—have an important role in the provision of infrastructure.

In providing infrastructure, there are a range of mechanisms that governments can deploy:

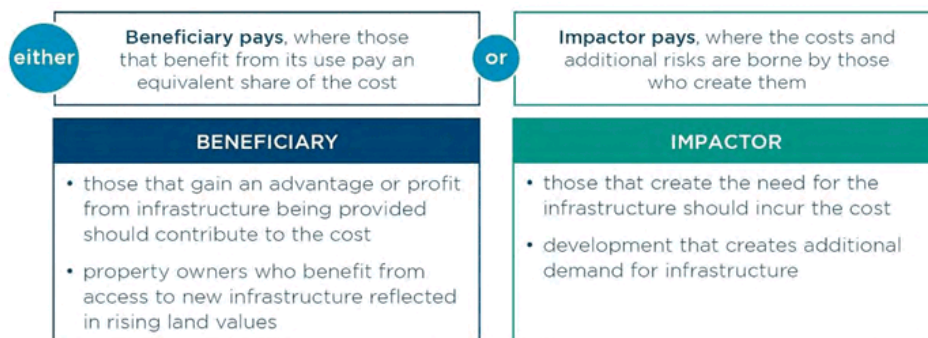
- through **direct provision**, such as, for example, public schools and libraries
- through **arms-length provision**, such as, for example, utilities operated on a commercial basis but maintaining government ownership or subsidies for private provision

- through **contracting**, such as, for example, tolled private motorways
- as **regulator**, such as, for example, of wholly private markets
- via **charges**, such as, for example, infrastructure contributions and user charges
- as **coordinator**, for example, through strategic planning.

The Commonwealth Productivity Commission’s Public Infrastructure Inquiry Report (2014) notes that the “funds to pay for public infrastructure ultimately have to come either from users and other beneficiaries, or from governments.” In New South Wales, these funding sources are:

- **Public funding mechanisms:**
 - the NSW Government through the **budget (including Restart NSW)** from **revenue** (debt is a call on future revenue) and **asset transactions**
 - the Commonwealth through **grants** and
 - local government from general **rates** revenue.
- **Cost recovery mechanisms:**
 - direct **user charges** and
 - **infrastructure contributions**.

Generally, the appropriate funding mechanism will be the one that is the best balance of fairness, administrative simplicity, and economic efficiency. When discussing infrastructure contributions specifically, the Commonwealth Productivity Commission proposed the following principles for the recovery of infrastructure costs:



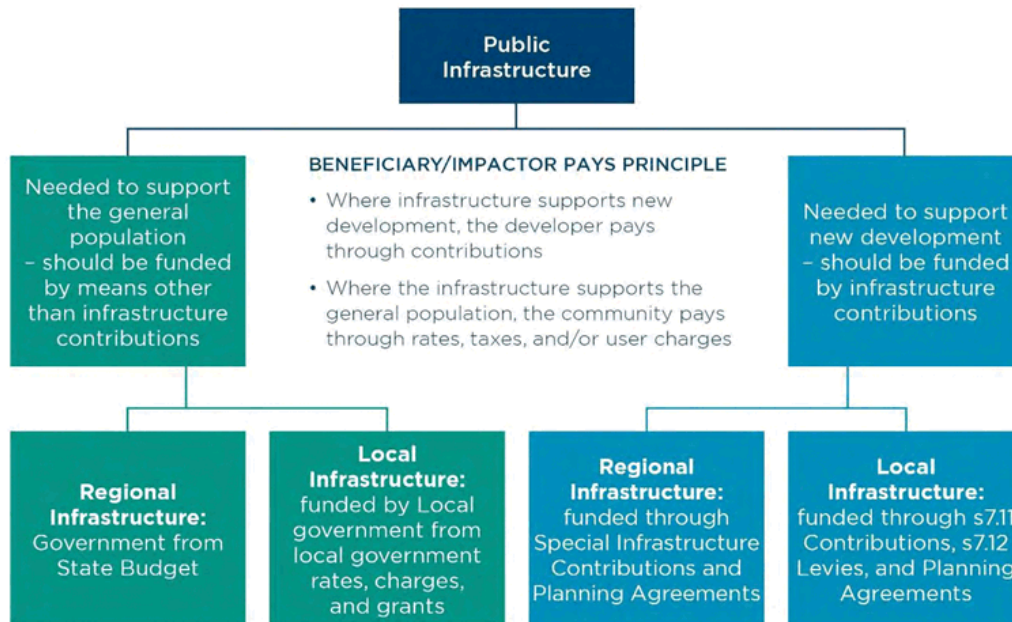
Throughout this Paper we will refer to ‘public infrastructure’. This is a broad term and can have many meanings. While not seeking to be definitive, we are generally referring to infrastructure that involves government intervention to ensure its delivery. This can include, but is not limited to:

- roads and pedestrian and cycle paths
- public transport, including transport interchange facilities
- water cycle management
- open space for passive and active recreation purposes
- biodiversity conservation and management
- community facilities such as community centres and libraries, schools and hospitals
- utility services such as water and sewer, electricity, gas, telecommunications.

The Act refers to ‘public amenities’ or ‘public services’ but notes that this does not include ‘water supply or sewerage services’. This is because water and sewerage services are dealt with under different legislation. In this Paper, we do, however, consider utility services as part of the infrastructure needed to support growing communities.

Figure 1.1 illustrates how infrastructure is delivered in New South Wales at a high level. Appendix A provides an explanation of concepts and terms used within this Paper.

Figure 1.1: Overview of infrastructure funding system in New South Wales



There is difficulty in ensuring that mechanisms are either ‘impactor pays’ or ‘beneficiaries pays’. Certain types of infrastructure are required solely to enable specific developments such as local roads, drainage and local parks, yet are able to be used by the broader community. Some infrastructure supports both new and existing residents, such as community centres and libraries; and state infrastructure such as major roads, schools and hospitals, and can bring amenity to a whole region or city. It is not therefore always possible to ensure that the impactor or beneficiary pays as the funded projects offer benefits well beyond the immediate development.

A well-functioning infrastructure contributions system should be based upon the principles of efficiency, equity, certainty, and simplicity.

Table 1.1 identifies principles underpinning a well-functioning contributions system that should be applied to test different possible reform options.

Table 1.1: Principles for consideration in a reformed contributions system

Efficiency	Infrastructure costs should create a price signal to direct development to occur in areas where it is most viable – allocating resources to their best use.
Advantages	<ul style="list-style-type: none"> ▪ By supporting an economically efficient outcome, we ensure levels of service that reflect what future users want and/or need, but no more. ▪ The funding mechanism acts as a 'price signal': <ul style="list-style-type: none"> ○ areas with higher costs of delivery will have this reflected in charges; where costs are excessively high, development will be discouraged ○ development will be encouraged in areas with lower costs of delivery.
Challenges	<ul style="list-style-type: none"> ▪ This may be at odds with planning strategies, requiring a higher level of government intervention to support growth in areas that are desirable to achieve a strategic outcome. ▪ Difficulty in measuring 'demand' and apportioning costs—and the need to adapt to changing circumstances to ensure ongoing efficiency—can compromise other objectives, such as certainty, transparency.

Equity	Service delivery and cost apportionment should be treated consistently across service types, locations, and levels of government. Costs should not be borne by parties that are neither an impactor or a beneficiary.
Advantages	<ul style="list-style-type: none"> ▪ Consistent treatment builds confidence in the planning systems. ▪ Ability to consider sharing infrastructure costs between existing and future users.
Challenges	<ul style="list-style-type: none"> ▪ Somewhat counter-intuitive, but this principle does not consider 'capacity to pay' as all parties are treated as equal. ▪ Consistent treatment can be difficult when other policy objectives intervene.

Certainty	Infrastructure contributions should be applied in a manner that is predictable.
Advantages	<ul style="list-style-type: none"> ▪ Supports preparation of accurate development feasibility assessments, minimising risk. ▪ Development supply overall is enhanced as a result.
Challenges	<ul style="list-style-type: none"> ▪ There is a trade-off between certainty and flexibility, i.e. it reduces capacity to respond quickly to changing circumstances.

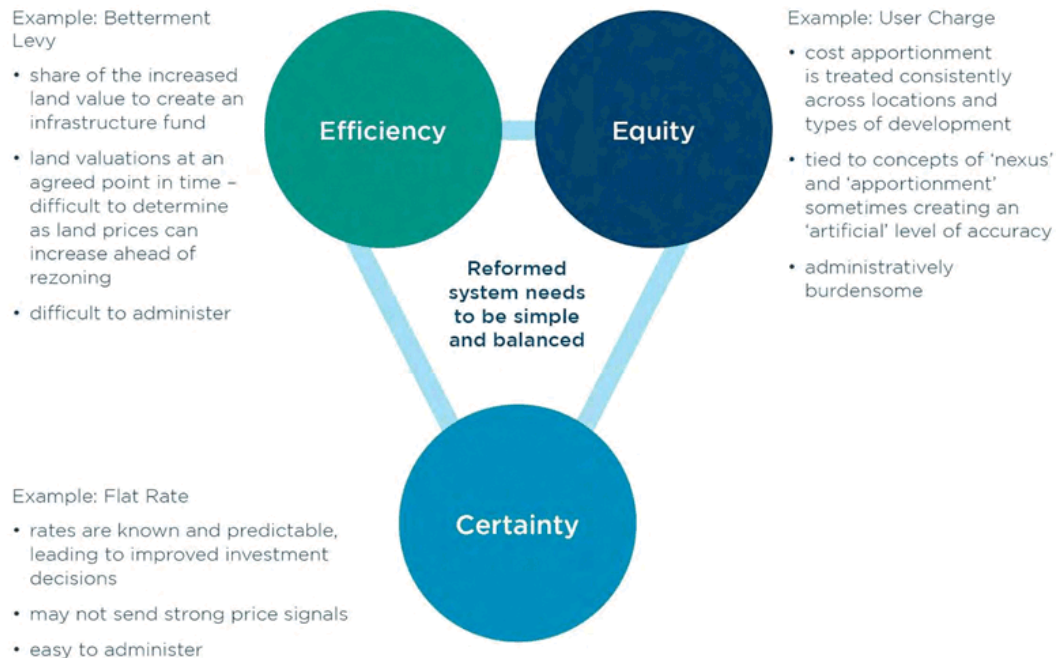
Simplicity	The contributions system should be easy to understand and compliance costs should be kept to a minimum.
Advantages	<ul style="list-style-type: none"> ▪ System is designed so that changes can be made relatively simply and quickly to support fast response to changing circumstances. ▪ People can easily find out how much the infrastructure contributions for their development will be, assisting them in making investment decisions.
Challenges	<ul style="list-style-type: none"> ▪ Requires a shift away from layered policies. ▪ May not send as clear price signals for service costs in different areas.

Fundamental to a reformed contributions system is that it is transparent, with a high level of governance to build public trust that funds collected for infrastructure purposes and spent on their proper purpose.

'Simplicity' is considered an essential design principle that will be used to underpin reform recommendations.

Balancing the principles of efficiency, equity and certainty will be a challenge for this Review in proposing reforms (Figure 1.2).

Figure 1.2: Balancing the principles when considering potential reforms



The current system focuses on the impactor bearing infrastructure costs. Early stakeholder feedback indicates the current system is less transparent than it could be. The requirement to develop detailed and costed infrastructure plans for specific areas carries a heavy administrative burden and can sometimes offer false precision in terms of costs. There may be a case for shifting the balance towards a simpler, less administratively burdensome system.

Appendix D provides a limited overview of how other jurisdictions apply infrastructure contributions.

Issue 1.1: Striking the right balance

There can be difficulty in reconciling the competing principles of efficiency, equity, certainty, and simplicity. Failure to strike the right balance can undermine confidence in the planning system.

- Is a 'one size fits all' approach appropriate or do parts of the State require a bespoke solution?
- What are the advantages and disadvantages of a site-specific calculation based on demand generated, compared with a broader average rate?
- Do other jurisdictions have a better approach to infrastructure funding we should explore?
- How can a reformed contributions system deliver on certainty for infrastructure contributions while providing flexibility to respond quickly to changing economic circumstances?

c. Outline for the rest of this Paper

The remaining chapters of this Paper are as follows:

- Chapter 2 discusses general issues in infrastructure funding and delivery affecting State and local government
- Chapter 3 explores specific issues related to the development contributions mechanisms under the *Environmental Planning and Assessment Act, 1979*
- Chapter 4 highlights further issues in planning, infrastructure and contributions
- Chapter 5 outlines the way forward for this Review.

Chapter 2: Infrastructure funding in New South Wales

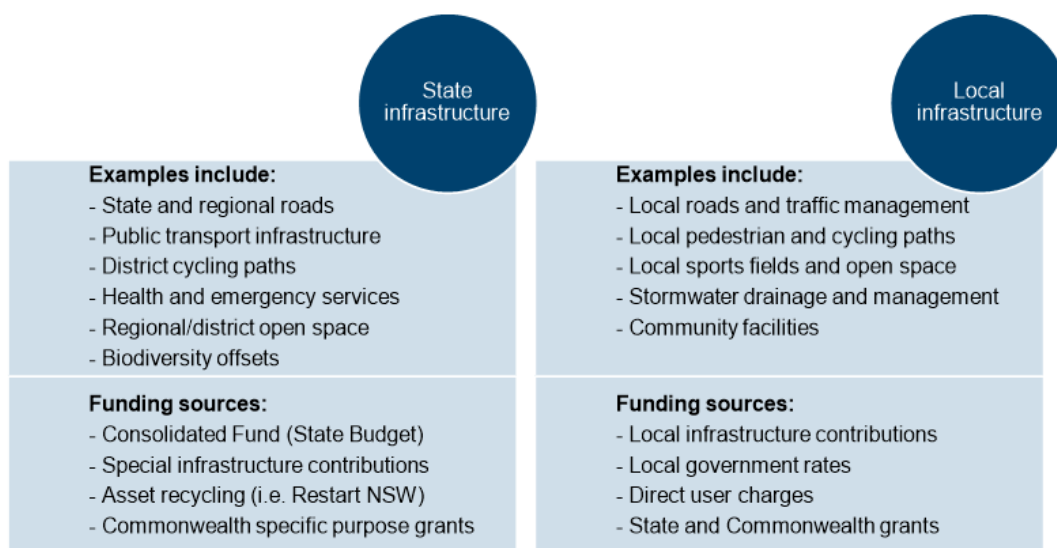
a. Infrastructure funding sources

Infrastructure can be funded in a range of ways:

- the NSW Government through the **budget (Consolidated Fund and Restart NSW)**
- the Commonwealth through **grants**
- local government from general **rates** revenue
- cost recovery through direct **user charges** and **infrastructure contributions**.

As illustrated in Figure 2.1, the type of infrastructure being delivered determines the funding source.

Figure 2.1: State and local infrastructure funding sources



State Infrastructure Spending

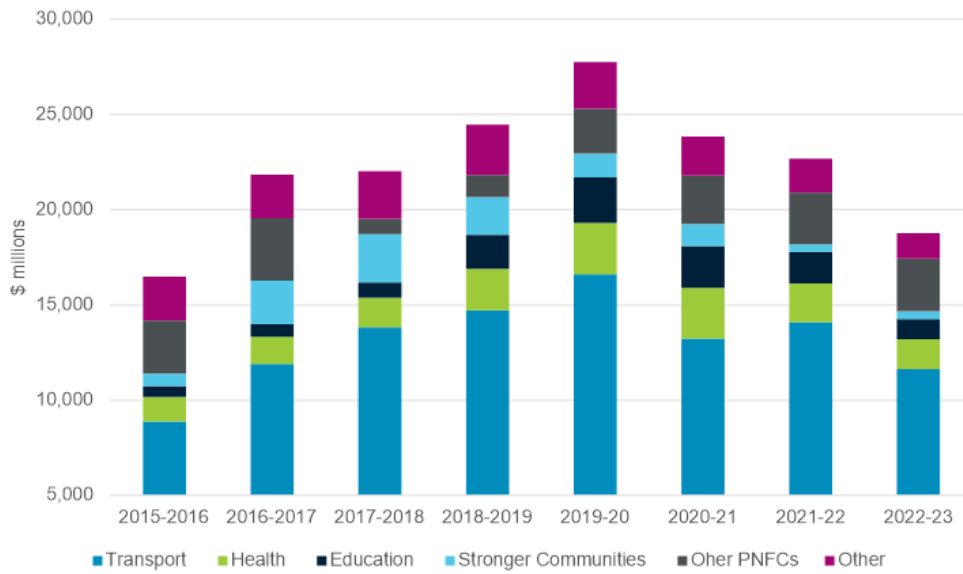
State Budget

The 2019-20 State Budget includes record capital expenditure of \$97.3 billion over four years for the Total State Sector, which includes both general government and the state-owned corporations. Most funding is provided by State sources such as taxation and own source revenues (\$64.1 billion, or 68.9 per cent), and Restart NSW (\$11.2 billion, or 12 per cent).

As shown in Figure 2.2, well over half the State’s infrastructure program is for **Transport** (59.7 per cent). Other categories of investment are non-transport Public Non-Financial Corporations (PNFCs)—**Energy, Water and Property** agencies (11.2 per cent), **Health** (9.8 per cent) and **Education** (8.5 per cent).

Of \$105.6 billion of total budgeted expenditure in 2019-20, capital expenditure had the second largest share at \$22.3 billion, or 21 per cent (see Figure 2.3). Only employee related expenses—salaries and wages, and superannuation—made up a larger share at 36 per cent.

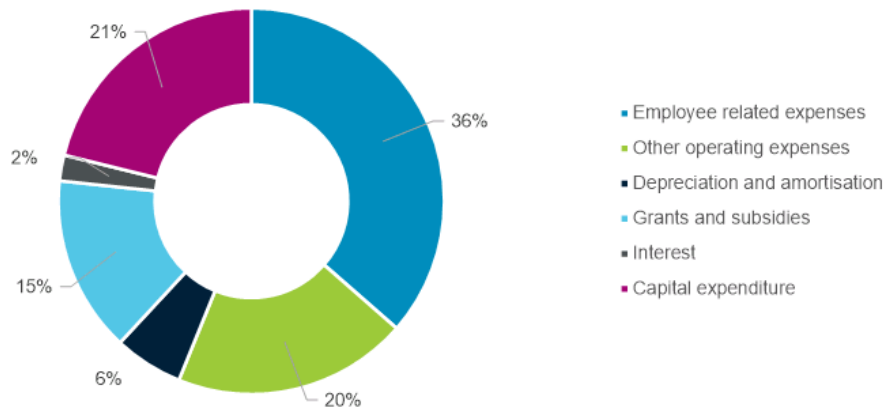
Figure 2.2: State infrastructure spending by cluster ^{(a)(b)}



Source: 2019-20 State Budget

- (a) Clusters are reported where appropriate to align with new Machinery of Government changes announced in April 2019, which take effect from 1 July 2019.
- (b) Numbers represented in the chart are on an eliminated Government Sector basis.

Figure 2.3: Composition of 2019-20 budgeted general government expenditure



Source: 2019-20 State Budget

Within the capital program, major projects include:

- WestConnex and NorthConnex
- Sydney Metro Northwest, City & Southwest, and West
- Light rail in Sydney, Newcastle, and Parramatta
- new and redeveloped hospitals at Northern Beaches, Rouse Hill, Kuring-Gai, Blacktown and Mount Druitt, Westmead, Campbelltown, Wagga Wagga, Dubbo and Gosford
- Regional road upgrades, including Pacific Highway, Princes Highway, and Newell Highway.

The State Government also recently announced a further \$1.6 billion over three years to 2022-23 (on top of the \$100 million provided in the 2019-20 Budget) for the Digital Restart Fund. This additional investment will help deploy new technologies to improve the digital customer experience across the public sector.

Restart NSW

The *Restart NSW Fund Act 2011* was established to promote economic growth and productivity by funding infrastructure. The Treasurer is the minister responsible for the fund, making allocations to projects on the recommendation of Infrastructure NSW. A 30 per cent target has been adopted for allocations to regional projects.

Examples of projects being delivered through Restart NSW include:

- major metropolitan transport projects, e.g. WestConnex, Sydney Metro, Parramatta Light Rail
- regional transport, including roads and aviation
- regional water security.

As of the 2019-20 Half Year Review, Restart NSW has received \$33.1 billion from asset transactions and interest earnings. Of this, \$27.4 billion has been committed for project planning and delivery. A further \$5.8 billion has been reserved for future projects (2019-20 Half-Year Review).

Local government rates

The largest single source of revenue for councils is local government rates, accounting for about two-thirds of council income. The remainder is sourced from a combination of user charges, grants from other levels of government (particularly the Commonwealth), and infrastructure contributions.

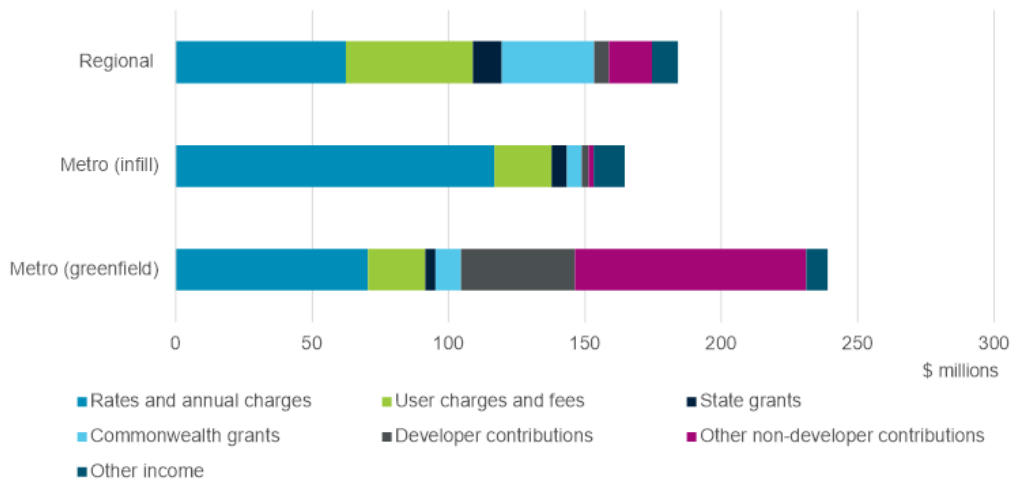
A description of how rates are applied is provided in Box 2.1.

Box 2.1 How local government rates are set in New South Wales

The *Local Government Act 1993* prescribes how rates should be calculated. Rate assessments are based on a **percentage of the unimproved land value** of the rateable property as estimated on a three-year rolling average by the NSW Valuer General. The unimproved value excludes the value of buildings and other embellishments to the land. Assessments may be subject to *either*:

- a **base amount**, a fixed charge that is applied in addition to the percentage amount, *or*
- a **minimum amount**, a fixed charge, where the percentage amount would fall below a certain minimum.

Figure 2.4: Composition of 2018-19 council revenue



Source: 2018-19 council annual reports

Figure 2.4 illustrates the composition of council revenue using three examples of a regional, a metro (infill), and a metro (greenfield) council in 2018-19. A *greenfield* area refers to land where there has been no previous urban development. Sites that have previously been developed are known as *infill* areas (such as redevelopment of former industrial areas).

Although the composition differs vastly between the councils, local government rates make up a large proportion of council revenue. Interestingly, the metro (infill) council relies more heavily on local rates revenue (71 per cent) than the metro (greenfield) (30 per cent) and regional (34 per cent) councils. For the metro (greenfield) council, a large portion of funds is derived from the property sector, reflecting the higher provision of new infrastructure to support a growing community. This includes:

- developer contributions (provided in the form of a monetary payment)
- other 'non-developer contributions' (contributions that are not made via a development contributions plan) including works that are required as conditions of development consent and other works-in-kind arrangements.

Support from the Commonwealth through grants

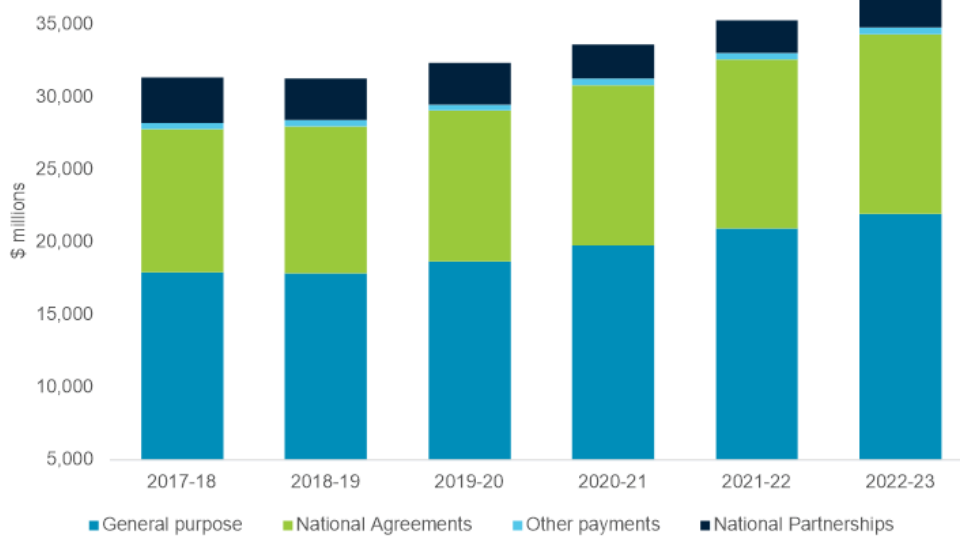
Commonwealth support comes in the form of specific purpose grants or general-purpose grants.

Specific purpose grants

Specific purpose grants are conditional payments made to the states (to be used for recurrent or capital purposes). These are generally tied to the delivery of national objectives in areas such as health, education, and community care. According to the Council on Federal Financial Relations (2019), these are provided as part of:

- **National Agreements** – of which five are currently in effect (National Healthcare Agreement, National Agreement for Skills and Workforce Development, National Disability Agreement, National Indigenous Reform Agreement and the National Health Reform Agreement)
- **National Partnerships** such as the Universal Access to Early Childhood Education, Skilling Australians Fund, DisabilityCare Australia Fund Payments and Land Transport Infrastructure Projects (2019–2024).

Figure 2.5: Commonwealth grants revenue increasing overtime



Source: 2019-20 State Budget

Over the next four years to 2022-23, Commonwealth grant revenue is expected to grow by an average of 4.3 per cent per annum. In 2019-20, the State is forecast to receive \$32.4 billion from the Commonwealth. This comprises general purpose grants (58 per cent - largely GST revenue) and specific purpose grants (41 per cent) (see Figure 2.5).

General purpose grants

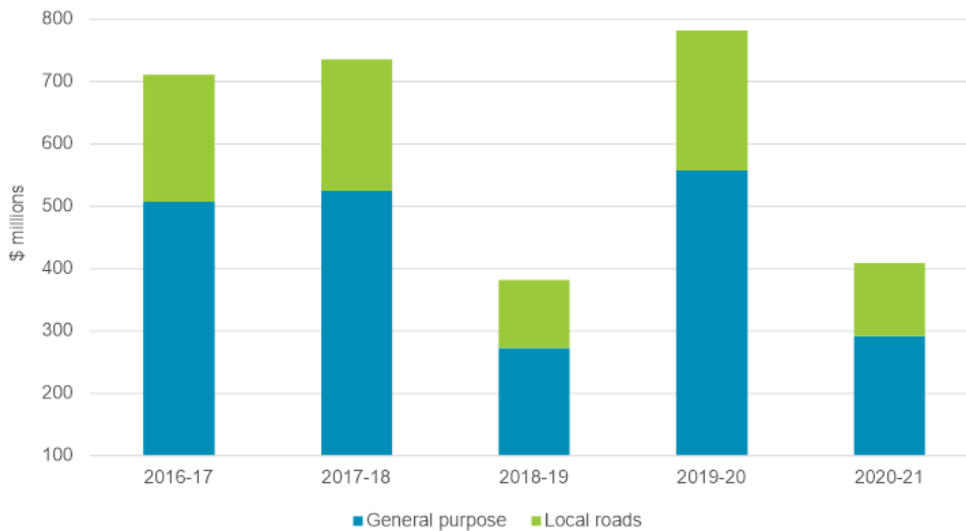
General purpose grants can be spent by the State and local governments on any state or local priority. An example of untied grants are financial assistance grants provided to local governments via the State through the Local Government Grants Commission (within the Planning, Industry and Environment cluster). It consists of two components:

- a **general purpose** component distributed on a per capita basis
- a **local roads** component distributed according to fixed historical shares.

Over the period 2016-17 to 2020-21, funding provided to local councils under these grants averaged around \$604 million a year, with a larger proportion being general purpose grants (71 per cent or \$431 million) (see Figure 2.6). They are distributed to councils in accordance with the National Distribution Principles of the *Commonwealth Local Government (Financial Assistance) Act 1995*.

On 22 May 2020, the Commonwealth Government announced a new \$500 million Local Roads and Community Infrastructure Program (with over \$139 million allocated to New South Wales councils). The funding will support local governments in the delivery of priority local roads and community infrastructure projects across Australia and create local jobs to assist post COVID-19 recovery.

Figure 2.6: Composition of grants in Commonwealth Financial Assistance Grants program



Source: Department of Infrastructure, Transport, Regional Development and Communications and Local Government Grants Commission

Under the current arrangements, the same level of funding is provided to councils for a given population size regardless of differences in their socio-economic status and land values within their area. The NSW Independent Review of Local Government (2013) and the Henry Tax Review (2009) are two reports that have called for the removal of the minimum grant principle to enable a higher level of horizontal equalisation and more equitable redistribution of grant funding.

Cost recovery through user charges

Under a user-pays arrangement, the user or beneficiary of the infrastructure contributes all or part of the cost of its provision. Examples of common user charges include road tolls and utilities pricing.

This Review can help design a system that ensures the infrastructure funding mix strikes the optimal balance between cost recovery—through contributions and user charges—and the broader tax base.

Issue 2.1: Enable a broader revenue source for the funding of infrastructure

Are there any potential funding avenues that could be explored in addition to those in the current infrastructure funding mix?

b. Challenges in State Government service provision

New South Wales faces a range of existing and emerging headwinds, many of which are national or global in nature. Each of these present challenges for State and local government to address and have bearing on the planning and delivery of infrastructure. A reformed contributions system should complement existing policies and other reform initiatives under consideration. It is necessary, therefore, to set the broader economic, social, and environmental context for this Review.

Infrastructure demand will continue to grow despite record investment

Despite record infrastructure investment, service demand will continue to rise with a growing population. By 2041, the State is projected to reach nearly 11 million residents (as compared to a population of eight million in 2019) with Greater Sydney contributing around seven million to these projections (DPIE, 2020).

Notable examples of additional pressure on infrastructure include:

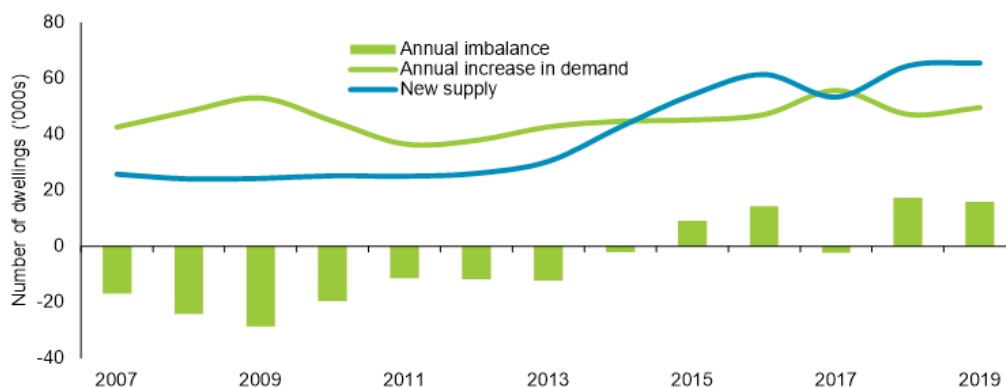
- **Rail network patronage**, with the number of trips projected to rise by 113 per cent between 2016 and 2036, an increase of more than 1 million extra trips each day (INSW, 2018).
- **Private vehicle use**, with car trips projected to rise by 30 per cent between 2016 and 2036 to 12.1 million a day (INSW, 2018).
- **School student** numbers expected to require an extra 7,200 classrooms over the next 30 years (Department of Education, 2017).
- **Growth areas and precincts** that require a coordinated approach to infrastructure delivery.

Housing undersupply and declining approvals

The 2016 NSW Intergenerational Report was the first to directly model the housing market in New South Wales. It estimated an undersupply of 100,000 dwellings had emerged, based on historic annual completions and long-term trends in living arrangements. This accumulated undersupply reflects housing completions not keeping pace with housing requirements (i.e. driven by strong population growth), particularly over the period from 2006 to 2012, when new housing supply nearly halved and net overseas migration to Australia doubled.

Constrained supply, combined with an extended environment of low interest rates since the 2008-09 Global Financial Crisis, helped propel an unprecedented uplift in housing prices over the past decade. A surge in residential construction activity since 2011-12 helped reduce the housing backlog, but a net undersupply remains (Figure 2.7). While high prices have been sustained, construction activity is on the decline. Dwelling approvals for New South Wales fell by 22 per cent from their peak of 73,315 in 2015-16 to 57,238 approvals in 2018-19 (ABS 8731.0).

Figure 2.7: Annual dwelling production and demand in New South Wales



Source: ABS 6416.0, NSW Treasury

The slowdown in approvals and commencements is explained by volatile house prices, largely as a result of macroprudential measures introduced in 2017 and interest rate reductions beginning in June 2019. Since bottoming out in May 2019, Sydney house prices have grown considerably, with the median Sydney price up by 9.8 per cent. Presently, Sydney house prices remain around 4.0 per cent below their peak in June 2017 (CoreLogic). Going forward, the withdrawal of the Commonwealth’s JobKeeper initiative and other stimulus measures from September 2020, present further uncertainties.

Infrastructure costs are rising

Infrastructure Australia (2019) has identified the following significant emerging cost pressures facing Australian governments in general, with each of these particularly relevant to New South Wales:

- rising **property acquisition** costs are contributing to higher project delivery costs
- growing **environmental and planning** compliance costs
- supply constraints in the construction sector, in part driven by **skills shortages**
- significantly greater **maintenance** costs to prevent a decline in service quality from assets and a greatly expanded capital base at State and local levels in recent years.

In recent years, record infrastructure investment and robust private development activity have intensified cost pressures in the construction sector and are stretching finite resources. A recent global study of construction costs found Sydney to be the most expensive Australian capital city for construction and ranking 30th in an assessment of 100 cities globally (Arcadis, 2020).

High costs are further exacerbated by the complexity and uncertainty of the current planning system, which limits investment, employment growth, housing supply, and living standards.

The 2019-20 bushfires and COVID-19 have compounded existing challenges

The pre-existing challenges are broadly compounded by the combination of the 2019-20 summer bushfire season and outbreak of the current COVID-19 global pandemic. New South Wales was, unfortunately, among the hardest hit among the states by these successive crises. Presently, it is not clear how long the crisis will last or whether there will be a 'second wave'. The immediate focus of governments—Commonwealth, state, and territory—have, correctly, been on measures to contain the crisis while buttressing the livelihoods of households and businesses (see Box 2.2).

COVID-19 is expected to generate some easing of the above pressures. Migration—particularly from overseas—is expected to temporarily slow and this is likely to temporarily ease housing and infrastructure demands, particularly in Greater Sydney. The necessary, but costly, measures taken to address the crisis will, however, ensure the medium-term budget position is even more constrained than the NSW Intergenerational Report (2016) projected.

Climate change will continue to alter the frequency and intensity of extreme weather events such as heatwaves and flooding. This is likely to increase the vulnerability of the State's infrastructure to natural disasters. Building the long-term resilience of the State's existing and new infrastructure to future shocks will reduce risk and costs to Government.

These challenges collectively require substantial improvement to how we plan, fund, and deliver infrastructure in New South Wales.

Box 2.2: Planning response to COVID-19

The planning system has an important role to play in the fight against COVID-19. To assist with economic recovery and facilitate a 'bounce back', the following steps have been taken:

- Planning System Acceleration Program to fast-track planning projects and support jobs in the construction sector.
- Ministerial Orders made under the newly introduced COVID-19 Legislation Amendment (Emergency Measures) Bill 2020 including:
 - extended days for infrastructure and construction work
 - changes to retail trading and operating hours and waste removal
 - greater flexibility for restaurants, food trucks, and 'dark kitchens'
 - relaxing operating hours for home businesses.

For more information on the planning response to COVID-19 visit planning.nsw.gov.au/Policy-and-Legislation/COVID19-response

Improvements to infrastructure planning and delivery processes are in train

In recent years, the State Government has implemented a range of process improvements to streamline infrastructure planning and delivery within the State.

Strategic planning integrates land use change with service provision

The Government's infrastructure and land use planning adopts a strategic approach involving a 20-year outlook and a clear line-of-sight across each plan. The 'Greater Sydney Region Plan: A Metropolis of Three Cities', the 'State Infrastructure Strategy 2018-2038', and 'Future Transport 2056' adopted a vision for a Greater Sydney comprising of three distinct cities:

- the Eastern Harbour City, centred on the Central Business District
- the Central River City, centred on Parramatta
- the Western Parkland City, centred on the new airport at Badgerys Creek.

The objective is to ensure residents live within 30 minutes of jobs, education, health facilities, services and leisure spaces. The Greater Sydney Region Plan is supported by District Plans that provide detail on how the vision will be implemented and growth will be managed. These plans are then reflected in Local Strategic Planning Statements prepared for each local government area to provide more detailed implementation and guidance. Successful delivery of these strategies relies on substantial investment in infrastructure, highlighted as an example for the Greater Parramatta to Olympic Peninsula corridor in Box 2.3.

Box 2.3: Greater Parramatta/Olympic Peninsula Infrastructure Compact

Greater Parramatta/Olympic Peninsula (GPOP) is a 6,000-hectare area at the physical centre of Greater Sydney. The pilot 'Place Infrastructure Compact' will bring together service delivery agencies across government to align the staging and sequencing of infrastructure delivery with future housing.

A strategic program business case for the GPOP Infrastructure Compact has been completed. The program of initiatives will now proceed to business case stage for individual investment decisions by Government.

The State Infrastructure Strategy attempts to reconcile competing pressures on Government

The current 20-year State Infrastructure Strategy, adopted in 2018, identified six strategic areas of priority for the whole-of-government infrastructure program (see Table 2.1).

Table 2.1: State Infrastructure Strategy 2018–2038

Strategic Objectives	
1. Continuously improve the integration of land use and infrastructure planning	2. Ensuring existing and future infrastructure is resilient to natural hazards and human-related threats
3. Planning, prioritisation, and delivery that makes the best possible use of public funds	4. Improving state-wide connectivity and realising the benefits of technology
5. Optimising the management, use, and performance of existing assets	6. High-quality consumer-centric services and innovative service delivery models

Source: State Infrastructure Strategy 2018–2038

The first three objectives are the most significant in containing overall capital expenditure to the State:

- demand for new projects can be contained by **optimising use of existing assets**
- careful **prioritisation and sequencing** of new projects will maximise social returns on an increasingly constrained capital budget
- **alignment between strategic plans** allows coordination of private development with service delivery, allowing the realisation of savings.

To date, several recommendations have been implemented including:

- a new whole-of-government **Asset Management** Policy
- a 10-point commitment to the construction sector, developed to support value-for-money procurement and major project delivery (NSW Government Construction Leadership Group, 2018)
- developing new guidelines for **infrastructure resilience** to climate change and natural disasters.

The contributions system needs to play its role in addressing these infrastructure challenges

The above initiatives are step change in infrastructure policy. They are, however, insufficient to meet the looming fiscal challenge while maintaining services to a growing and ageing population.

A missing element is better support for the capital budget as asset-recycling winds down and the post COVID-19 recovery gets underway. There is a need to explore new and innovative ways to fund the infrastructure required to accommodate growth and underwrite our quality of life.

Issue 2.2: Integrating land use and infrastructure planning

The Greater Sydney Region Plan provides the overarching vision and infrastructure needs, which is translated into separate District Plans and Local Strategic Planning Statements. These are used by councils for land use and infrastructure planning.

- How can the infrastructure contributions system better support improved integration of land use planning and infrastructure delivery?

c. Challenges in local government service provision

The NSW Productivity Commission's 2019 Discussion Paper: *Kickstarting the Productivity Conversation* addressed the changing nature of local government to meet rising community expectations. Traditionally, the roles and responsibilities of councils are prescribed under the *Local Government Act 1993*. Its functions have, however, grown significantly over time, resulting in systemic fiscal challenges for the sector that need to be addressed. A significant role is also conferred on councils by the *Environmental Planning and Assessment Act 1979*.

Rising expectations on councils to provide services

Another principal driver behind the expanding functions of councils is the rising expectations of their communities. These increasing expectations are not uniform across all Local Government areas, reflecting differences in service preferences across communities.

The challenges facing the State are broadly applicable to local governments as well:

- councils are subject to pressures from growth and demographic change
- as the Summer 2019-20 bushfires season and COVID-19 demonstrate, their ability to serve their communities is also vulnerable to natural and unforeseen hazards
- rising costs for property acquisition, design standards to achieve planning and environmental compliance, and construction, skills shortages also apply to local government.

Rate pegging and special variations

Since 1977, the Minister for Local Government has set annual limits to increases in councils' general rate income. The regulated increase is called the 'rate peg' and is based on:

- the percentage increase in the Local Government Cost Index, which measures price changes over the previous year for goods, materials, and labour used by an average council
less
- an assumed, or desired, increase in productivity factor.

The annual rate peg is determined by the Independent Pricing and Regulatory Tribunal (IPART) under delegation by the Minister for Local Government. The rate peg was set at 2.3 per cent in 2018-19, 2.7 per cent in 2019-20 and 2.6 per cent for 2020-21.

Councils can apply to IPART to allow them to increase their general income above the prescribed rate peg through a special variation process, subject to guidelines set by Office of Local Government. This process, however, can be difficult for councils given a four-year election cycle.

For a special variation to be granted, councils must demonstrate:

- community **awareness** of their plans
- a demonstrated **need** for more revenue
- a **record** of council productivity improvements.
- a **reasonable** impact on ratepayers
- a **sustainable** financing strategy

The practice of rate pegging in Australia and its origins is discussed in Appendix C.

Issues arising from rate pegging

Rate pegging carries a range of implications, some of which have unintended consequences and flow-on impacts for urban growth. The Independent Local Government Review Panel's Final Report (2013) noted over the period 2001-02 to 2010-11, growth in total revenue of NSW councils was 5.7 per cent per annum. This compared to an average 8.0 per cent for the other mainland states. Rates revenue increased by 4.4 per cent per annum in New South Wales compared to an average of 8.0 per cent elsewhere.

Disincentive for councils to accommodate growth

In response to population growth, communities are confronted by the collective weight of its impacts:

- **Costs**, such as **road congestion, public transport crowding, rationing** of community services, **loss of environmental amenity and maintenance** of a growing asset portfolio.
- **Benefits**, such as **larger and deeper markets** for products and skills accessed by businesses and better **economies of scale** in service delivery.

As their agent in the political process, councils are expected to be responsive to community views. Because development is accompanied by both costs and benefits, the planning system must deal appropriately with accommodating growth and facilitating access to housing and employment, while managing environmental outcomes, promoting health and wellbeing, and attracting investment.

Rates revenue funds service delivery for the existing community including recurrent costs that cannot be recovered through infrastructure contributions. The rate peg, however, acts as a financial disincentive for councils to accept development. In its presence, their rates revenue does not rise as population and land values increase. This contrasts with the both State and the Commonwealth, which are both able to expand their revenue with rising population and asset prices.

Moreover, some stakeholders have argued rate pegging currently encourages some councils to extract more revenue through contributions than is justified. They suggest councils are incentivised to capitalise future maintenance costs by requiring infrastructure be built to standards and specifications that reduce maintenance and extend the life of the asset. While this is arguably a more sustainable approach to assets management, it can be inefficient. Instead, options with a higher up-front cost and lower maintenance, and those with lower up-front costs and higher maintenance, should be subject to economic evaluation. This presents future costs (and benefits) in present value terms.

On 18 June 2020, the Minister for Local Government announced the Government's response to IPART's Review of the Local Government Rating System (2016) and advised that the Office of Local Government is exploring changes to the rate peg to account for population growth. This development is welcomed by the Review and complements an efficient, reformed infrastructure contributions system.

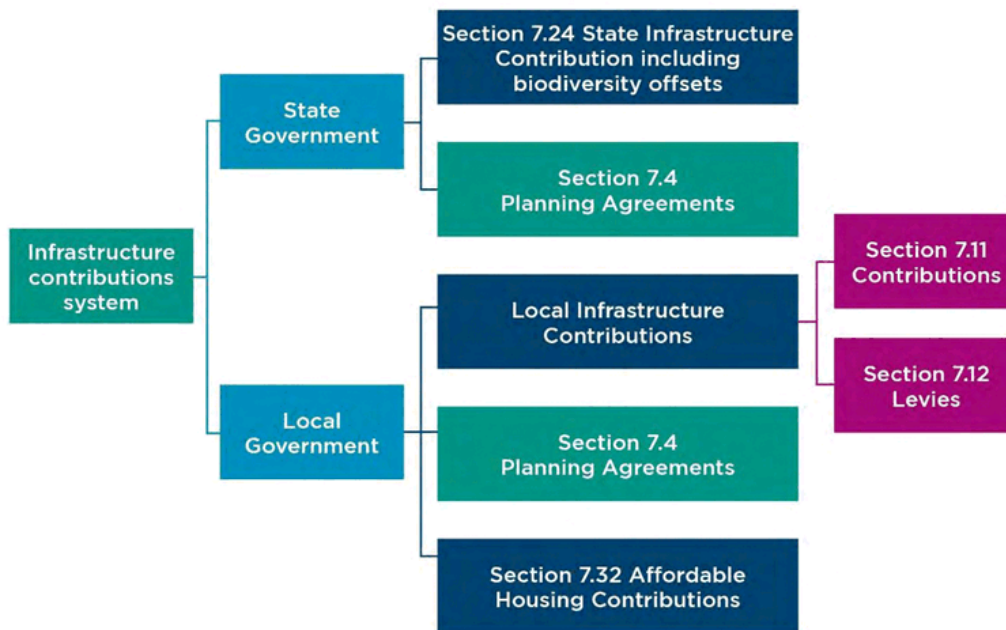
Chapter 3: Infrastructure contributions mechanisms and issues

a. Infrastructure contributions mechanisms

Overview of the infrastructure contributions system

The infrastructure contributions framework consists of five mechanisms (see Figure 3.1).

Figure 3.1: Overview of the New South Wales infrastructure contributions system

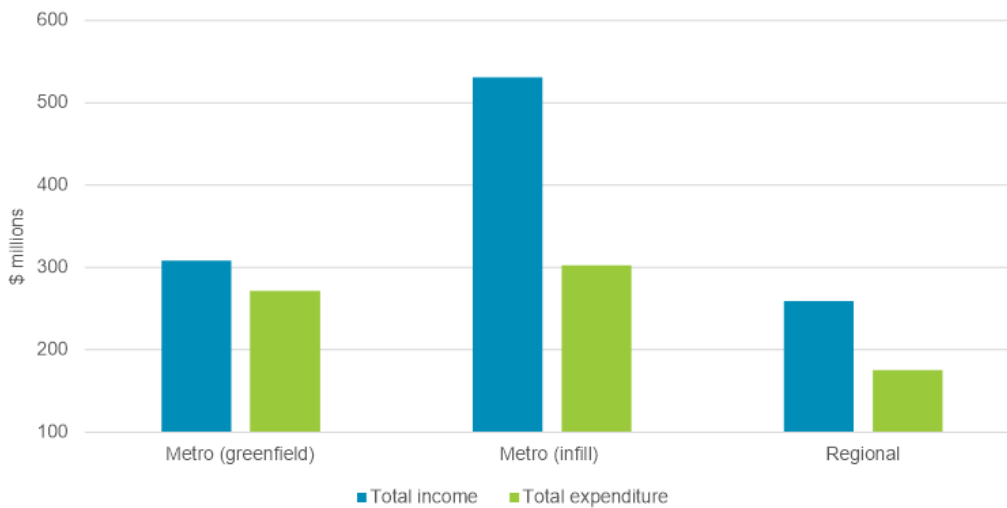


Contributions are collected by both State and local government. The State is responsible for state and regional roads, public transport, health facilities, emergency services, schools, regional open space improvements and some pedestrian and cycling paths. In 2018-19, the State collected approximately \$49 million through special infrastructure contributions and around \$21.2 million under State planning agreements (DPIE 2018-19 Annual Report).

Local government is generally responsible for delivering local infrastructure such as open space, community facilities, stormwater drainage, local roads, footpaths, and traffic management. Funds collected by councils through contributions are held in trust for delivery of the infrastructure it was collected for.

Figure 3.2 compares annual income and expenditure from contributions grouped into metro (greenfield), metro (infill), and regional areas, measured as an average over the three-year period (2016-17 to 2018-19).

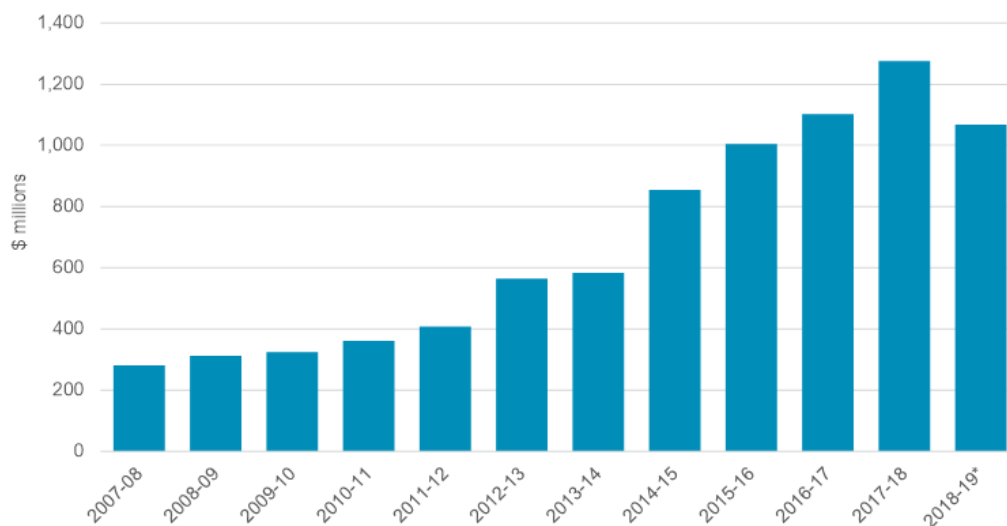
Figure 3.2: Total infrastructure contributions income and expenditure by council type



Source: DPIE

Figure 3.3 compares total contributions revenue collected by councils from 2007 to 2019, noting that the data for 2018-2019 is not complete. While total contributions collected have been increasing, so too have property acquisition and construction costs (refer to Chapter 4 for further discussion).

Figure 3.3: Local infrastructure contributions collected by councils over time



Note: Due to an incomplete dataset produced by the Office of Local Government NSW in 2018-19, DPIE has separately estimated the local contributions of five councils using their audited financial statements.

Source: DPIE

Infrastructure contributions in New South Wales are often criticised for being 'high', with industry groups arguing they adversely impact development feasibility. They are also criticised for being hard to predict and adding a level of uncertainty to the development process. Importantly, while they attract significant attention, contributions comprise an average of between one and four per cent of total development costs. This is illustrated in Table 3.1 below.

Table 3.1: Indicative costs of development in Sydney

Development cost components	Greenfield Development	Infill Development
	Approximate portion (%)	Approximate portion (%)
Land acquisition	17	22
Construction costs	44	39
Stamp duty and land tax	7	8
GST	8	8
Company tax	3	4
Infrastructure contributions	4	1
Other utility, council fees etc.	2	2
Sales and marketing costs	4	4
Legal and financing	2	2
Developer profits	9	10
Total	100	100

Source: Based on interpretation of data contained in 2018 *Taxes and Charges on new housing* prepared by ACIL on behalf of the Property Council of Australia (PCA).

Section 7.4 Planning Agreements

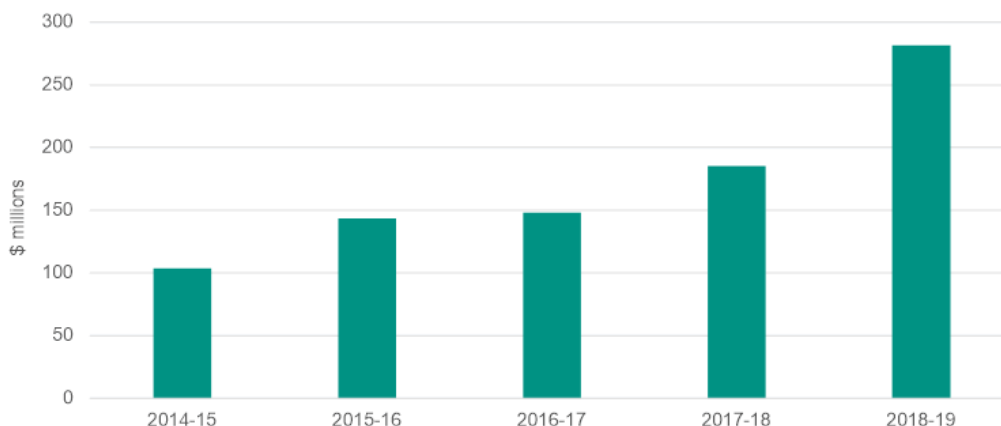
Planning agreements are negotiated between developers and planning authorities (either State or local government) and can deliver a wide array of public benefits. Planning agreements encourage innovative solutions to infrastructure delivery, as they:

- are not limited to the provision of infrastructure based on a schedule of works contained in contributions plans
- are commonly used to provide infrastructure in areas not covered by a contributions plan
- can address site-specific infrastructure needs
- can be used to fund recurrent expenditure, unlike other contributions mechanisms
- can be tied to the land subject to the agreement, rather than the development consent.

The State uses planning agreements as a mechanism for developers to make 'satisfactory arrangements' for the provision of regional infrastructure. This approach is often applied in areas where no special infrastructure contribution is in place.

The use of planning agreements by councils has increased significantly in recent years. Some stakeholders have suggested this is in part because of constraints on other revenue sources. Figure 3.4 illustrates the increasing role of planning agreements, showing cash balances held by councils over the past five years.

Figure 3.4: Planning agreements – cash balance held by councils over time



Source: Office of Local Government NSW, Summary of Annual Financial Statements for NSW Local Government

While indicative, the data tends to understate the value of planning agreements, as they do not include the value of works-in-kind, which are commonly used to facilitate direct delivery of infrastructure.

Flexibility of planning agreements has both advantages and disadvantages

The flexibility of planning agreements can have benefits. It can allow developers to provide innovative solutions to infrastructure need or enable an out-of-sequence project to proceed, and councils can share in the land value uplift (an example of a project delivered under planning agreement is provided in Box 3.1).

Box 3.1 Case study: Bennelong Bridge Planning Agreement

Bennelong Bridge in Homebush Bay is an example of an innovative piece of infrastructure funded entirely through a value sharing planning agreement. The planning agreement saw a developer consortium construct a \$63 million bridge between Rhodes and Wentworth Point and provide an upfront cash contribution to maintain the bridge for the first 40 years of its life. In exchange, the State government approved a rezoning to increase the density of 25 hectares of developable land around the bridge by 20 per cent, or an additional 1,300 dwellings.

The bridge now connects the two communities via bus services, while pedestrians and cyclists use the bridge for local trips as an alternative to the private car. The bridge is the first in Sydney to exclude private car travel.

Source: *Sydney's Bennelong Bridge: Pioneering 'value sharing'*, New Planner, Issue No. 110, March 2017.

A lack of consistently applied principles in their application can, however, foster uncertainty. It can also undermine confidence in the planning system. Critics argue that they can create the perception that 'development is for sale' especially where they lead to spot re-zoning, or allowance of additional height and floor space.

Local government

The *Environmental Planning and Assessment Act 1979* (the Act) and the *Environmental Planning and Assessment Regulation 2000* (the Regulation) set the framework in which councils can negotiate planning agreements. This is supplemented by a more detailed departmental practice note, which outlines principles that should underpin agreements including:

- planning decisions may not be 'bought or sold'
- benefits under a planning agreement should not be 'wholly unrelated' to the development (though this is not as strict as the nexus requirements for section 7.11 contributions plans).

Several issues have been raised including:

- councils are not required by the Act to 'have regard' to practice notes when negotiating planning agreements, unlike for section 7.11 contributions and section 7.12 levies
- the *Planning Agreements Practice Note* has not been updated since 2006 and, therefore, may not reflect contemporary circumstances and
- councils have adopted policies on planning agreements that do not align with the practice note, such as bonus floor space provisions.

There has been increasing use of planning agreements by councils as a 'value capture' mechanism, where the council may agree to provide additional height or floorspace where a developer agrees to pay a share of the additional value created to the council. This has led to some criticism from the development industry that agreements are not 'voluntary' and that councils may have incentive to keep planning controls (particularly height and floor space ratios) deliberately low in order to extract payments. Alternatively, some argue that planning agreement policies that specifically outline the density bonus provisions provide greater transparency. The use of planning agreements as a 'value capture' mechanism may be appropriate, but current practice is inconsistent, lacking clear principles and adding uncertainty.

In April 2020, the Department released a draft revised planning agreements policy framework. The policy includes a Ministerial Direction requiring councils to 'have regard' to the practice note. Stakeholder feedback on the draft practice note, when first exhibited in 2017 and again in 2020, demonstrates there is, however, a lack of consensus in how planning agreements should be used.

NSW Government

The Act and Regulation also set the framework for the State to negotiate planning agreements with developers. There is no equivalent practice note to provide policy guidance for State negotiations. Additionally, the State can require that development applications cannot be approved in an 'urban release area' unless satisfactory arrangements for the provision of State infrastructure have been made. This measure facilitates the rezoning of land, with infrastructure provision to be managed at a later stage but is criticised for the uncertainty and delay it generates.

Planning agreements can reflect a lack of strategic planning

Planning agreements can be a fall-back mechanism when unanticipated development occurs, and detailed infrastructure contributions planning has not yet been undertaken. There is, however, a risk that planning agreements can be used as a substitute for proper strategic infrastructure planning. The infrastructure provided may not align with council's overall planning and funding policies or the development may not fit with the broader strategic land use plan for the area. This can reduce certainty for the community, in terms of the development outcome, and for developers in terms of the contribution they will be liable for. Out of sequence development can also increase overall infrastructure costs to both councils and State government.

Issue 3.1: Principles for planning agreements are non-binding

The Planning Agreements Practice Note is currently non-binding on councils, although the Ministerial Direction exhibited by the Department aims to change this. There are no equivalent guidelines for use when negotiating planning agreements with the State.

Additionally, there is little agreement between stakeholders on what the principles should be for either local or State planning agreements and there is no consensus on the appropriateness of value capture through planning agreements.

- What is the role of planning agreements? Do they add value, or do they undermine confidence in the planning system?
- Is 'value capture' an appropriate use of planning agreements?
- Should planning agreements require a nexus with the development, as for other types of contributions?
- Should State planning agreement be subject to guidelines for their use?

Transparency and accountability

Planning agreements are often less transparent than other mechanisms because negotiations are confidential. Even after agreements have been struck, they are not always fully open to public scrutiny.

Public notice and public register of planning agreements

The Act requires planning agreements be publicly notified for at least 28 days. Moreover, the Regulation requires planning authorities keep, and make public, a register of all planning agreements. Councils comply with this requirement in different ways. Some provide an up-to-date online register, some hold the information at the council customer service centre, while others only provide it on request. The Department keeps a separate register of all draft and finalised State planning agreements on their online State Voluntary Planning Agreements Register.

Reporting and accounting practices

The Regulation contains only limited reporting and auditing requirements for planning agreements. This was identified by the 2018 Kaldas Review as a barrier to transparency and accountability, potentially increasing the risk of corruption in the system.

The discussion paper 'Environmental Planning and Assessment Regulation: proposed amendments', released by the Department in April 2020, includes new requirements for reporting and accounting of contributions received via planning agreements and related expenditure.

Issue 3.2: Transparency and accountability for planning agreements are low

Reporting and accounting requirements for planning agreements are low, although proposed changes to the Regulation may improve this. Differing practices between councils and the State in maintaining separate planning agreement registers and public notice systems is confusing and reduces transparency and accountability.

- What could be done to improve the transparency and accountability of planning agreements, without placing an undue burden on councils or the State?
- Should councils and State government be required to maintain online planning agreement registers in a centralised system? What barriers might there be to this?

Planning agreements can be resource intensive and time consuming

Negotiation, delivery, and monitoring of planning agreements can be resource intensive and time consuming. For example:

- both the planning authority and developer need the resources and skills to undertake successful negotiation and must each have their own legal advisors
- each agreement requires appropriate security (such as linking delivery to the release of certificates, registration on title or financial security such as a bond or bank guarantee), which can differ, depending on the circumstances
- ongoing monitoring is required, especially where the security is tied to the release of construction or subdivision certificates
- multiple landowners can make it harder to reach consensus
- a developer may be required to negotiate separate State and council agreements.

Infrastructure provided through planning agreements can vary significantly in complexity and value. In the case of State planning agreements, they can include unknown or complex requirements, conservation land and biodiversity offsetting, and involvement of other State agencies, such as Transport for NSW and the Department of Education. Even relatively simple planning agreements may impose a significant impost in terms of time and administrative requirements.

Issue 3.3: Planning agreements are resource intensive

Planning agreements are a resource intensive mechanism but have potential to deliver unique and innovative outcomes.

- Should the practice note make clear when planning agreements are (and are not) an appropriate mechanism?

Section 7.11 Local Infrastructure Contributions

Section 7.11 contributions (previously known as section 94) was the original mechanism under the Act to recover the costs of local infrastructure delivery. Section 7.11 contributions plans are based on the principles of:

- reasonableness
- nexus (the connection between proposed development and the demand created)
- apportionment (the share of the total demand that the developer must pay).

Councils are required to prepare a local infrastructure contributions plan setting out the 'nexus', or relationship, between a development and the infrastructure required to service it. The charge is determined by apportioning costs attributable to the additional demand the development creates. These contributions can only be applied to capital costs of providing new, expanded or augmented facilities. They cannot be applied for maintenance or operating costs (with the limited exception of roads impacted by extractive industry operations).

Contributions plans that propose rates above a threshold set by the Minister for Planning and Public Spaces (currently \$20,000 for infill and \$30,000 for specified greenfield areas) are reviewed by the Independent Pricing and Regulatory Tribunal (IPART). This assesses the reasonableness of the contributions plan and ensures only 'essential' local infrastructure is included. Councils can then charge the approved contribution rate as a condition of development consent.

Complexity

The efficiency and effectiveness of these contributions plans depends on the accuracy and currency of contributions rates at any time. Councils must write contributions plans that detail the relationship between the infrastructure to be provided and the development. This ensures the cost of local infrastructure is distributed fairly between all beneficiaries; but it also creates complexity and imposes an administrative burden on local government. Because these contributions plans are generally difficult to navigate, it also tends to reduce transparency. The result is developers are often unable to easily calculate a potential contribution liability and the community cannot easily deduce what infrastructure it can expect and when. While they are required to set out an indicative rate, the actual contribution owed on a specific development must be calculated by the council in each case.

Plan management and implementation

Contributions plan management and implementation requires considerable legislative and regulatory skill. Councils may have limited staff available and operational requirements may mean that the ongoing management of adopted contributions plans is not prioritised. Additionally, some councils have accumulated significant contributions balances, indicating there may be barriers to their timely expenditure.

Some local infrastructure would be most appropriately provided by two councils in collaboration. For example, larger community facilities often serve a catchment area that crosses local government area boundaries and some roads form the boundary between local government areas. While the legislation and practice notes specifically allow for cross-boundary infrastructure contributions planning, in practice this is rarely undertaken.

Review of plans

Strategic planning is a long-term exercise and most contribution plans have implementation timeframes of 10 to 20 years. Contributions plans require periodic review to ensure infrastructure requirements and cost estimates remain current. The Development Contributions Plans Practice Note 2005 recommends contributions plans be reviewed at least every five years. Approximately 37 per cent of councils have contributions plans at least 10 years old.

This frequency of review is recommended as the design principles and cost of delivery will change over the lifetime of a plan, as will community expectations and infrastructure need. The assumptions underpinning the contributions plan, such as expected density and development outcomes, also change over time and additional infrastructure requirements may be identified as development progresses.

Lack of review can be influenced by many factors, including insufficient resources and skills on behalf of the councils, as well as uncertainty regarding the policy settings.

Issue 3.4: Contributions plans are complex and costly to administer

Contributions plans can be opaque, making it hard for developers to calculate a potential contribution liability and the community to know what infrastructure it can expect and when. Many plans are not updated in a timely manner, leading to issues with cost escalation, outdated assumptions, and difficulty meeting community infrastructure needs. Some councils have significant contributions balances, indicating there may be barriers to timely expenditure.

- How could the complexity of s7.11 contributions planning be reduced?
- What are the trade-offs for, and potential consequences of, reducing complexity?
- How can certainty be increased for the development industry and for the community?

Misalignment between timing of payment and delivery of infrastructure

Section 7.11 contributions are imposed as a condition of consent and payments are typically required prior to obtaining a construction or subdivision certificate. Councils have the discretion to allow payments to be deferred to a later stage but typically require a financial security for the full contribution amount. This security requirement effectively neutralises the financing benefits of deferring the payment. The timing of payment is a 'cash flow' issue for councils, that argue a need for early payment to facilitate provision of 'enabling infrastructure'. Timing is also a 'financing' issue for developers as the risk profile for the project is different pre and post construction.

The Department has received requests in response to economic conditions arising due to COVID-19, to allow contributions payments to be deferred, without the need to provide security, until prior to the release of the occupation certificate, rather than the construction certificate. This means payment would occur after the building is constructed, but prior to property settlements being able to occur. By deferring payment until after construction, there is less risk in the project, creating more favourable conditions for the raising of finance. This could create some financial risk for councils, as there is no security to call on in the event of an occupation certificate being released without payment being received. As part of this Review, legislative changes could be considered to provide alternatives to financial securities, such as recording the contribution requirement on the property title.

As noted earlier, timing of payment of contributions is a cash flow issue for councils as they wait to receive funds prior to delivering infrastructure. This practice of waiting for contributions to be collected often prioritises roads and drainage infrastructure over open space and community facility infrastructure, as it is considered 'essential' to unlock development capacity. An alternative to waiting for contributions to be received is for councils to borrow money to finance infrastructure that could be repaid as contributions are collected. This would increase capacity to deliver infrastructure, facilitate improved sequencing of infrastructure delivery and support growing communities. Despite programs such as the Department's *Low Cost Loan Initiative*¹, many councils remain reluctant to fund infrastructure by borrowing because of the:

- impact on debt servicing costs
- risk that the contributions plan will not recover the full amount to service the loan
- perception they would be assuming financial risk associated with private development
- public attitudes to debt and the political risk associated with being perceived as a 'poor financial manager'.

Issue 3.5: Timing of payment of contributions and delivery of infrastructure does not align

Developers want to delay the payment of contributions to the occupation certificate stage to support project financing arrangements. This would delay receipt of funds to councils and, in the absence of borrowing funds, may delay infrastructure delivery.

- What are the risks or benefits of deferring payment of infrastructure contributions until prior to the issuing of the occupation certificate, compared the issuing of a construction certificate? Are there options for deferring payment for subdivision?
- Would alternatives to financial securities, such as recording the contributions requirement on property title, make deferred payment more viable?
- Would support to access borrowing assist councils with delivering infrastructure? What could be done to facilitate this? Are there barriers to councils to accessing the Low Cost Loans Initiative?
- What else could be done to ensure infrastructure is delivered in a timely manner and contributions balances are spent?

¹ The *Low Cost Loans Initiative* assists councils with the cost of new infrastructure by funding 50% of the interest paid on borrowings related to infrastructure.

High contribution rates related to rising infrastructure costs

Contribution rates are variable across New South Wales with rates in high growth areas being a concern. Some greenfield areas, for example, are experiencing contribution rates of \$80,000 per dwelling or more. Some stakeholders argue high contribution rates are negatively impacting on the feasibility of some developments, particularly where these costs are not known early in the process. An alternative view is that, rising costs reflect broad market conditions and their impact on the feasibility of projects—while unwelcome—inevitably reflect market trends. It would therefore be better to address the underlying reasons for rising costs, rather than how this feeds through into the contributions system.

Reasons for high contribution rates are often associated with the cost of land acquisition and more detail on this is provided in Chapter 4.

Contributions capping

In 2009, the then Government introduced caps on s7.11 contribution rates of \$20,000 per dwelling. This was later increased to \$30,000 per dwelling in greenfield areas. Contributions plans with rates above this threshold were subject to an IPART review, with the approved excess in specified areas funded by the State. Most recently, these State subsidies were provided through the Local Infrastructure Growth Scheme. Beginning in 2017, the subsidies were reduced, with the funding scheme closing on 30 June 2020. The thresholds nevertheless remain in terms of being a trigger for a review by IPART.

The caps were put in place to sustain housing supply amidst the 2008-09 Global Financial Crisis and were aimed at stimulating construction activity. The cost of providing infrastructure, and thus the contribution rates charged to development is, however, a signal of economic efficiency. Removal of these signals has therefore delivered less efficient development patterns. Moreover, over time it is likely that these subsidies were ultimately taken up in terms of higher land values. Further context for contributions caps and the Local Infrastructure Growth Scheme is provided in Appendix B.

IPART review of contributions plans

IPART reviews contributions plans based on 'reasonable costs', that is that the contribution rate is based on a reasonable estimate of the cost of providing the public amenities and services. Some industry stakeholders assert IPART should instead review plans based on 'efficient costs', reflecting the most cost-effective means of achieving a desired level of service.

While an IPART review ensures the reasonableness of contributions plans, the process also adds significant time to plan approvals. Analysis by the Department indicates the review process—including steps undertaken by councils, IPART and the Department—can take in excess of 12-18 months to complete (DPIE, April 2020). This can significantly delay development or result in development progressing but paying a contribution rate from a previous outdated plan.

IPART assessment ensures plans are limited to items on the 'essential works list' (see Box 3.2). This means infrastructure not on the list must be funded by other means, such as council rates, fees and charges, or grants. Of major concern to councils is that the plans can only fund the land for community facilities, and not the cost of their construction. This has a greater impact on 'greenfield' councils, where the high demand for infrastructure (and particularly land for open space and drainage) usually pushes contribution rates over the \$30,000 threshold, requiring the removal of any items not on the list. Both the construction and maintenance of new community facilities must therefore be funded from ordinary council rates, potentially requiring existing residents to fund facilities benefiting new residents.

Other issues arising with the essential works list include:

- Councils argue they do not have enough fiscal flexibility to fund infrastructure not on the essential works list. As discussed in Chapter 2, grants have conditions attached and rate pegging constrains own source revenue. This either places pressure on council finances or means the necessary infrastructure is not delivered. In either case this can reduce confidence in the planning system and engender community opposition to growth.
- The list is more easily applied to greenfield than infill areas. For example, there is no flexibility to allow councils to upgrade existing open space or community facilities, rather than buy land, which can be prohibitively expensive in the infill setting.
- The essential works list allows for 'base level' embellishment of open space, providing for some community needs, but leaving construction of higher order recreation facilities unfunded. Additionally, 'base level' provision does not allow for durable open space landscapes and fixtures, leading to higher maintenance costs and potentially earlier need for replacement.

Box 3.2: Essential works list

Items included on the essential works list include:

- land for open space, including base level embellishment
- land for community services libraries
- land and facilities for transport, but not including carparking
- land and facilities for stormwater management
- the costs of plan preparation and administration

Source: DPIE Local Infrastructure Contributions Practice Note (2019)

Issue 3.6: Infrastructure costs and contributions rates are rising

Infrastructure costs are rising—particularly for land acquisition—as are contribution rates. Caps and thresholds introduced to encourage sector activity have, however undermined important market signals for development efficiency and are now likely to be reflected in higher land values. The application of the essential works list can put councils' finances under pressure given their current inability to expand their rate base in line with population growth.

- Currently IPART reviews contributions plans based on 'reasonable costs', while some assert the review should be based on 'efficient costs'. What are the risks or benefits of reframing the review in this way?
- Should the essential works list be maintained? If it were to be expanded to include more items, what might be done to ensure that infrastructure contributions do not increase unreasonably?
- What role is there for an independent review of infrastructure plans at an earlier point in the process to consider options for infrastructure design and selection?

Section 7.12 Fixed Development Consent Levies

Section 7.12 fixed development consent levies were introduced in 2005 as a simpler and less administratively costly alternative to s7.11 contributions plans. They are charged as a fixed percentage of development costs and generally used:

- where it is difficult to establish a 'nexus' and 'apportionment' of costs
- in regional areas, infill areas, or mixed-use sites where growth is difficult to predict.

Unlike s7.11 contributions plans, councils do not have to demonstrate a link between revenue collected and the infrastructure it funds. In the case where both types of local infrastructure contributions apply to a given area, the development is only liable for contributions under one.

Low maximum levy rate

The Regulation sets one per cent as the maximum councils can levy under s7.12, with some exceptions (generally in strategic centres). This low ceiling could explain the limited take up of this mechanism, as one per cent is generally much less than would be collected under a s7.11 contributions plan. Equivalent s7.11 contributions are generally in the range of 7.0 or 8.0 per cent in greenfield areas. Similarly, one per cent of development cost does not reflect the high cost of infrastructure in infill areas, where land acquisition costs are significant.

In April 2020, the Department exhibited a discussion paper that proposed a set of potential criteria to be used in assessing requests for a higher maximum percentage for s7.12 levies. The paper proposes to allow councils to request a higher percentage of up to three per cent for specified areas, if they meet the relevant criteria.

Low need for nexus

Councils are required to develop infrastructure delivery plans for s7.12 consent levies. There is, however, no requirement for a direct connection between developments generating the revenue and the infrastructure it is spent on. Consent levies therefore cannot be appealed on the grounds of a lack of nexus. The lack of a requirement for nexus is balanced by the low maximum percentage.

Inconsistent application and windfall gains

Other issues identified with s7.12 development consent levies include:

- the inconsistent application of the levies when the consent authority is not the council (i.e. a Planning Panel or the Minister for Planning and Public Spaces)
- windfall gains from developments with high delivery costs but low infrastructure demand such as solar farms.

Issue 3.7: The maximum s7.12 rate is low but balanced with low need for nexus

Section 7.12 local infrastructure levies are low and do not reflect the cost of infrastructure.

- Given that the rationale for these low rates reflects the lower nexus to infrastructure requirements, what issues might arise if the maximum percentages were to be increased?
- What would be a reasonable rate for s7.12 development consent levies?

Section 7.24 Special Infrastructure Contributions

Special infrastructure contributions (also known as SICs) are levied by the State in some growth areas of Greater Sydney and regional New South Wales. They are applied to 'Special Contributions Areas', as determined by the Minister for Planning and Public Spaces.

The special infrastructure contribution framework is administered by the Department and is set by a Determination, Ministerial Direction, and Ministerial Order. A 'Special Contributions Area Infrastructure Fund' (a special deposits account) has been established to facilitate the collection and payment of financial contributions. It is managed by the Department in consultation with Treasury.

Currently special infrastructure contributions are applied in the following areas:

- Western Sydney Growth Centre
- Gosford Town Centre
- Wyong Employment Zone
- Warnervale.

There are also proposals for special infrastructure contributions in the Hunter, Greater Macarthur, Wilton, St Leonards/Crows Nest, Rhodes and Northwest Growth Area.

Lack of guiding principles

Special infrastructure contributions were introduced to strengthen delivery of state infrastructure in areas where there would be coordinated growth. They provide an efficient and equitable mechanism to enable some infrastructure cost recovery while helping to ensure that development is serviced in a timely way. Unlike other mechanisms the Act is not, however, prescriptive in how they can be used.

Over time the way special infrastructure contributions have been applied has changed incrementally. Some of these changes include:

- discounts applied during the Global Financial Crisis remain in place over a decade later (see Appendix B)
- changes to the way the rate is calculated in different areas (percentage of construction costs, rate per net developable hectare and rate per dwelling)
- restrictions in the scope of infrastructure that can be funded by special infrastructure contributions, such as allowing recovery of land acquisition costs for schools and hospitals, but not cost of construction; and transport interchanges but not rail lines in between.

The unintended consequence of incremental decisions, discounted contributions and increased development potential is to significantly increase the Government's infrastructure liability.

Lack of transparency

There is limited transparency around how a special infrastructure contribution rate is calculated for a given area. Special infrastructure contributions, unlike other mechanisms, include a 'capacity to pay' assessment. This opens the system to interpretation and variability. It also means different rates can be set across different areas within a special infrastructure contributions area, decreasing transparency and certainty.

Currently, payments are collected and allocated to projects by the Department. The allocation of funds to specific infrastructure projects is separate to Treasury's budget process, which has at times lead to competing priorities, uncoordinated infrastructure investment, and inefficiency. There is limited reporting on how projects are assessed, and funds are allocated.

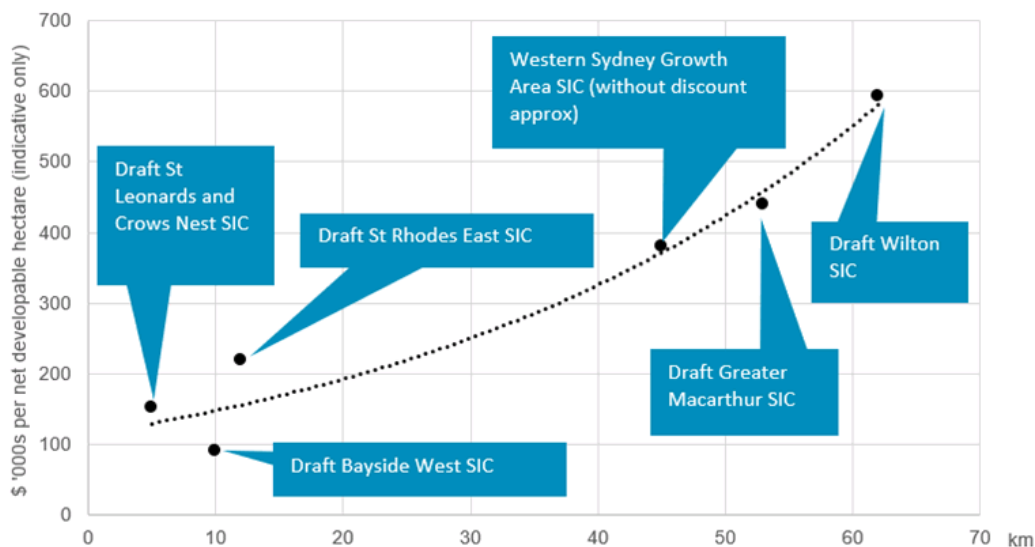
Special infrastructure contributions as a tool for out-of-sequence rezoning

There is a more recent trend toward the use of special infrastructure contributions to address requests by developers for out-of-sequence rezoning of land, underpinned by a policy of 'no cost to government'. This term is perhaps misleading, as there remains an infrastructure cost or 'contingent liability' that Government must ultimately fund, including provision of schools, hospitals, emergency services and the like. It is sometimes also described as 'no additional cost to government', which perhaps better reflects the expectation that governments will invest to deliver services to the growing population, wherever this growth occurs.

This approach by the state is part of a framework that seeks to recover more of the infrastructure costs from development. On the one hand, this approach might be considered inequitable, making development more expensive in some areas. On the other hand, this might be considered an appropriate price signal, as development that makes better use of existing infrastructure is more efficient and should be encouraged.

Figure 3.5 highlights how the special infrastructure contributions rates rise with distance from central Sydney.

Figure 3.5: Special infrastructure contribution rates and distance from central Sydney



Source: DPIE

Issue 3.8: Limited effectiveness of special infrastructure contributions

Special infrastructure contributions were introduced to strengthen delivery of state infrastructure. They can be an efficient and equitable mechanism for modest infrastructure cost recovery, while helping to ensure that development is serviced in a timely way. Over time, incremental changes and *ad hoc* decisions have, however, led to inconsistencies in their application, which may have limited their effectiveness.

- Is it appropriate that special infrastructure contributions are used to permit out-of-sequence rezoning?
- Should special infrastructure contributions be applied more broadly to fund infrastructure?
- Should they be aligned to District Plans or other land use planning strategies?
- Should the administration of special infrastructure contributions be coordinated by a central Government agency i.e. NSW Treasury?

Biodiversity offsetting under special infrastructure contributions

Special infrastructure contributions can also be used to collect funds for biodiversity offsetting. This has been applied in Sydney Growth Centres through a \$530 million Conservation Fund, which is helping deliver 2,500 hectares for employment uses and more than 180,000 homes. Initially, 75 per cent of the funding was sourced from special infrastructure contributions, but this has since been reduced to 50 per cent.

The Cumberland Plain Conservation Plan comprises the impact assessment, avoidance, and mitigation measures and the conservation program for Greater Sydney’s Western Parkland City. This includes biodiversity offsets, for which special infrastructure contributions have been identified as a potential funding mechanism.

These plans have multiple environmental and productivity benefits as they coordinate land management and approvals processes; however, the acquisition of conservation lands can only occur with a secure ongoing funding mechanism. Using special infrastructure contributions for this has several issues including:

- Land acquisition cost is the main cost associated with biodiversity offset schemes. As the cost of land increases significantly faster than the index used in calculations, this creates a funding shortfall that is borne by the state government.
- Slow implementation of draft determinations and lack of oversight around the rate of cost recovery results in a reduced proportion of the biodiversity offset cost being recovered.
- Works-in-kind provisions allow developers to fulfil their biodiversity offset obligation through unrelated works such as road construction.

Issue 3.9: Difficulty funding biodiversity through special infrastructure contributions

Biodiversity offsetting is a key part of the plan for developing Greater Sydney and requires a secure source of funding. The application of special infrastructure contributions to support this has been inconsistent.

- Should implementation of special infrastructure contributions for biodiversity offsets be subject to a higher level of independent oversight?
- Are special infrastructure contributions the appropriate mechanism to collect funds for biodiversity offsetting, or should biodiversity offsets be managed under a separate framework?

Section 7.32 Affordable Housing Contributions

Section 7.32 of the Act allows consent authorities to levy contributions for affordable housing. *State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes)* ('SEPP 70') provides the framework for councils to develop these schemes. From February 2019, SEPP 70 has been expanded to encompass all local government areas. Contributions can be fulfilled either by monetary payment, dedication of dwellings, or a combination of both. In this approach, planning agreements are used to secure affordable housing as a community benefit, in exchange for additional height and floor space.

Special infrastructure contributions can also collect contributions for affordable housing if it is listed in the schedule of works, though not in conjunction with SEPP 70. The application of affordable housing contributions does not affect the levying of s7.11 or s7.12 local infrastructure contributions.

The Greater Sydney Region Plan recommends an Affordable Rental Housing Target generally in the range of 5–10 per cent of new residential floor space in areas identified for rezoning. Each scheme must, however, demonstrate that the inclusion of affordable housing contributions will not impact the viability of development that area. There is, therefore, no set percentage for affordable housing contributions.

Issue 3.10: Affordable housing

Affordable housing contributions are made on top of other infrastructure contributions. The percentages are determined individually, and each scheme must demonstrate the rate does not impact development viability.

- Is provision of affordable housing through the contributions system an effective part of the solution to the housing affordability issue? Is the recommended target of 5-10 per cent of new residential floorspace appropriate?
- Do affordable housing contributions impact the ability of the planning system to increase housing supply in general?

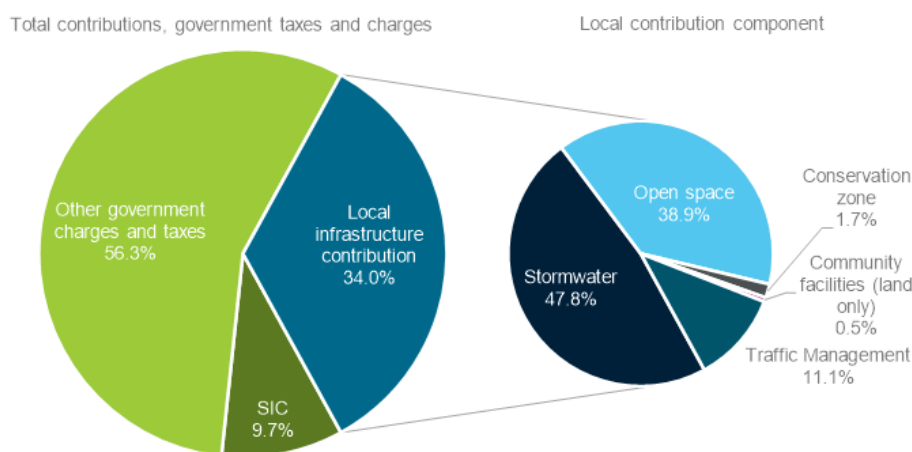
b. Development case studies

The infrastructure contributions and other government taxes and charges shown in these worked case studies only represent a small proportion of the total cost of development (as demonstrated in Table 3.1). The figures below have developed using the average percentage costs from Table 3.1 to estimate the 'other government taxes and charges' on the development. Local contributions and special infrastructure contributions have been calculated with reference to relevant plans and reflect a higher percentage of costs than shown in Table 3.1 as they relate to a specific development and not a general average.

Greenfield development

Development	Charge	Per dwelling	Total (24 dwellings)
<ul style="list-style-type: none"> • Hypothetical construction of 24 residential dwellings in a high growth greenfield subdivision • Development is charged contributions for both local and State infrastructure • Other Government taxes and charges include GST, stamp duty, company tax, other utility and council fees 	Local infrastructure contributions	\$54,267	\$1,302,419
	Special infrastructure contribution ²	\$15,426	\$370,224
	Other government charges and taxes	\$89,800 (approx.)	\$2,155,200

Figure 3.6: Greenfield infrastructure contribution broken down by component

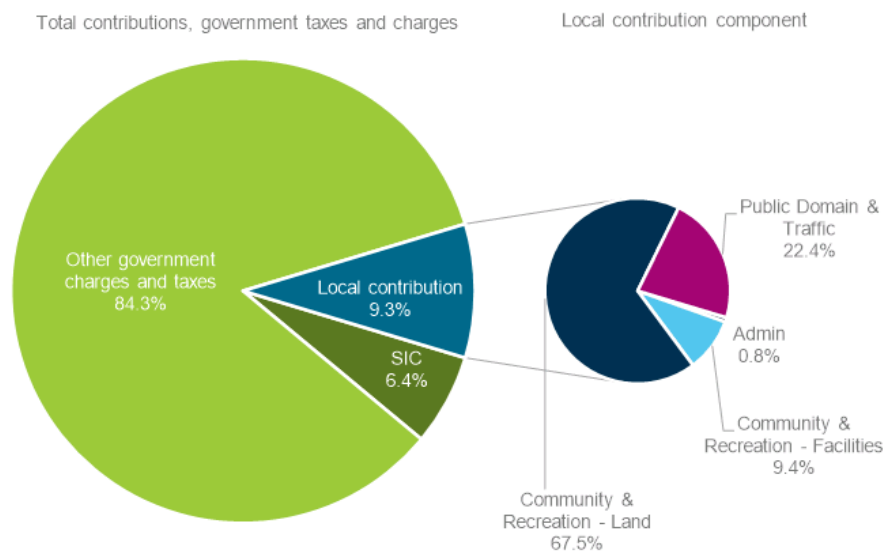


² Assumes proposed Draft North West Growth Area SIC is determined

Infill high rise development

Development	Charge type	Per dwelling	Total (654 dwellings + commercial/retail)
<ul style="list-style-type: none"> Mixed use development including two residential towers (654 apartments), significant retail & commercial space Currently only local infrastructure contributions apply A draft SIC for State infrastructure has been exhibited, and this was used for calculations 	Local infrastructure contribution	\$12,770 - \$42,568	\$14,148,926
	Special infrastructure contribution ³	\$15,000	\$9,705,000
	Other government charges and taxes	\$196,000 (approx.)	\$128,184,000

Figure 3.7: Infill infrastructure contribution broken down by component



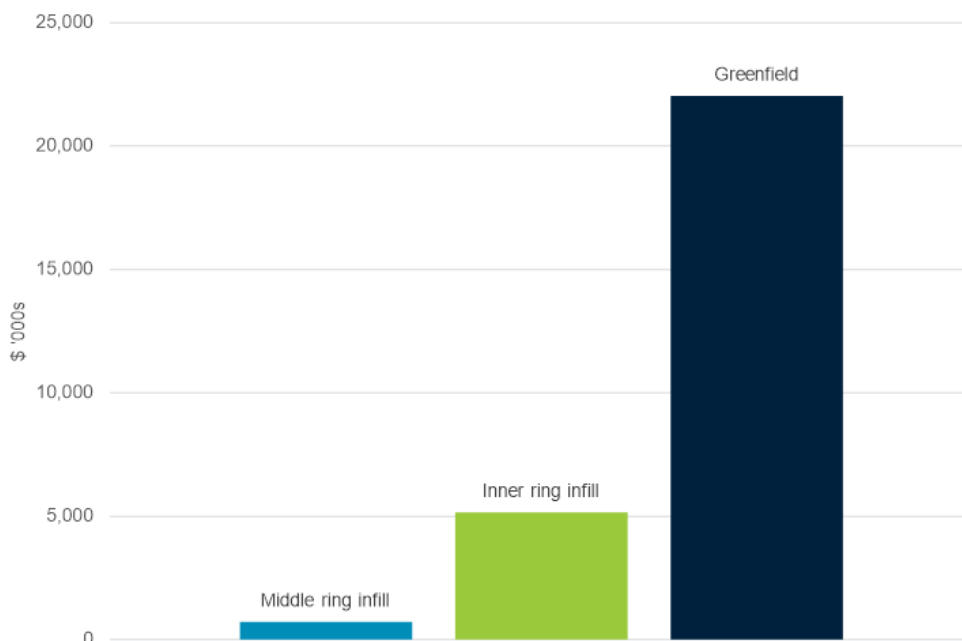
³ Assumes proposed Draft St Leonards and Crowns Nest SIC is determined

Non-residential development

Contributions payable can differ significantly depending on where development occurs and the type of contributions applicable to the area. The following example examines the contribution charged on the same industrial development if it was located in three different areas.

Example industrial development	Location	Type of contribution	Amount payable
<ul style="list-style-type: none"> Nine industrial units ranging in area from 383 sqm – 1,128 sqm 3.02 hectare land size 6,518 sqm increase in gross leasable area \$7,150,000 cost of work 	Middle ring infill	s7.12 fixed levy	\$71,500
	Inner ring infill	s7.11 local infrastructure contributions	\$514,636
	Greenfield	s7.11 local infrastructure contributions and SIC	\$2,202,651

Figure 3.8: Comparison of same example development in different areas



Chapter 4: Further issues in infrastructure contributions

a. Property owners benefit from public investment in infrastructure

Public investment is capitalised into land values

The benefits of economic infrastructure—particularly roads, rail, bus and ferry services—are often geographically concentrated. This improvement in amenity is capitalised into the value of nearby land. The value of much public investment is therefore largely captured by existing property owners.

The amount of value capitalised will depend on the benefits of the infrastructure delivered. This could include:

- travel time savings
- comfort, reliability, and frequency
- avoided costs associated with switching modes, such as fuel and vehicle depreciation
- re-zonings *enabled* by infrastructure, e.g. 'city-shaping' projects such as metro rail lines.

Some have argued that the increase in land value as a result of public investment should be shared through a 'value capture' contribution. This contribution would provide a funding source that could be spread across a wider range of beneficiaries. In some instances, the State uses special infrastructure contributions for the provision of major infrastructure, but these arrangements are confined to specific locations. While special infrastructure contribution schemes can help fund some infrastructure, their *ad hoc* application means they provide only limited funding.

Issue 4.1: Sharing land value uplift

If investment in public infrastructure increases land values, then the benefits are largely captured by private property owners. 'Value capture' mechanisms can return a share of the value created by public investment to the taxpayer.

There are several ways a 'value capture' mechanism could be applied, including land tax, council rates, betterment levy, or an infrastructure contribution.

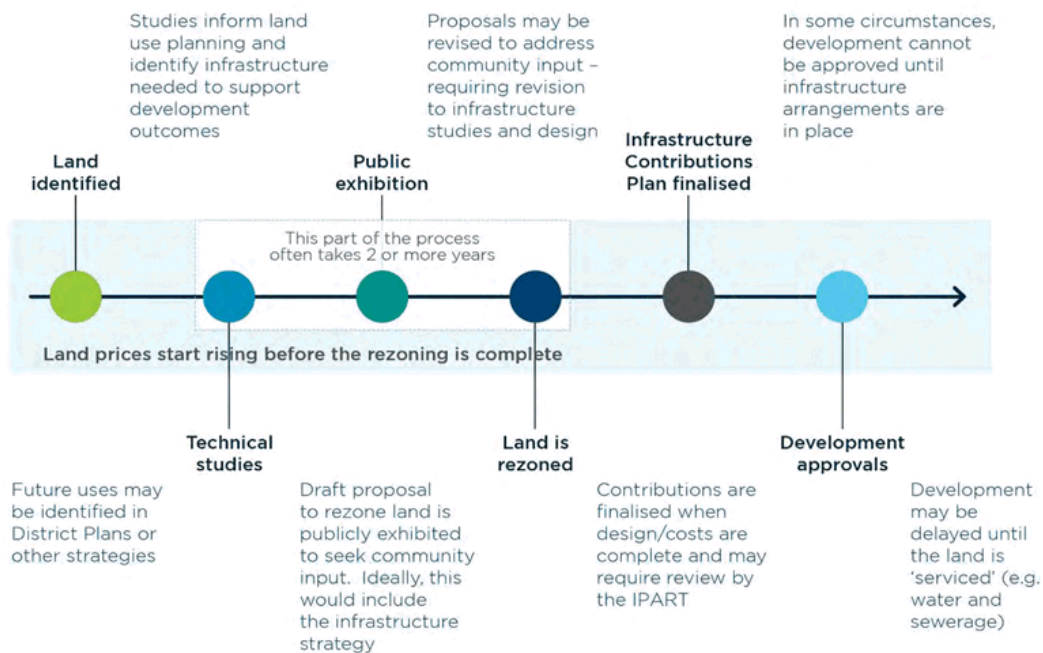
- Where land values are lifted as a result of public investment, should taxpayers share in the benefits by broadening value capture mechanisms? What would be the best way to do this?

b. Land acquisition and rising land values

Land values are subject to significant market cycles

Land acquisition costs are an issue across infrastructure types, jurisdictions and contribution mechanisms. A disconnect between infrastructure planning, land use planning, and land acquisition can have financial implications for both State and local governments. Land values can increase significantly—and increase rapidly—in response to, or through speculation about, government announcements on future urbanisation, potential transport investments and zoning changes. These forces can increase costs for Government because land for infrastructure is invariably not acquired until a later time, usually after rezoning. Figure 4.1 below describes key steps in the land rezoning and development process.

Figure 4.1: Overview of rezoning and development process



Issue 4.2: Land values that consider a future infrastructure charge

When land is rezoned, there is often an increase in land values as a result of the change in development potential.

- Should an "infrastructure development charge" be attached to the land title?

Early acquisition of land is often cited as an option to reduce the costs of providing infrastructure, but this is dependent on the availability of funding. As outlined in this Paper, the State budget is constrained and there is strong competition among infrastructure projects for funding.

Another option cited for reducing the cost of land acquisition is to require land to be dedicated as part of the development process. While this would remain a part of the cumulative cost of development, it may offer a way forward in addressing funding shortfalls that arise from collecting funds early, for purchase of land later, after prices have increased.

Issue 4.3: Land acquisition for public infrastructure purposes

Requiring the direct dedication of the land that is needed for infrastructure purposes is an option that aims to address the problem of rapidly increasing land values.

- If supported, how could direct dedication be implemented? How could this be done for development areas with fragmented land ownership?
- Could earlier land acquisition be funded by pooling of contributions, or borrowings?
- Are there other options that would address this challenge such as higher indexation of the land component?

Determining the correct cost escalation for land values can be difficult

Growth in land values can significantly outstrip growth in consumer and producer prices. For example, over the four years to 2017-18 the price of unimproved land grew by 36 per cent in New South Wales, compared with Sydney consumer price growth of 7.8 per cent (Table 4.1). This is an issue for contributions systems. If funds are collected several years before the land is purchased—depending on the point in the property cycle—the available funds may fall short of what is needed.

Table 4.1: Change in unimproved land values against Sydney CPI

Year	Change (%)	
	Total unimproved land values	CPI (Sydney)
2014-15	20.7	2.0
2015-16	11.3	1.5
2016-17	15.3	2.0
2017-18	5.9	2.1
2018-19	-5.4	1.6

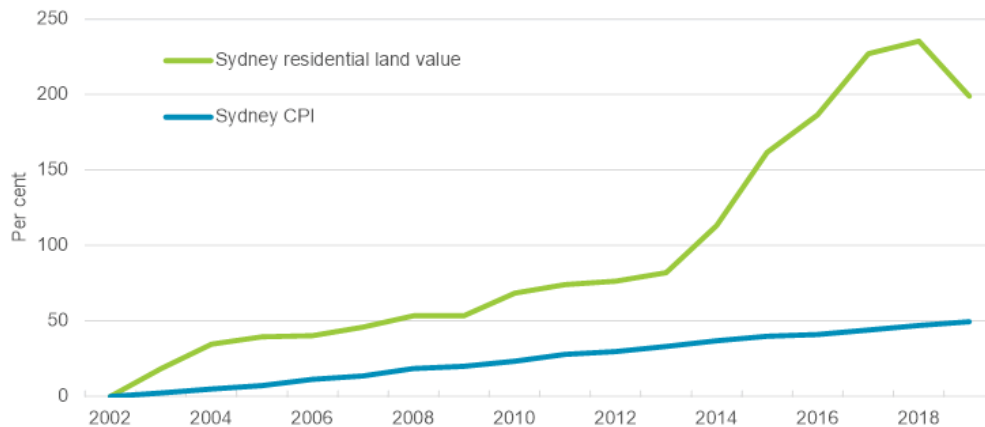
Source: Valuer General’s Report on NSW land values at 1 July 2019, ABS 6401.0

It is difficult to make the right assumptions about future property acquisition costs, but some estimate is required if contributions are to be collected in advance. Issues that arise include:

- identifying the **right tool** to forecast changes in property prices—some indices may provide a better fit than Consumer Price Index but are backwards-looking and may not adequately address movements in land value (see Table 4.1 and Figure 4.2)
- contributions need to be **regularly updated** to reflect changing costs as acquisition costs can escalate rapidly
- **consistency** across local governments as, in response to the failure of standard indices, councils have developed bespoke indices—and adjustment mechanisms—for their contribution plans
- **spiralling contributions and land values** as the development process is simultaneously, the trigger for payment of contributions, a signal of future infrastructure investment and a driver of higher land values.

For example, the *Western Sydney Growth Areas Special Infrastructure Contribution* applies the Consumer Price Index to annually adjust the land and works costs. In 2010, the land to be acquired had a value of \$1.0 billion. By March 2020, this has reached \$1.2 billion. If the land component had been indexed using the Residential Property Price Index (Sydney), the value would have been more appropriately escalated to \$1.7 billion. This would have recovered an additional \$500 million for land acquisition that is now a cost to be borne by the State. The difference between these two indices is shown in Figure 4.2 below.

Figure 4.2: Movement in Sydney residential land value against Sydney CPI



Source: ABS 6401.0, Valuer General's Report on Long Term Land Value – Trends Residential, DPIE

The *Land Acquisition (Just Terms Compensation) Act 1991* provides the valuation method for the compulsory acquisition of land for government agencies and local councils. The same methodology applies for owner-initiated acquisition in cases of hardship. The market value is based on the highest and best use of the land, disregarding the public purpose zoning. The compensation methodology is based on the principle that the landowner should be in the same or similar position prior to the acquisition of the land. As a result, the amount required may include the market value of the land, plus additional costs such as 'special value', 'disturbance' and 'severance'.

It is possible that the operation of the *Land Acquisition (Just Terms Compensation) Act 1991* is leading to a high cost for land that has limited development potential. This includes riparian and flood affected land.

The Department applies the 'just terms' compensation methodology to Western Sydney Growth Area special infrastructure contribution works-in-kind land dedications. In these instances, the 'highest and best use' valuation will almost certainly exceed the value anticipated in the SIC determination, generating a shortfall to be borne by the State.

Issue 4.4: Keeping up with property escalation

Land values (particularly within the Sydney metropolitan area) can increase rapidly and often increase on early signs of land being considered for future development; well ahead of the rezoning process.

- What approaches would most effectively account for property acquisition costs?

c. Corridors

Corridor protection should be explored to enable early acquisition of land

Corridor protection is the setting aside of land for future construction of major infrastructure, such as motorways or railway lines. The premise is that early acquisition of land minimises costs and maximises the Government’s ability to capture value uplift, when it occurs.

“Done well, corridor protection reduces the future financial costs of delivering infrastructure, while minimising the social costs of acquiring homes and businesses and disrupting existing communities. It minimises the chance that infrastructure will need to be delivered in expensive tunnels; it protects against a scenario where critical infrastructure goes undelivered as a result of prohibitive costs.”

Source: Infrastructure Australia (2017), *Corridor Protection: Planning and investing for the long term*

But corridor protection involves trade-offs:

- funding must be available at the right time, this involves higher taxes or debt, or fewer resources for other priorities
- depending on zoning and other conditions, the economy can forgo valuable interim uses after protection but before a corridor is used
- depending on the level of government commitment—which can vary as a result of changes in project scope, priority, minister, or governing party—corridors may or may not prove to be necessary

This suggests corridor protection should be subject to comprehensive evaluation before proceeding, including whether the social, economic, and environmental benefits are enough to justify it.

Issue 4.5: Corridor protection

Early identification of corridors has the potential to result in better land use and investment decisions. Without funds available to facilitate their early acquisition, it is likely that being ‘identified’ would encourage speculation and drive up land values, making the corridor more expensive to provide later.

- What options would assist to strike a balance in strategic corridor planning and infrastructure delivery?

d. Provision of open space

Open space provision is based on a long-standing standard of 2.83 hectares for every 1,000 people. This is believed to be based on historic British standard of seven acres for every 1,000 people. While there is a limited understanding of the historical basis for the seven-acre standard, it has continued to be applied. The limitation of this standard is that it does not recognise the different circumstances involved with providing open space in low-density areas relative to high-density areas.

Both the Greater Sydney Commission and the Department support a performance-based approach towards the provision open space. This would allow for different open space outcomes according to the residential forms, moving beyond a numeric standard. Performance standards would be combined with demographic profiles to plan for open and recreation space, allowing focus to be on outcomes, rather than inputs of land.

Land is the most significant component of the costs of open space provision. In greenfield areas, there may be savings from the location of passive recreation areas on land that is part of the stormwater management system. Community expectations for open space have also increased. For example, playing fields now have lighting for evening use, play equipment comes with shading, safety fencing and soft-fall surfaces.

Issue 4.6: Open space

While the seven-acre open space standard is not based on evidence, it nevertheless continues to be relied upon. Open space provision is moving towards a performance-based approach.

- How can performance criteria assist to contain the costs of open space?
- Should the government mandate open space requirements, or should councils be allowed to decide how much open space will be included, based on demand?
- Are infrastructure contributions an appropriate way to fund open public space?

e. Water charges

New and upgraded metropolitan connections are subsidised

Sydney Water provides potable water, wastewater, and some stormwater services to the Sydney, Blue Mountains and Illawarra regions. It has the status of a State-owned corporation, which requires it to operate on a commercial basis and provide a return on capital to the NSW Government. Hunter Water operates on the same arrangements for the Lower Hunter region.

Presently, costs of new water connections and upgrades to existing connections are not recovered from developers. Charges are, instead, set at zero, with the water entities recovering these costs from all their consumers. These arrangements date back to the NSW Government's response to the 2008-09 Global Financial Crisis and were aimed at supporting the construction sector. The arrangements have remained in place, notwithstanding the passage of time and the recovery of the housing market that began in 2012. (Further detail on the 2009 changes can be found in Appendix B).

As explained in Chapter 1, a principles-based contributions system is one that sets charges based on the cost associated with new developments. This aligns development feasibility with economic efficiency, ensuring the State gets the developments it wants while avoiding those that are costly to service. Reintroducing water connection charges could act as a price signal for the metropolitan construction and water sectors and potentially, incentivise the take-up of recycled water.

Issue 4.7: Metropolitan water charges

Currently, costs of new and upgraded connections for Sydney Water and Hunter Water are borne by the broader customer base rather than new development.

- How important is it to examine this approach?
- What is the best way to provide for the funding of potable and recycled water provision?

f. Better use of digital tools

Better use of digital tools to plan and monitor infrastructure delivery

A consistent concern about the current infrastructure contributions system is the lack of accountability and transparency. While there are requirements for councils to maintain 'contributions registers' and to make these publicly accessible, it is rare to be able to access this information online. Previous reviews have raised issues related to accounting and reporting standards, including the 2018 Kaldas Review of the planning system. The Department has proposed reforms to require more accounting and reporting of contributions received and expended.

Most stakeholders are calling for more information on how infrastructure is planned, including how much money has been collected and where, and when, it is being spent. There is a significant opportunity to take advantage of the technology that is available and use digital tools to plan for infrastructure needs. This could include better mapping of infrastructure and making this available in

an interactive format. This would enable the community to understand what is planned. It would also provide greater confidence to the development industry on the timing and availability of supporting infrastructure.

Issue 4.8: Improving transparency and accountability

There are limited infrastructure contributions reporting requirements.

- What would an improved reporting framework look like? Should each council report to a central electronic repository?
- What elements should be included? How much has been collected by contributions plan and other mechanisms? How much council has spent, and on what infrastructure items?
- Should an improved reporting framework consider the scale of infrastructure contributions collected?

g. Skills and experience

Significant skills shortages are experienced in the planning sector

As of the most recent Census, there were 4,460 urban and regional planners working in New South Wales (ABS Census 2016). Local Government NSW (2018) surveyed councils and found urban and town planners were the second highest skills shortage currently affecting the sector. Other skills required to efficiently deliver contributions plans are also lacking, including traffic and stormwater engineering, recreation and social infrastructure planning, and financial accounting (see Table 4.2).

Councils identified major infrastructure projects and growth within the local government area as top reasons for skills shortages.

Table 4.2: Top 10 professional skills shortage occupations listed by councils

Rank	Occupation	Percentage of councils (%)		
		Shortage	Less skilled	Critical issue
1	Engineer	52.7	25.5	45.5
2	Urban and town planner	41.8	25.5	40.0
3	Building surveyor	38.2	20.0	38.2
4	Project manager	21.8	18.2	21.8
5	Environmental health officer	21.8	12.7	23.6
6	Building surveying technician	18.2	10.9	16.4
7	Engineering technician	16.4	10.9	12.7
8	Asset and facilities manager	16.4	3.6	10.9
9	Human resource professional	14.5	5.5	16.4
10	Contract manager	12.7	9.1	12.7

Source: LGNSW (2018)

Issue 4.9: Shortage of expertise and insufficient scale

The ability of the local government sector to efficiently deliver contributions plans are impaired by shortages of skilled professionals and lack of scale for smaller councils.

- What can be done to address this issue?
- Should the contributions system be simplified to reduce the resourcing requirement? If so, how would that system be designed?

h. Exemptions

Issues with existing exemptions can outweigh its potential benefits

Exemptions, or partial exemptions, remove, or reduce, the contribution required for developments that provide a public benefit. This revenue is, however, lost to councils, as there are no alternative funding sources, thus impairing their ability to deliver local infrastructure. The current contributions system largely prevents these costs from being recovered from other developments meaning exemptions can create financial shortfalls for local government.

Current, exemptions are available through Ministerial Directions, State Environmental Planning Policies, Planning Circulars, Regulations, special infrastructure contribution determinations, and contributions plans individually. The result is a system that is both complex and inconsistent, with some development being exempt from one type of contribution mechanism, but not another. This is summarised in Table 4.3 below.

Table 4.3: Exemptions by type of development and contribution mechanism

Type of Development	Type of Exemption		
	Section 7.11	Section 7.12	Special Infrastructure Contributions
Seniors Housing (provided by Social Housing Provider)	Fully exempted by Ministerial Direction	Fully exempted by Ministerial Direction	No overarching exemption
Student Accommodation	No overarching exemption	No overarching exemption	No overarching exemption
Affordable housing (Crown)	Partly exempt by Circular D6	Fully exempt by cl25J of Regulation	Multiple approaches
Affordable housing (Other)	No overarching exemption	Fully exempt by cl25J of Regulation	Multiple approaches
Educational establishments (Crown)	Partly exempt by Circular D6	No overarching exemption	Fully exempt (schools and TAFE)
Educational establishments (Private)	No overarching exemption	No overarching exemption	Fully exempt across all SICs
Law/Order services (Crown)	Partly exempt by Circular D6	No overarching exemption	No overarching exemption
Health services (by public authority)	Partly exempt by Circular D6	No overarching exemption	Fully exempt across all SICs
Public utility undertakings	No overarching exemption	No overarching exemption	Fully exempt across all SICs
Complying development	No overarching exemption	No overarching exemption	Multiple approaches

Source: DPIE

Other issues with existing exemptions arrangements include:

- Guidance on what types of development should and should not be subject to exemptions is fragmented across sources and not regularly updated. This includes Circular D6, last revised in 1995 and including redundant or outdated content.
- The lack of overarching principles for exemptions makes the system highly discretionary, which has led to uncertainty as different consent authorities take different approaches.
- Many stakeholders have reported that the current exemptions policy framework is unresponsive to contemporary trends. This includes increase in mixed-use developments and the increasing role for the private sector in providing public services.
- Exemptions tend to be linked to a specific contribution type. This has introduced inconsistency between different types. For example, exemptions for Crown development provided in Circular D6

only apply to s7.11 contributions. This could be remedied by applying standard principles across all classes.

Issue 4.10: Current issues with exemptions

Exemptions from contributions are complex as they are set out across a range of planning documents and are inconsistent across contribution mechanisms.

- Given that all developments require infrastructure, should there be any exemptions to infrastructure contributions?
- Is it reasonable to share the cost of 'exemptions' across all of the new development rather than requiring a taxpayer subsidy?
- Are there any comparative neutrality issues in the providing exemptions for one type of development, or owner type, over another?

i. Works-in-kind

Works-in-kind agreements

A developer can offer to satisfy their development contribution obligations through the provision of 'works-in-kind'. Acceptance of an offer is at the discretion of the council (for local contributions) or the State (for special infrastructure contributions). While similar to a planning agreement, a works-in-kind agreement has some important differences:

- the works-in-kind agreement relates to satisfying an obligation to make a development contribution that has been imposed as a condition of development consent
- the works are identified in the relevant contributions plan or SIC determination
- the agreement does not need to be publicly exhibited.

Works-in-kind agreements have benefits to government as they result in timelier provision of infrastructure, often at less cost without the need for procurement processes. An advantage for developers is that they can prioritise the infrastructure required directly for their development. They may be able to realise savings if they can include the infrastructure into contracts for existing works for the development.

Potential disbenefits of works-in-kind agreements include:

- they prioritise some infrastructure types (commonly roads) at the expense of other infrastructure types (such as open space and biodiversity offsets)
- inconsistency in approach to the valuing of works
- funding shortfalls where the agreed value is higher than the cost estimate
- high potential for disputes including scope of work, design standards and specifications and defects rectification.

Works-in-kind credits and special infrastructure contributions

As a developer completes work or dedicates land, the value of the works and land is offset against development contribution obligations. Where the value of the works and land exceeds the obligation, a 'credit' is recognised. Developers may draw down on works-in-kind credits to offset the payment of a monetary special infrastructure contribution on further development applications. The remainder of any contribution owed, that is not covered by works-in-kind, is paid in cash. Developers may accrue works-in-kind credits that exceed their monetary contributions.

Some developers have sought a tradeable credits scheme to allow for the sale of credits to a third party. Developers are currently able to use their works-in-kind credits anywhere within the Western Sydney Growth Area, but not to sell them to a third party.

Issue 4.11: Works-in-kind agreements and special infrastructure contributions

Works-in-kind agreements can realise savings and efficiencies, but they can result in infrastructure being provided out of the planned sequence and prioritise delivery of some infrastructure (such as roads) at the expense of other infrastructure (such as open space and biodiversity offsetting).

- Should developers be able to provide works-in-kind, or land, *in lieu* of infrastructure contributions?
- Developers may accrue works-in-kind credits that exceed their monetary contribution. Should works-in-kind credits be tradeable? What would be pros and cons of credits trading scheme?
- What are implications of credits being traded to, and from, other contributions areas?

Chapter 5: The way forward for this Review

The following issues have been identified for further exploration with stakeholders:

- **Local government rate pegging** creates a financial disincentive for councils to accept growth and increases their dependence on other revenue sources such as infrastructure contributions. The recently announced reforms to the rate peg to include a population growth factor is supported as an important step to providing councils with a funding source to further support their growing communities. It is also complementary to reform of the infrastructure contributions system.
- **Rising infrastructure costs**—particularly through rising property prices—pose a financial risk to councils and developers by inflating the cost of contributions plans. Options to address property acquisition for public infrastructure purposes will be a key focus area.
- **Inconsistency in the application of s7.24 special infrastructure contributions** as a result of incremental and ad hoc changes may have limited their effectiveness in state infrastructure provision. Opportunities exist to improve funding allocation to infrastructure projects and to make more effective use of works-in-kind to facilitate timely provision.
- **'Nexus' requirements in s7.11 contribution plans** add complexity and imposes administrative burden on councils in preparing local contributions plans. There is a clear need to find a balance between the principles of equity, efficiency and certainty that retains the best features of the current system but is more easily understood.
- **Lack of principles in s.7.4 Planning Agreements** enables flexibility of planning agreements but creates uncertainty and undermines confidence in the planning system. While the Department has done some work to address this, questions remain about the role of planning agreements in a reformed infrastructure funding framework.
- **Lack of transparency and certainty** in the way contributions are calculated and spent on infrastructure provision needs to be addressed. There are opportunities to make better use of digital tools in project planning and when communicating costs, timing, and delivery to all stakeholders.
- **Misalignment between contributions payments and delivery of infrastructure**, particularly as councils may wait for the full cost to be collected through the contributions plan instead of borrowing to fund timely delivery. Earlier delivery of infrastructure—particularly earlier property acquisition—is an opportunity to reduce costs and risk. Options to fund this will be considered.
- **Operation of the essential works list** has restricted the ability to deliver some types of infrastructure, most notably, community facilities. Works excluded from the essential works list are difficult to fund and deliver, especially because of rate pegging.

While early consultations have been limited in scope, we have been struck by both the consensus the system needs reform and the passion for a more sustainable infrastructure funding model. There are, and will continue to be, strong and differing opinions both within and between stakeholder groups, which this process will seek to balance.

Your input into this Review is important to ensuring we hear from all stakeholders to deliver recommendations that are implementable, balanced, and lead to clear improvements in how infrastructure is delivered in New South Wales.

Public submissions to the Issues Paper are encouraged to provide feedback to the discussion questions identified throughout this Paper. Stakeholders are invited to lodge submissions to the Review via ICReview@productivity.nsw.gov.au.

Appendix A

Key concepts and terms associated with the current contributions system

Term	Definition
Public infrastructure	<p>This is a broad term and can have many meanings. While not seeking to be definitive, in this Paper we are generally referring to infrastructure that are 'public goods' and needed to support growing communities. This could be delivered at a range of scales and includes, but is not limited to:</p> <ul style="list-style-type: none"> ▪ roads and road networks, pedestrian and cycle paths ▪ public transport, including transport interchange facilities ▪ water cycle management ▪ open space for passive and active recreation purposes ▪ biodiversity conservation and management ▪ community facilities such as community centres and libraries, schools and hospitals ▪ utility services such as water and sewer, electricity, gas, telecommunications. <p>The <i>Environmental Planning and Assessment Act 1979</i> refers to "public amenities or public services" but notes that this does not include 'water supply or sewerage services'. This is because water and sewerage services are dealt with under different legislation. In this Paper, we do consider utility services as part of the infrastructure needed to support growing communities.</p>
Scale of infrastructure	<p>Infrastructure is sometimes described as being 'local', 'district' or 'regional'. This is a reference to the scale of provision.</p> <p>Typically, local government (also referred to as councils) provide local infrastructure. This is at a scale that tends to relate to suburbs or precincts.</p> <p>Regional infrastructure is typically provided by the State Government.</p> <p>District infrastructure (servicing more than the local population, but not as large as a regional population) can sometimes be missed in the current development contributions system.</p>
'User pays' principle ('Impactor pays')	<p>The development contributions system is founded in the 'user pays' principle, which is a pricing approach based on the idea that those who use the goods should pay the cost of those goods – in this case, infrastructure. While the planning system refers to 'user pays', the term 'impactor pays' is used in this Paper and is perhaps more accurate. In a nutshell, this principle is: those that generate the need for the infrastructure should pay for it.</p> <p>Some of the contribution mechanisms under the Act have very specific principles of 'nexus' (or demand) and 'apportionment' (cost sharing) that are important to how the levy is collected, others do not.</p>

Term	Definition
<p>'Nexus' and 'apportionment' principles</p>	<p>These principles are specific to s7.11 contributions. This means that development must only pay for its share of the demand that it generates. These rules are a source of significant complexity in the current contributions system.</p> <p>There must be a link between the development and the need for the infrastructure. This is sometimes relatively simple to determine, such as for drainage catchments, where there is a clear physical topographical boundary. However, it becomes more difficult to determine, such as for the local road network which can be used by people from other areas.</p> <p>When preparing a s7.11 Contributions Plan, the council forecasts the amount of net additional development it expects. It the plans for the infrastructure that will be needed to support the development and estimate its cost. A determination of how much of the infrastructure will be required as a result of that additional development is made, and how much is used by others (which cannot be charged to that additional development and must usually be funded from the council's general revenue).</p> <p>Development potential is measured in a demand unit. For residential development, this is most commonly a 'rate per person'. For non-residential development, this could be a 'rate per worker'. Other methods include vehicle trip generation, or land area (particularly for drainage works).</p> <p><u>Simple example</u></p> <ul style="list-style-type: none"> ▪ 12 existing parcels of land that each have one house located on them are going to be consolidated and then subdivided to create 100 new house and land packages. ▪ Each house has an average occupancy rate of 3.1 people. ▪ A new park is planned for use by 10,000 people. ▪ The park will cost \$800,000 to build. <p>Step 1: Calculate the number of future residents</p> <p style="padding-left: 40px;">100 x 3.1 people per household = 3,100 total residents 12 x 3.1 people per household = 37.2 existing residents Total net additional residents = 3,062.8 people</p> <p>Step 2: Calculate the cost of the park per person</p> <p style="padding-left: 40px;">\$800,000 / 10,000 = \$80 per person</p> <p>Step 3: Calculate the contribution to the park for the new development</p> <p style="padding-left: 40px;">\$80 per person x 3062.8 additional people = \$245,024</p> <p>Measuring demand from development forecasts becomes quickly complicated when dealing with non-residential development.</p> <p>The methods for estimating infrastructure demand vary depending on the type of infrastructure and the type of development. For this reason, contributions levied on development are often made up of more than one component.</p>

Term	Definition
	<p>Some developments may ask for an exemption from paying contributions (such as affordable housing being provided by a not-for-profit community housing provider). Any 'exemption' granted to a development is funded by the community (through council rates) as the rules of 'nexus' and 'apportionment' mean that it should not be passed on to other developers to pick up the cost.</p> <p>Preparation and on-going management and review of contribution plans is resource intensive. It is common to have detailed technical studies to support these plans.</p>
Funds held in trust	<p>The money collected through development contribution levies must be held in trust and be applied for the public purpose that it was collected for. There are rules for how funds can be 'pooled' and progressively applied to infrastructure priorities.</p>
Timing of payment	<p>Contributions are usually required to be paid prior to the release of a Construction Certificate, which is before construction begins. For subdivision of land, the payment is usually required prior to the release of the Subdivision Certificate, which is before the subdivided lots can be legally registered.</p>
Indexation	<p>Cost estimates for infrastructure, and subsequently the contribution rates to be paid, are prepared at a point in time. To help them keep up with price rises, they are "indexed". The Act requires that the index is one that is readily accessible, such as the Consumer Price Index. The Australian Bureau of Statistics publishes a range of indices. Sometimes a customised index may be produced, such as a Land Value Index, to manage changes in price that may be more specific to a location.</p>

Appendix B

Background to infrastructure contributions in New South Wales

Origins of infrastructure contributions

The principle that beneficiaries of development-related infrastructure should share in the cost of the services provided is a relatively recent phenomenon. In conducting this Review, it is important to understand the context in which the current system originated from and how each of its component parts has evolved. Perhaps surprisingly, the story is one of incremental improvements to a system that does not have a long history in New South Wales.

From the beginning of European colonisation in 1788 until the passage of the *Environmental Planning and Assessment Act 1979* (the 'Act'), there was no formal cost-recovery mechanism for publicly provided infrastructure. Settlement patterns in New South Wales were based on subdivisions by Crown authorities, with infrastructure delivered at the cost of the public purse (State or local).

The post-Second World War years saw the arrival of two trends that would change public perceptions about service provision and industry's responsibilities. The first was rapid population growth driven by high fertility rates (the so-called 'baby boom') and an influx in immigration that required more land, housing, and public services to accommodate demand growth. The second was rising living standards, driving increasing expectations for the level and quality of public services on a per person basis. From these combined forces came calls for industry to contribute to the provision of infrastructure as a condition of development approval.

When viewed from this perspective, the advent of infrastructure contributions came relatively late. Section 94 of the Act allowed councils to levy contributions for infrastructure provision with a nexus to their developments. Improvements would be made in subsequent years as both Government and the private sector grappled with the complexity of cost-recovery mechanisms.

Earlier attempts at reform

A perceived lack of transparency and consistency in how charges were applied was addressed by the so-called Simpson Review of the Act in 1989. That Review recommended that councils prepare and exhibit contributions plans when levying section 94 charges. This was legislated in 1991.

The early 2000s saw further efforts to improve and expand section 94 of the Act. In 2000, a Review of the Developer Contributions System resulted in Act amendments allowing councils to apply contributions for affordable housing.

In 2004, the Final Report of the Contributions and Development Levies Taskforce was delivered. Further amendments—legislated in 2005—introduced:

- section 93F Planning Agreements, and
- section 94A Fixed Development Consent Levies, initially set at a maximum of one per cent.

Further reforms were implemented in 2006; section 94EF was legislated allowing for the imposition of Special Infrastructure Contributions (SIC). These aimed to recover 75 per cent of costs of providing regional infrastructure to support the growth including major roads and some public transport, land for health, education, emergency services and justice facilities, and biodiversity offsets.

The 2008 changes and their legacy

Yet another review was conducted in 2008 in the context of the Global Financial Crisis and additional amendments to the Act were enacted. Unlike earlier reforms, these measures, for the most part, did little to improve the economic efficiency of how contributions were being applied. Instead, they introduced distortions into the system, some of which remain to this day.

Changes, implemented in 2009, included:

- removal of some types of infrastructure from the SIC framework, such as rail and bus infrastructure, even though they had a direct link to development and provided a benefit to the community at large
- reduction SIC recovery for State infrastructure from 75 per cent to 50 per cent
- capping of local contributions at \$20,000 per residential lot, except with ministerial approval
- abolition of charges payable to Sydney Water and Hunter Water Corporation.

In 2010, the cap on local contributions was lifted to \$30,000 for greenfield areas. For some specific areas, contribution plans were exempted from the caps (known as "grandfathered") where development was well advanced and would result in significant disruption if the cap was applied. A funding scheme was introduced, where the State covered the shortfall between the contribution amount and the prescribed caps, but only where the contribution related to infrastructure identified as "essential works".

The change of Government in March 2011 brought new momentum for comprehensive reform. The Coalition was elected on a platform that included a new planning system to replace the existing Act. In July 2012, *A New Planning System for NSW - Green Paper* was issued that flagged comprehensive reform to infrastructure contributions. Among other issues with the existing system, it highlighted:

- varying standards of administration of, and accounting for, contributions revenues between councils
- holding costs for industry through levying of contributions in advance of cash flow needed for project delivery
- a lack of transparency in how contributions revenues are maintained and allocated.

The 2013 Planning White Paper proposed the following elements of reform:

- introduction of Growth Infrastructure Plans to align land use planning decisions and infrastructure planning and delivery. These plans were to be informed by Subregional Delivery Plan and identify infrastructure needs over a 10-year timeframe. A Regional Infrastructure Contribution was to be introduced to fund this infrastructure and charged on a sub-regional basis.
- introduction of a separate Regional Growth Fund for the acquisition of land needed for public open space and drainage. This contribution was to be charged on a regional basis.
- local infrastructure contributions were to remain with the caps of \$20,000 and \$30,000 to be removed, as they were considered 'artificial' and 'inefficient'. The scope of infrastructure that could be funded through these contributions was to be narrowed.

These reforms were not taken forward because of failure to legislate broader planning reform in 2014.

In 2017, the Government announced its housing affordability strategy *A Fair Go for First Home Buyers* that included:

- rollout of additional SIC plans in growth areas
- phase out of the Local Infrastructure Growth Scheme by 30 June 2020.

Timeline of system reforms

Year	Reform
1979	Enactment of section 94 of the EP&A Act, which allowed councils to levy infrastructure contributions on developers.
1989	Simpson Inquiry conducted in response to concerns regarding the application and administration of the infrastructure contributions system.
1991	In response to the Simpson Inquiry, the <i>EP&A Amendment (Contributions Plans) Act 1991</i> was introduced, requiring councils to prepare and exhibit contributions plans when levying section 94 charges.
2000	Following the publication of the 'Review of Developer Contributions System 2000', the <i>EP&A Amendment (Affordable Housing) Act 2000</i> was introduced to allow the levying of affordable housing contributions (section 94F-G).
2004	Established in September 2003 to review the process for levying contributions, the Final Report of the Section 94 Contributions and Development Levies Taskforce was delivered, containing 21 recommendations to improve the system.
2005	Planning Agreements (section 93F) and Fixed Development Consent Levies (section 94A) was introduced under the <i>EP&A Amendment (Development Contributions) Act 2005</i> .
2006	The imposition of Special Infrastructure Contributions (SICs) (section 94EF) on developers was legislated (<i>EP&A Amendment Act 2006</i>) which aimed to recover the costs of regional and state infrastructure provision. On 10 November 2006, the Minister for Planning issued a direction introducing changes to the application of section 94A.
2007	The Department of Planning introduced a package of non-statutory reforms, including changes to the types of infrastructure funded by SICs and local infrastructure funded by sections 94 and 94A (which must be directly related to a development site).
2008	Another review was conducted to ensure that the contributions framework was supporting the State's housing and employment targets.
2009	From 30 April 2009, contributions payable to local councils was capped at \$20,000 per residential dwelling/lot.
2010	The cap on local contributions was lifted to \$30,000 for greenfield areas.
2012	Release of <i>A New Planning System for NSW – Green Paper</i> that flagged comprehensive reform to infrastructure contributions and resulted in Draft Planning Bill 2013 however this was not enacted.
2013	The Government introduced the Local Infrastructure Growth Scheme (LIGS) aimed at subsidising the cost of development by funding the gap between the contributions cap and approved contribution rates for LIGS transition areas.
2017	Government announced its housing affordability strategy <i>A Fair Go for First Home Buyers</i> that included the rollout of additional SIC plans in growth areas and phase out of LIGS by 30 June 2020.
2018	The caps were increased by \$5,000 from 1 January 2018 to \$25,000 for infill and \$35,000 for greenfield areas. From 1 July 2018, an additional \$5,000 is added to both caps.
2019	On 1 July 2019, the caps were increased to \$35,000 and \$45,000 for infill and greenfield developments respectively.
2020	The cap was removed entirely with LIGS funding to cease on 1 July 2020.

Source: NSW Parliamentary Library Research Service (2011), DPIE (2020)

Appendix C

Local government rate pegging in New South Wales and other Australian jurisdictions

The current system has its roots in the economic upheaval of the 1970s. Oil supply shortages led to a negative global economic supply shock, characterised by rising inflation and rising unemployment. Australia was not immune. Between 1973 and 1976, inflation was 56 per cent. The local government sector in New South Wales was hit hard, prompting rate increases of an average 188 per cent over the same period.

In March 1976, the NSW Labor Party was elected on a platform of reintroducing rate pegging (which had existed in an earlier form before 1952). The current structure was adopted in 1978.

According to the Productivity Commission (2017), other states have practised rate pegging from time to time:

- In 1995, the Victorian Government capped rates below inflation following reforms that reduced the number of councils from 210 to 78 and cut rates 20 per cent. The rate cap was eliminated in 1999 but reintroduced in 2016.
- In 2019, an attempt to legislate rate capping in South Australia failed in Parliament. Capping was only applied in South Australia temporarily in the 1997-99.
- Rate pegging was applied temporarily in the Northern Territory between 2007 and 2010.



Appendix D

Jurisdictional analysis of infrastructure contributions frameworks

	United Kingdom	New Zealand	New South Wales	Victoria	Western Australia	Queensland	South Australia
Strategic planning	<p>Local Plan which incorporates the Community Infrastructure Levy (CIL) charging schedules.</p> <p>From December 2020, local authorities must publish an infrastructure funding statement which identifies their infrastructure needs and the total cost of service provision, anticipated developer contributions and how this funding will be spent.</p>	<p>National Environmental Standards and Policy Statements.</p> <p>Regional and District Plans.</p> <p>Long Term Plan which sets out a council's policy on development contributions.</p>	<p>State Environmental Planning Policies (including regional environmental plans).</p> <p>Local Environmental Plans and Development Contributions Plans (DCPs).</p>	<p>Planning schemes are developed by both State and local governments in accordance with planning policies and strategies.</p> <p>The Infrastructure Contributions Plan (ICP) forms part of the planning scheme and can only be prepared for Melbourne's metropolitan greenfield growth areas.</p>	<p>State Planning Policies and Regional and Sub-regional Strategies.</p> <p>Local Planning Scheme (including DCPs).</p>	<p>State planning instruments (state planning policies, regulatory provisions, regional plans).</p> <p>Local planning schemes such as the Local Government Infrastructure Plan (LGIP).</p>	<p>State Planning Strategy (including plans for regional areas), which informs the planning policies in Structure Plans, Precinct Plans and local government development plans.</p>
Infrastructure contributions mechanisms	<p>Any development which creates net additional floor space of 100 square metres or more is liable to a standard levy rate known as the Community Infrastructure Levy (CIL).</p> <p>This limit does not apply to new houses or flats and the CIL can be levied on a single house or flat of any size.</p>	<p>Contributions are implemented through a development contributions policy, contained in a Long Term Plan.</p> <p>Development agreements can be entered into between a developer and the consent authority.</p>	<p>Local community infrastructure is funded through s7.11 contributions and s7.12 fixed levies.</p> <p>Key infrastructure in priority growth areas is provided under s7.24 State Infrastructure Contributions (SICs).</p> <p>s.7.4 Planning Agreements can be used to fund a wider</p>	<p>Contributions can be sought and collected through ICP conditions on planning permits and voluntary agreements.</p> <p>Standard levy rates apply for the Metropolitan Greenfield Growth Areas (set by the Minister for Planning).</p> <p>A supplementary levy is designed to</p>	<p>Much of the standard infrastructure related to a development is paid for or provided directly by the developer.</p> <p>Infrastructure contributions beyond the standard requirements or community infrastructure can only be sought if they have been identified in a DCP, or through voluntary</p>	<p>Contributions for trunk infrastructure (i.e. infrastructure that is shared between multiple developments) may be levied by councils under the LGIP or through an Infrastructure Agreement.</p> <p>Developers are responsible for funding and providing all non-trunk infrastructure within a development or that</p>	<p>Two new infrastructure schemes are being phased in from 1 July 2019 under the new planning system:</p> <ul style="list-style-type: none"> Basic Infrastructure Scheme (BIS) – used to provide basic infrastructure in rezoned and existing infill areas.



	United Kingdom	New Zealand	New South Wales	Victoria	Western Australia	Queensland	South Australia
			range of infrastructure such as affordable housing or environmental conservation.	fund infrastructure that is 'non-standard' or involves costs over and above the standard levy. Only certain state infrastructure can be funded from supplementary levy. A Community Infrastructure Levy (CIL) may also be applied to fund the provision of community facilities. Public open space contributions may also be collected under clause 52.01 of the planning scheme and <i>Subdivision Act 1988</i> .	agreement with the developer.	connects a development to trunk infrastructure.	<ul style="list-style-type: none"> General Infrastructure Scheme (GIS) – provides essential infrastructure to facilitate significant development or urban renewal. Land Management & Infrastructure Agreements are executed with individual land owners to cover the costs of significant infrastructure works need to make the land suitable for intended purposes.
Enabling legislation	<i>Planning Act 2008</i>	<i>Local Government Act 2002</i> <i>Amendment Act 2014</i>	<i>Environmental Planning and Assessment Act 1979</i>	<i>Planning and Environment Act 1987</i>	<i>Planning and Development Act 2005</i>	<i>Planning Act 2016</i>	<i>Planning, Development and Infrastructure Act 2016</i> (to replace the current <i>Development Act 1993</i> when the new reforms are implemented)
What can it be used to fund?	Wide range of infrastructure as outlined in section 216(2) of the <i>Planning Act 2008</i> (i.e. open space, community and recreational facilities, education and medical infrastructure, roads and transport facilities).	Broad infrastructure classes such as reserves, network infrastructure (water, wastewater, stormwater, roads and transport) and community infrastructure (land	Local contribution plans proposing amounts over the prescribed caps for infill (\$20,000) and greenfield (\$30,000) areas can only be used to fund 'essential'	The Ministerial Direction contains separate lists for allowable items to be funded from the standard levy or the supplementary levy.	Standard contributions requirements listed under Appendix 1 (State Planning Policy 3.6) such as: <ul style="list-style-type: none"> Land contributions such as primary schools, roads 	Trunk infrastructure includes essential development works such as water, roads, sewerage, stormwater, parks and land for community facilities.	BIS delivers community infrastructure (such as water, sewerage, utilities, local roads) in 'designated growth areas'.



	United Kingdom	New Zealand	New South Wales	Victoria	Western Australia	Queensland	South Australia
	The levy cannot be used to fund affordable housing.	or provision of public amenities).	infrastructure described in the Essential Works List. SICs are applied to priority growth areas and is used to fund key infrastructure such as major roads, regional open space, land for schools and hospitals.		and public open space (equivalent to 10 per cent of the gross subdividable area) <ul style="list-style-type: none"> Infrastructure works such as public utilities and roads (including footpaths) Monetary contributions for water, sewerage and drainage headworks. 	Non-trunk infrastructure includes works that is generally internal to a development site.	GIS delivers a wider range of infrastructure such as public transport, health, education and community facilities etc. Current legislation also contains a provision for dedicating up to 12 per cent for open space (or cash contribution) as well as allowing councils to establish funds for developers to contribute to car parking.
How is the liability calculated?	The amount of levy payable is calculated by multiplying the additional gross internal area by the rate for a development type (expressed as pounds per square metre). The applicable rates are set out in a charging schedule, which is prepared by the charging authority. Differential rates can also be set with reference to: <ul style="list-style-type: none"> intended uses of development (reduced rate of levy to encourage delivery of social housing) scale (i.e. floor area or number of dwelling units). 	Calculated by multiplying the household unit of demand (HUD) by the standard rates for each service type (stormwater, water, wastewater and transportation). Depending on catchment areas, FY2020 rates vary between \$1,401 to \$28,625 per HUD.	Section 7.11 contributions are calculated based on an apportionment of infrastructure costs that is attributable to development-growth (generally expressed as per dwelling or per square metre). Section 7.12 levies are calculated as a standard rate (generally up to a maximum of 1 per cent) of the estimated development cost.	In a metropolitan greenfield growth area, the liability is determined by multiplying the applicable standard levy by the amount of net developable hectares in a parcel of land. For 2020-21, the standard levy rates combined for community and recreation construction and transport construction are: residential development (\$217,763) and commercial and	The cost apportionment schedule within a DCP sets out the calculation of infrastructure costs.	A local government may, by a charges resolution, adopt charges for providing trunk infrastructure for development (which must be no more than the maximum adopted charge prescribed under the Planning Regulation 2017). The resolution must include a method for working out the infrastructure costs and criteria for deciding a conversion application (if works serve a trunk function).	An independent scheme coordinator is responsible for preparing and administering the schemes including developing a work program and determining the apportionment of charges between stakeholders.



	United Kingdom	New Zealand	New South Wales	Victoria	Western Australia	Queensland	South Australia
	Any differential rates must be supported by robust evidence on viability.			<p>industrial development (\$126,713).</p> <p>The rate of supplementary levy is based on the estimated cost of the specific infrastructure.</p> <p>A maximum CIL applies: \$450 per dwelling constructed and 0.25 cents in the dollar of the cost of building work in any other case.</p> <p>The CIL liability is capped at the maximum dwelling amount prescribed by the Department of Planning (for the 2020-21 financial year, this is \$1,210).</p>			
When is it levied?	On commencement of development.	When a development contributions notice is issued granting resource consent for a development, building consent, or authorisation for service connection.	As part of the subdivision clearance process or prior to commencement of construction.	<p>Development levies are collected through conditions on planning permits.</p> <p>CIL is collected at the building permit stage.</p>	As part of the subdivision clearance process or prior to commencement of construction.	When the infrastructure charges notice is issued by the charging authority.	<p>At the depositing of a land division plan or the undertaking of an approved development.</p> <p>BIS is a one-off charge payable at the time when the benefit is realised.</p> <p>GIS involve contributions over a period of time.</p>

Source: MHCLG (2019), DPLH (2019), DELWP (2020), Department of Infrastructure (2007), DSDMIP (2020), DILGP (2017), Tasman District Council (2020), Department of Internal Affairs (2019), DPTI (2018, 2020).

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15.7 GREYHOUND NSW - TRACK STRATEGY

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: 1. **Greyhound NSW Track Strategy** [↓](#) 

Link to Community Strategic Plan:	EC1 Capitalise on the regions close proximity to Canberra and its position as a convenient location to attract industry and investment.
Cost to Council:	Nil at this time
Use of Reserve Funds:	Nil

<p>RECOMMENDATION</p> <p>That:</p> <ol style="list-style-type: none"> The report from the General Manager on Greyhound NSW – Track Strategy be received. Council make a submission to the Greyhound NSW Track Strategy generally in accordance with the submission enclosed in this report.
--

BACKGROUND

Greyhound Racing in NSW (GRNSW) have prepared a Track Safety and Welfare Strategy for stakeholder input. This report recommend to Council that a submission be made to GRNSW that encourages that organisation to develop a straight track and Centre of Excellence in Goulburn.

REPORT

Please find attached to this report a strategy from GRNSW.

The Greyhound Racing New South Wales (GRNSW) Strategic Plan includes substantial investment in safety at greyhound racing tracks in New South Wales (NSW), consistent with the expectations of the Ministerial Operating Licence for GRNSW and the NSW Government Safety & Welfare Capital Grants Program for the NSW greyhound racing industry.

GRNSW has demonstrated its commitment to the Strategic Plan with a capital investment over the past two years of more than \$7M from the \$30M Safety & Welfare Capital Grants Program. The 25% spend of funds to date has been used to upgrade, rebuild and remediate tracks to meet new standards for greyhound safety and welfare.

GRNSW remains resolute in its commitment to invest the remaining \$23M in funds to upgrade and rebuild and, where necessary, replace tracks and in accordance with the functions of the Operating License and GRNSW Strategic Plan, provide animal welfare initiatives including rehabilitation facility care and for the provision of lifelong homes for greyhounds after their racing careers to ensure that all racing dogs are lovingly cared for beyond the racetrack.

We have been advised that there is an opportunity for this Council to put a submission to GRNSW that would promote a straight track and rehabilitation centre for Goulburn Greyhound Racing located in Goulburn. Thus the following submission is recommended to Council in response to this strategy:

5 August 2020

Tony Mestrov
The Chief Executive
Greyhound Racing NSW
PO Box 698
Darlinghurst NSW 1300

Submission: Greyhound Racing NSW (GRNSW) Track Strategy

We would like to make a submission to Greyhound Racing NSW (GRNSW) Track Strategy. As you know Goulburn is a very prominent Greyhound area and the facilities at the Goulburn Greyhound Racing Track are first class. Goulburn also attracts the Canberra meetings and is recognised as one of the best facilities in NSW especially for patrons, visitors and spectators.

Goulburn is located on the Hume Highway just two hours from Sydney and 45 minutes from Canberra. There is also very easy access directly to Victoria as well as Western NSW.

Goulburn Mulwaree Council and the Goulburn Greyhound Club has worked very closely over the years to provide this first class facility and we are proud as a Council of the economic benefit that the greyhound racing bring to the region. The facility is strongly supported by the community.

There is no doubt that Goulburn is considered by most to be the best location for a Centre of Excellence including a straight track, greyhound veterinary hospital and rehabilitation centre for retired dogs.

This Council strongly supports that in GRNSW deliberations that Goulburn become a priority for the new facilities required to make the greyhound industry in NSW more efficient, effective and supported by the wider community.

Now for some information:

About the Goulburn Club:

- The club conducted over 94 race meetings last year and hosted the Canberra@Goulburn Race meetings*
- Employees 16 locals on a regular basis in Goulburn, racing operations, race day officials and hospitality jobs.*
- Many trainers in the Goulburn Area, including the States leading trainer Jodie Lord at Gunning.*

Why should the new Centre of Excellence be developed in Goulburn?

- There is no Centre of Excellence planned for Southern NSW and Goulburn is the perfect location.*
- Goulburn currently has the best Kennels and Patron Facilities in the state and should not be left out of being considered for a Centre of Excellence.*
- Goulburn geographically placed for easy access from three major greyhound hubs in NSW and now with Queanbeyan, Moss Vale and Canberra closed it is an essential club in Southern NSW and needs a straight track.*
- Goulburn is a growing city with strong support from Goulburn Mulwaree Council.*
- The Club has a 20-year Licence Agreement to 2040 with a great 350m slipping track for training greyhounds.*

Yours sincerely

*Mayor Bob Kirk
Goulburn Mulwaree Council*

*Cc: Wendy Tuckerman MP
Member for Goulburn
goulburn@parliament.nsw.gov.au*

*Patrick Day
Manager - Goulburn Greyhound Racing Club
goulburngrc@bigpond.com*

DRAFT ONLY – DISCUSSION PAPER

GRNSW TRACK SAFETY & WELFARE STRATEGY

Safety & Welfare Capital Grants Program

JUNE 29, 2020

GREYHOUND RACING NEW SOUTH WALES

Contents

EXECUTIVE SUMMARY 2

 Greyhound Racing Act 2017 – Operating Licence..... 2

 GRNSW Strategic Plan 2018 - 2021..... 2

 Safety & Welfare Capital Grants Program 3

BACKGROUND..... 3

RACETRACK STRATEGY..... 4

SWOT ANALYSIS..... 5

INDUSTRY ANALYSIS 6

 Community and Participants 6

 Commercial Viability 6

 Key Challenges Summary 7

TRACK OPTIMISATION 7

 Achieving our goals & measuring success 7

RACETRACK STANDARDS 9

 Track Safety Standard 9

 Minimum Standards..... 10

 Racetrack Design and Construction Standard 10

 Racecourse Facilities and Amenities Standard 13

 Training Facilities (Trial Track) Standard..... 14

 Clubs and Tracks Workplace Health and Safety (WHS) 14

SAFETY & WELFARE CAPITAL GRANTS PROGRAM FUNDING..... 15

RISKS..... 20

CONCLUSION 20

STRATEGY TIMELINE 22

EXECUTIVE SUMMARY

The Greyhound Racing New South Wales (GRNSW) Strategic Plan includes substantial investment in safety at greyhound racing tracks in New South Wales (NSW), consistent with the expectations of the Ministerial Operating Licence for GRNSW and the NSW Government Safety & Welfare Capital Grants Program for the NSW greyhound racing industry.

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Greyhound Racing Act 2017 – Operating Licence

The Greyhound Racing Act 2017 Operating Licence was granted to GRNSW for the term of five (5) years, commencing 3 July 2017 and ending 3 July 2022. One of the Principal Objectives of the Licensee is to exhibit a sense of social responsibility by having regard to the welfare of greyhounds and one of the Functions of the Licensee is to develop safety standards for licensed racecourses.

During 2019-20, GRNSW developed the standards for licensed racecourses including:

- Track Safety Standards – Sand Racetracks;
- Track Safety Standards – Grass Racetracks;
- Minimum Standards for Racetrack Design and Construction;
- Minimum Standards for Facilities and Amenities; and
- Minimum Standards for Trial Tracks.

GRNSW Strategic Plan 2018 - 2021

The GRNSW Strategic Plan is clear in its goal to invest heavily to enhance the safety of the state's greyhound racetracks, with track maintenance and upgrades based on ongoing research into optimal track and race design.

The Strategic Plan also has a goal to invest heavily in expanding greyhound rehoming programs and capacity; to ensure that all greyhounds have the best possible chance of having a suitable home; and for being kept as a companion animal at retirement for a quality life after racing.

2 * For discussion/consultation

Safety & Welfare Capital Grants Program

GRNSW's track strategy is to raise the bar for all racetracks, over time, to meet its new standards and quality controls.

To achieve this, GRNSW requires funds from the NSW Government Safety & Welfare Capital Grants Program to ensure the state's existing tracks are safe and new tracks in the state are built to the design and construction standards.

It is essential that:

- Greyhounds must race on safe tracks to assist GRNSW in reducing the rate of injury and deaths;
- Track Safety and Minimum Track Standards are introduced and managed by GRNSW, requiring a significant financial investment into tracks across the state to make them safe;
- The Government's Safety & Welfare Capital Grants Program funding of \$30M over 5 years for "Safety & Animal Welfare" initiatives is fully utilised to bring GRNSW tracks up to standard, create new modern tracks and associated welfare facilities including but not limited to kennel buildings, vet rooms and Greyhound Retirement facilities; and
- The ongoing expense required each Club to maintain track standards going forward continues to be funded by both Government and GRNSW.

BACKGROUND

Since 2018, GRNSW has demonstrated its commitment to track safety and welfare and in addition to Safety & Welfare Capital Grant Funds, has allocated approximately \$5M from its own resources (\$2.46M each year) for track maintenance, emergency repairs and minor Club projects.

GRNSW has also employed a dedicated team of track professionals to manage its track portfolio including a General Manager for the state's tracks and infrastructure, four regional co-ordinators, a data analyst and a track project administrator.

The track safety expenditure and staff appointments have ensured NSW is leading the way in track safety and welfare management.

GRNSW remains focused on its three strategic goals, two of which, being RESPONSIBLE and SUSTAINABLE, speak specifically to the greyhound tracks and infrastructure, greyhound safety and greyhound welfare.

Under the Operating Licence it is clear that animal welfare is a priority and GRNSW is committed to prioritising funds from the Safety & Welfare Capital Grants Program, particularly when and where immediate 'remediation' of animal welfare infrastructure is required.

The demand for improved and more consistent racing surfaces, both agronomically and geometrically, has necessitated the reconstruction of many greyhound racetracks in NSW.

To standardise the track design, planning and construction process, GRNSW with the assistance of the University of Technology Sydney (UTS) has recently developed best practise Minimum Standards for Racetrack Design and Construction and Track Safety.

GRNSW has determined that racetrack re-design and reconstruction should only proceed after the following factors have been considered or implemented:

- **Industry Criteria** – the planned reconstruction must conform to GRNSW Track Safety Standards; and Racetrack Design and Construction Minimum Standards criteria and projections;
- **Racing Schedule** – unless the track construction is on a new site, a sufficient non-racing/training period must be possible to allow the new track time to be constructed, settle and sand or turf grass surface to establish;
- **Cost/Benefit** – extent of the reconstruction must be tailored to an acceptable cost/benefit ratio;
- **Track Survey** – an up to date survey of current racetrack and course shape, topography and fixtures must be undertaken as a basis for the re-design and to calculate reconstruction costs;
- **Engineering Assessment** – expert assessment of sub-soil type, strength and permeability, to an appropriate depth, is an essential prerequisite to planning;
- **Contractor Expertise** – due to the precise technical standards required, contractors with proven experience in sports-field construction are critical;
- **Contract Agreement** – must encompass all aspects of the works including detailed plans, drawings, schedules, machinery access, operational conditions and material standards;
- **Materials Quality & Availability** – soils, turf and other materials used in reconstruction must be of a specified standard and readily available as needed;
- **Comparative Inspections** – visits to comparable, recent racetrack reconstructions will provide lessons from other Clubs' experiences; and
- **Water Inflow & Outflow** – availability and quality of water for irrigation, automatic watering, scope for recycling, effective, maintainable drainage and environmentally acceptable means of excess water disposal are important cost and operational considerations.

The above criteria ensures the application of Minimum Standards and Track Safety Standards and best practice in procedures and contractor engagement providing all stakeholders with confidence that the Safety & Welfare Capital Grants Funds will be allocated with measurable outcomes to show improved track safety and welfare for racing greyhounds.

Track Safety Standards and Minimum Standards will be phased in across the next three years to coincide with the Funds available for GRNSW to complete the necessary works. It is our expectation that all tracks will meet our standards by 2023.

RACETRACK STRATEGY

GRNSW is working towards its goal of making the industry "Future Proof". As part of future proofing, the industry is ensuring the delivery of the GRNSW Strategic Plan – namely "Sustainability".

Management has undertaken robust stakeholder engagement over the past six months with this process including meetings and forums with all stakeholders including Government, the GRNSW Board, Race Clubs and others.

Two Club forums were held with all registered race Clubs, the first forum in late 2019 for TAB Clubs and the second forum in early 2020 for Non TAB Clubs. GRNSW met with Club representatives both individually and as a group to discuss the existing Club and track structure and what future structures may look like.

Clubs were given the opportunity at these forums to make comment and suggestions.

Additionally, the GRNSW General Manager for Racing met with Clubs to discuss future Club initiatives and track matters.

SWOT ANALYSIS

Strengths

- Industry is financially sustainable and continues to make an important social contribution to the communities it operates in
- Industry participants, staff and volunteers, including Club committees are perhaps our greatest strength. The industry could not exist without these groups
- Strong industry leadership by GRNSW which has an excellent working relationship with each of the stakeholders
- Strong focus and commitment to provide tracks and facilities that are safe for racing greyhounds and kennels and equipment that ensure greyhound safety and welfare
- Strong commitment to providing ongoing maintenance of greyhound tracks and facilities

Weaknesses

- Finite amount of funding to address ongoing track and safety matters to meet Minimum Standards
- Number of volunteers available to assist our Non TAB Clubs on race days and non-race days is in decline

Opportunities

- Sustaining a vibrant industry rests on both improving commercial performance of GRNSW as well as ensuring our ongoing relevance and importance in NSW communities.
- Strategically limiting the number of tracks to best accommodate TAB racing in the metropolitan area and other regions of NSW will be more cost effective and commercially viable, driving better safety, welfare and financial outcomes, including improved track safety and animal welfare with greyhounds racing on tracks maintained to a high standard with a better standard for participant and public facilities
- Ability to effectively manage future investments and expenditure, which can determine our ability to deliver on the welfare and commercial initiatives we have set out in this plan. The two areas of focus are our racetracks and our Clubs.

Threats

- Participant failure to obey rules and regulations and failure to embrace welfare related requirements and initiatives such as the race injury rebate scheme

5 * For discussion/consultation

- Lack of funding to maintain Track and Safety and Minimum Standards
- External influences including unexpected changes of state and local government policy that place constraints and restrictions on GRNSW in delivering the strategy.
- The age of volunteers and also potential lack of volunteers in our Non TAB Club network.

INDUSTRY ANALYSIS

Community and Participants

The GRNSW optimised track footprint and model will provide better opportunities for engagement with communities in metropolitan and regional NSW, through employment, participation and enjoyment in our racing and non-racing activities.

Over the past year, GRNSW has undertaken a review of its tracks in all regions of the state and developed a track optimisation report.

Key Issues: Tracks

- Minimum Track Safety Standards
- Inclusion of Straight Track Racing
- Greyhound Welfare
- Dog Population
- Wagering Revenue
- Club/Track WHS
- Sustainable Commercial Viability

Commercial Viability

- Racing is currently conducted at 17 Non TAB and 15 TAB tracks
- Every Non TAB meeting in NSW costs \$11,000, with no income
- On average, every TAB meeting makes a surplus of approximately \$47,000
- TAB surplus funds prizemoney to participants and support to Clubs to run race meetings
- Participation is driven by prizemoney
- Very few Clubs have a commercial income
- All Clubs rely on GRNSW support to hold race meetings
- All Clubs rely on GRNSW to fund track and racing infrastructure maintenance requirements

6 * For discussion/consultation

- Many Non TAB Clubs rely on volunteer support to hold race meetings
- Ongoing viability of smaller Clubs at risk due to increased requirements to meet Track Safety and Minimum Standards

Key Challenges Summary

- TAB racing and wagering is limited by:
 - 1) The number of greyhounds available for racing
 - 2) The number of broadcast slots available on Sky Channel.
- There are currently insufficient dogs to produce full race fields for race meetings across NSW. If any number of dogs are racing in Non TAB races, then it is often the case that those dogs are unavailable for TAB races.
- Safety & Welfare of dogs is “paramount” and it is critical that the current funding is allocated to key venues that also sustain the industry moving forward.

Given the current level of dog population and the number of tracks currently in operation, maintaining the “status quo” will not produce a commercial sustainable industry model into the future.

TRACK OPTIMISATION

Achieving our goals & measuring success

1. Track optimisation plan

Over the past year, GRNSW has undertaken a review of its tracks in all regions of the state and developed a total asset management plan that guides future investment. Our plan sets out an approach to achieve an enhanced track portfolio that is comprised of both:

- a) A core track model
A core portfolio of tracks that are located in key regional towns and have the primary purpose of facilitating a high-quality wagering product and providing racing accessibility, safety and functionality for greyhound owners and trainers that will ensure their ongoing participation in the industry.
- b) Straight tracks
Straight Tracks will be included in track designs and strategically placed around the state. It is intended that up to three straight tracks could be included in GRNSW’s track portfolio.
- c) Utilisation of regional tracks as training and trialling centres
Non TAB tracks in regional areas that are not likely to be included in the core portfolio of tracks required to conduct TAB racing could be repurposed as training and trialling venues, ensuring that industry participants have access to quality facilities to educate their greyhounds.
- d) Centres of excellence

In the longer term GRNSW intends to invest in racing Centres of Excellence that are located in key metropolitan and regional areas where there is high racing activity and spectatorship. These areas will include, but may not be limited to; Greater Sydney, Newcastle-Hunter and Northern New South Wales.

Key Measure: Increase return on Capital Investments (ROCI) and return on Assets

2. Plan for metropolitan racing

Metropolitan racing plays a vital role in the industry in NSW with a large proportion of owners, trainers and racegoers residing in Greater Sydney.

With the Greyhound Breeders, Owners and Trainers Association (GBOTA) lease at Wentworth Park expiring in 2027, GRNSW is considering alternative metropolitan racing options that serves the industry in the longer term.

Our assessment takes into consideration the findings of previous reports on metropolitan racing, current industry dynamics and our overall strategic objectives. Options include the expansion of an existing track in a strategic location that is primed to deliver an uplift in race meets and become the new home of metropolitan racing.

GRNSW will consider the return on investment of establishing another racetrack in metropolitan Sydney over the medium term.

Any decisions made by GRNSW regarding future track infrastructure will be supported by evidence and will go through full stakeholder consultation.

Key Measure: GRNSW to identify the future home of metropolitan racing and develop a plan for transition

Core Track Model

All Clubs and tracks must:

- Put on highly professional race meets on a regular basis
- Achieve minimum standards in track design, facilities and amenities, training track and track safety
- Be within a two (2) hour maximum driving distance of high-volume participant areas
- Have high-quality veterinary facilities and services
- Provide training and trialling capacity
- Include digital infrastructure to deliver a high-quality wagering product off the track

Centres of Excellence

In addition to core requirements, the Centres will offer:

- Co-location with, or near to, GAP rehoming facilities

8 * For discussion/consultation

- Additional amenities for patrons and facilities for broader community use
- The gold standard in track design and ability to incorporate a straight track in addition to a circular track
- Digital infrastructure that delivers an integrated digital experience at the track and online

RACETRACK STANDARDS

Efficient and effective investment in our racetracks and support facilities is essential to provide a greater return to the industry and community. The future track model consists of tracks that incorporate the latest safety and minimum standards of track safety and design, provide a better racing experience for patrons; and can be utilised for broader community purposes.

Track Safety Standard

Since 2018, GRNSW has regularly carried out renovations of tracks both sand and grass throughout the state using Track Safety Standards, first developed almost two years ago. A consultation process with stakeholders including Clubs, the GBOTA and the Greyhound Welfare & Integrity Commission (GWIC) commenced in 2018 and the Standards were refined following stakeholder feedback.

The Track Safety Standards have been continually modified and updated with the current (2019/20) Track Safety Standards considered and approved by the GRNSW Board in accordance with the Greyhound Racing Act 2017 No.13 Section 24.

In addition to applying the safety standards, GRNSW regularly conducts regular maintenance procedures and renovations of tracks, both sand and grass throughout the state.

Sand tracks are renovated at least twice annually and grass tracks annually.

GRNSW's regional track co-ordinators also undertake regular track inspections reporting on track safety standards on competition and non-competition days at all tracks. These maintenance reports include:

- Track safety
- Drainage
- Surface hardness/softness
- Surface wear
- Racing infrastructure including boxes, synthetic mats, rails, lures, cables, padding, safety fencing etc
- Inspection of machinery and equipment

Regional co-ordinators and track managers now also have valuable insight into the track condition prior to the race meeting commencing, with all TAB tracks equipped with the necessary equipment and devices to assist the assessment of the track surface, including:

- Penetrometer – a device used for defining track surfaces, measuring surface hardness related to the depth that the greyhound's foot penetrates into the track surface.
- Moisture content reader – a device measuring the moisture in the soil/sand.
- Weather stations – provided real time digital reading of weather conditions and forecast.

The entire racetrack is mapped on GRNSW's track inspection App with readings recorded in the nominated zones. The penetrometer and moisture content measure are useful tools for determining the variability of the racing surface and the underlying soil profile. Monitoring this variation provides track managers with useful information on changing track conditions in relation to track bias and scheduling renovation procedures.

All pre-race, track readings are recorded and shared with GWIC and kept in a data base.

GRNSW firmly believes that its current practices have assisted to reduce injuries to greyhounds in races and provided safe and consistent racing surfaces for competition.

Minimum Standards

In accordance with the Greyhound Racing Act 2017 No 13, section 26 (1) GRNSW has developed minimum standards for the conduct of races and greyhound race meetings which will be required to be adhered to by all registered New South Wales Greyhound Race Clubs.

The minimum standards were designed to ensure the provision of a safe working environment for licensees and officials and safe and comfortable amenities for patrons, whilst also delivering quality facilities that provide adequate conditions for racing and adhere to animal welfare requirements.

GRNSW has taken a considerable period to develop minimum standards for Greyhound Race Clubs. These minimum standards will ensure the effective management and sustainability of WH&S protocols for Greyhound Racing Clubs. GRNSW is of the view that these standards deliver a realistic approach to WH&S throughout New South Wales and that those Race Clubs with a proactive approach to WH&S will be able to achieve these standards.

Racetrack Design and Construction Standard

The basis for the standards for Racecourse Design and Construction has been provided in a report by UTS to GRNSW to meet the requirements of the Racing Act 2017 No 13, Section 26(1).

UTS provided a report on racecourse design and construction with a view that some or all of the contents of the report may be used by GRNSW to meet the requirements of the Racing Act.

The content of the Racecourse Design and Construction Standards is based on evidence that was available to UTS and GRNSW at the time of writing.

As more evidence becomes available, the design requirements contained herein will be refined and detailed. Reference documents included the GRNSW Track Safety Standards document containing design specifications. Where there is a conflict the technical information between ‘existing’, ‘major rebuild’ and ‘green field’ tracks and GRNSW Track Safety Standards documents, the Racecourse Design and Construction Minimum Standards shall take precedence.

The minimum standards are designed to ensure the provision of a safe working environment for licensees and officials and safe and comfortable amenities for patrons, whilst also delivering quality facilities that provide adequate conditions for racing and adhere to animal welfare requirements.

A racecourse and construction audit may be conducted at any venue by GRNSW with or without prior notice to the relevant Race Club.

Very few new racetracks have been built in the past three to four decades. However, many existing racetracks are under review by GRNSW, club committees and management with the aim of improving both the design, the soil and drainage conditions. Options for new tracks are yet to be determined. Sites are also under consideration with GRNSW’s goal to have quality regional racetracks, strategically located around the state and centres of excellence in Sydney Metropolitan and major regional centres.

Most of the state’s existing racetracks have been laid down decades ago, based on expedient design criteria, usually dictated by the amount and shape of the land allotment available, using the natural topography and soil type with little alteration, and creating a simple sand or turf grass surfaces.

As GRNSW manages its racetrack portfolio and racetracks potentially become fewer in number with rationalisation of meeting venues, our “modern” racetracks will be required to cope with a greater number of race days, increased (maximum) field sizes, more consistent and safer “going” in all weathers for this increasingly professional industry.

GRNSW is mindful that as the custodian of the state’s greyhound industry that it has a responsibility to deliver the best possible tracks and facilities for participants and fans. Greyhound trainers now seek the best possible racetracks and facilities, built and maintained to the required standard. Trial tracks will also grow in importance in the future, with the likelihood that some existing tracks will be repurposed as trialling venues.

A range of reasons, rather than just one are usually behind the decision to spend money and time on reconstruction of race and trialling tracks. The normal reasons, many of which are interrelated can include:

- Track surface – material, drainage, hardness, variability
- Track shape/design – width, length, angle/camber of curves, chutes, starting positions
- Track topography – evenness, cross-fall, transitions to curves
- Sand/turf type – durability, softness, traction
- Clay content in soil
- Water inflow/outflow – irrigation efficiency, recycling, disposal

When designing and constructing new racetracks, or rebuilding existing tracks to new standards, GRNSW seeks to achieve the follow outcome:

- Safe and hard-wearing surface
- Good surface drainage
- Adequate water infiltration rate

11 * For discussion/consultation

- Gradients which assist cornering
- Good shock absorbent properties
- Uniform performance across and along the track

Track design devoted to achieving one, or any number of the above attributes may inevitably have a negative impact with respect to other attributes. Hence, a compromise solution often has to be found because of potential conflicts between good surface drainage and adequate water infiltration necessary to sustain sand retention or grass growth and to provide a surface which is not unduly hard on a greyhound's pads and muscles and frame.

A sand track which is heavily cambered will be negatively affected following heavy rain with washouts of the racing surface likely and a turf grass track which is heavily cambered will invariably have preferential drainage which will adversely affect the inside running for a period following heavy rain or after track watering.

The issue of racetrack camber/cross-fall has been the cause for much debate, particularly regarding how the slope was determined. Other than some incomplete studies by Professor David Eager, of University of Technology Sydney, there is no particular formulae or research to support the slope selected in the Racetrack Design and Construction Minimum Standard, however it is related to the radius of the turn.

In general, cross falls are related to greyhound balance and whether the dogs can safely negotiate the curve and move off the rail while going around the turn.

The slope on the turns should also be such that it does not cause a change of stride in the greyhound's action. The sloping turns at Wentworth Park, currently are constructed at 8% and Gosford at 10%. The cambers have proven to be successful and generally accepted, however, more research is needed on best camber combinations with different track designs and the effect of camber on greyhound traction and injuries.

Not surprisingly, at any given time, major redesign and reconstruction of racetracks is taking place, or being planned, on any number of courses throughout NSW. The latest developments in sand testing and sports' turf technology are being applied to produce uniform, resilient and long-lasting racing surfaces to handle the pressures of modern racing.

Building of new tracks or rebuilding existing tracks is a specialised field and when applying for Safety & Welfare Capital Grant Funds, GRNSW fully understands that animal/human; security/aesthetics and safety and welfare aspects are paramount and takes the following into consideration when scoping the project works and developing its business plans:

- Selection of contractors is critical - they must have good qualifications and experience
- Cost is a driving factor
- A detailed site survey picking up all physical features and shapes, is essential - it will result in time and cost savings
- Initial survey of existing site conditions
 - subgrade condition
 - existing pipe work, cables etc.
 - thoroughly examine all plans prior to letting the contract
- Essential geotechnical information during design phase – what lies beneath the existing ground or track level? Can that material be reused?
- Obtaining a hydrological report for flood prediction and stormwater design

12 * For discussion/consultation

- Selection of the soil base and sand, turf grass type requires detailed investigation
- Materials used in construction must be of consistent quality and a testing program during construction is required
- Drainage is a critical factor
- Overall standards have improved greatly and the track safety and minimum standards for racetrack design and construction and facilities and amenities which must be adhered to
- You get what you pay for

Racecourse Facilities and Amenities Standard

The minimum standards for Racecourse Facilities and Amenities are designed to ensure the provision of a safe working environment for licensees and officials and safe and comfortable amenities for patrons, whilst also delivering quality facilities that provide adequate conditions for racing and adhere to animal welfare requirements.

Each Race Club is required to complete a venue assessment of their facilities and forward to GRNSW by the end of January each year. In addition to self-regulation by Clubs, GRNSW will conduct at a minimum, a yearly audit of each venue registered to conduct race meetings to assess compliance with these standards. An audit may be conducted at any venue by GRNSW with or without prior notice to the relevant Race Club.

In developing the minimum standard for Racecourse Facilities and Amenities at NSW greyhound venues the following categories have been assessed.

- Photo Finish
- Judge’s Room and Broadcaster Facilities
- Photo Finish and Race Results Board
- Track Lighting
- Lure Driver Facility
- Stewards Room
- Stewards Viewing Areas & Camera Positions
- Kennels and Scales Area
- Wash Bays
- Vet Room Facility
- Swab Room
- Injured Greyhound Welfare including a recovery vehicle at each track
- Machinery and Equipment Storage
- Maintenance and Equipment
- Staff Facilities
- Public Viewing / Club Room / Dining and Seating Areas
- Safety Standards for Buildings including Public Facilities and Food Premises
- WHS and Environmental Management

13 * For discussion/consultation

- Vehicle and Trailer Parking

Compliance with other additional statutory requirements, remain the responsibility of each Greyhound Race Club.

Training Facilities (Trial Track) Standard

The minimum standards for Trial Tracks are designed to ensure the provision of a safe working environment for licensees and officials, whilst also delivering quality facilities that provide adequate conditions for racing and adhere to animal welfare requirements. Trial tracks are usually the 'poor relation' to racetracks as they are often not as well constructed, excessively used and receive minimal maintenance as work is undertaken by volunteers, usually with limited time to dedicate to the track. To assist in up-keeping these tracks to standard, GRNSW provides trial track operators with annual Safety Racing Welfare Maintenance Funds.

Sand and turf grass training tracks are required to provide a safe and useable surface, irrespective of the weather and a surface that is similar in performance to a racetrack, however, the high level of use makes this a difficult task due to the availability of voluntary maintenance staff. While GRNSW carries out racetrack renovations and reconstructions, the trial tracks have generally not been refurbished to the same degree.

GRNSW is now carrying out regular trial track inspections and is looking to refurbish tracks to the required standard. The repurposing of some existing Non TAB tracks to trialling centres will assist GRNSW in improving the number and quality of trialling tracks.

Clubs and Tracks Workplace Health and Safety (WHS)

GRNSW has a responsibility to educate clubs on their WHS legislative requirements. GRNSW is developing a program to educate club managers on their WHS responsibilities, particularly in the area of track and facilities safety.

GRNSW has allocated funds from the Safety & Welfare Capital Grants Fund to address both Track Safety Standards and Procedures and Facilities Minimum Standards in NSW and additional annual funds to educate and train Club staff and GRNSW staff in WHS best practice.

All GRNSW Regional Coordinators have undertaken Cert IV WHS Training.

SAFETY & WELFARE CAPITAL GRANTS PROGRAM FUNDING

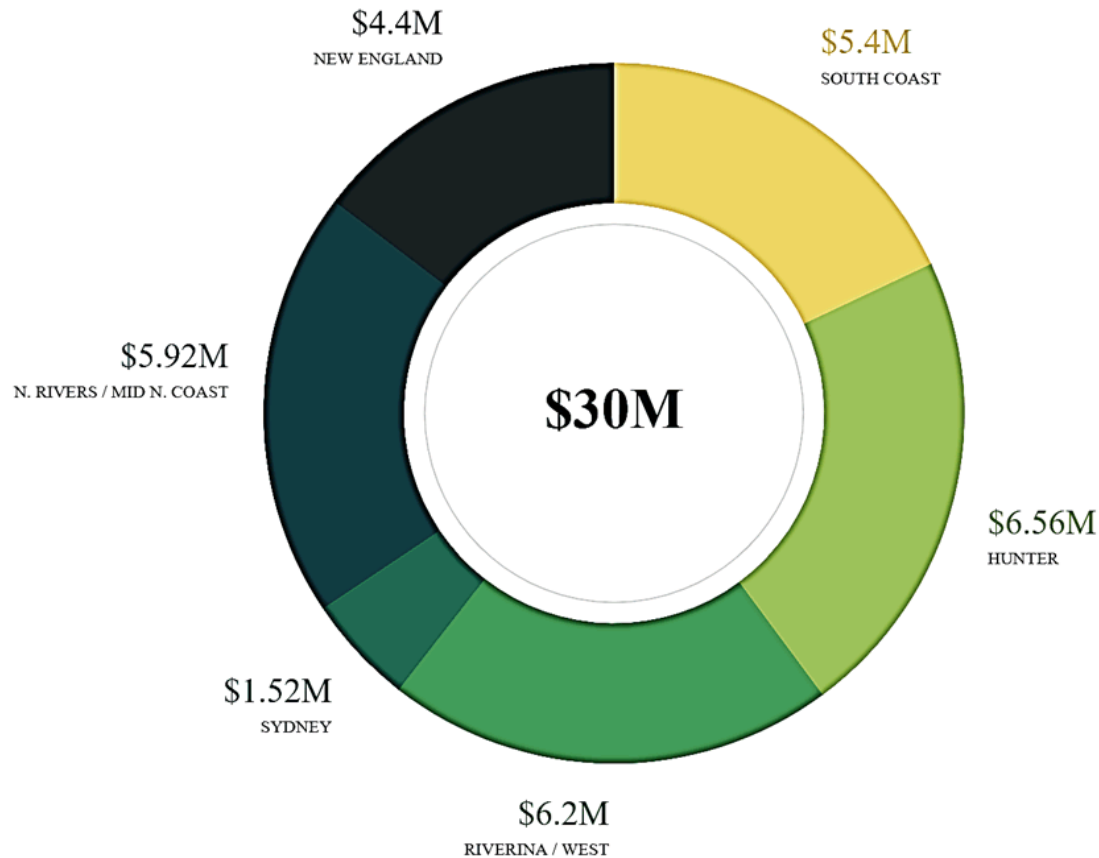
As part of the greyhound racing industry reforms announced in March 2017, the Government agreed to provide \$30M in conditional capital grants to improve animal welfare, including track upgrades to reduce injury risks.

The GRNSW Operating Licence sets a number of conditions for GRNSW to access funding from the Grants Program, including that GRNSW must:

- Engage a suitably qualified person to assess each existing track and associated infrastructure against the minimum standards for track design (once finalised)
- Assist its race clubs to prepare business cases to access grant funding for animal welfare-related infrastructure and track safety upgrades
- Determine the funding priority for projects in accordance with its strategic plan
- Submit an overall business case to the Minister to seek the release of funds

Clause 33(e) of the GRNSW Operating Licence allows GRNSW to request early access to funding from the Grants Program where immediate remediation of animal welfare infrastructure or track safety is required. If early access is requested, GRNSW and the relevant race club must demonstrate that they do not have sufficient funds to undertake the work and that they have made reasonable efforts to procure funding.

\$30M SAFETY & WELFARE GRANTS PROJECTS 2018 – 2022



PROJECT FUNDING PER REGION

SYDNEY	\$1.52M
NORTHERN RIVERS/ MID NORTH COAST	\$5.92M
NEW ENGLAND	\$4.40M
SOUTH COAST	\$5.40M
HUNTER	\$6.56M
RIVERINA/ WEST	\$6.2M

NOTES:

1. Hunter projects includes funding for Greyhound Welfare Centre
2. Sydney Projects includes funding for Training Facilities

\$30M Safety & Welfare Capital Grants Program – Approved Projects & Expenditure 1 July 2018 to 1 February 2020

PROJECTS 2018 – 2020
<p>RACETRACK & FACILITY UPGRADES</p> <p>GRNSW and its contractors have completed under the Safety Welfare Capital Grants Program a number of race track and facility upgrades at the following tracks in the Central Coast, New England, Mid-North Coast, Western Sydney and Metropolitan regions during the past two years.</p> <ul style="list-style-type: none"> • Gosford Track rebuild, facilities upgrade and infrastructure and equipment improvements • Gunnedah Track upgrade and infrastructure and equipment improvements • Tamworth Track turn upgrade, new fencing, safety improvements • Wentworth Park Track and facilities upgrade and infrastructure and equipment improvements • Taree Kennel cooling and upgrades • Wauchope Kennel cooling and upgrades • Kempsey Kennel cooling and upgrades • Richmond Kennel Extension and Welfare/ Integrity room upgrades <p>Works are in progress for GRNSW and its contractors to construct a new racetrack and kennel building in the Northern Rivers region.</p> <ul style="list-style-type: none"> • Grafton Work will commence in July 2020 to construct a new racetrack and kennel building together with the installation of new racing infrastructure and equipment, parking areas and landscaping.
<p>TRACK IRRIGATION</p> <ul style="list-style-type: none"> • Gosford Installation of automatic irrigation system • Bathurst Installation of automatic irrigation system and water storage

\$30M Safety & Welfare Capital Grants Program – Proposed Project Expenditure 1 February 2020 – 30 June 2022

PROJECTS 2020/21	PROJECTS 2021/22
<p>NEW RACETRACKS The construction of two new tracks and facilities in the South Coast and New England regions at:</p> <ul style="list-style-type: none"> • Dapto • Tamworth <p>The New Tracks will be built in accordance with the Minimum Standards for: (a) Racetrack Design and Construction and; (b) Facilities and Amenities The new racing venues will focus of greyhound welfare and safety, on and off the track The tracks will feature optimum track design and track safety as well as the latest developments in racing infrastructure, safety and technology. The greyhound kennels will include the very best kennel care facilities, veterinary rooms and security and the racing spectator facilities will meet the needs of the race club, the participants and the public.</p>	<p>NEW RACETRACKS The construction of two new tracks and facilities in the Riverina and North Coast regions.</p> <ul style="list-style-type: none"> • Wagga Wagga • Tweed Heads <p>The New Tracks will be built in accordance with the Minimum Standards for: (a) Racetrack Design and Construction and; (b) Facilities and Amenities The new racing venues will focus of greyhound welfare and safety, on and off the track The tracks will feature optimum track design and track safety as well as the latest developments in racing infrastructure, safety and technology. The greyhound kennels will include the very best kennel care facilities, veterinary rooms and security and the racing spectator facilities will meet the needs of the race club, the participants and the public.</p>
<p>RACETRACK & FACILITY UPGRADES The racetrack and facility upgrades include the construction of a Straight Track for TAB racing at:</p> <ul style="list-style-type: none"> • Richmond <p>Track Upgrades Mid-North Coast, Southern Tablelands; Hunter Valley; Riverina Regions at:</p> <ul style="list-style-type: none"> • Coonamble • Goulburn • Muswellbrook • Taree • Temora • Wauchope <p>These works will include upgrades to the track surface; kennel, participant and public facilities; racetrack equipment; technology and safety upgrades including, track and catching pen safety padding; track safety rails; starting boxes; lures and lure rail infrastructure and race timing with each track achieving full compliance with the Minimum Standards and the Track Safety Standards.</p>	

<p>TRACK & FACILITIES MINIMUM STANDARDS COMPLIANCE UPGRADES A number of tracks across the state require works to be undertaken at their venue to achieve compliance with the Minimum Standards. These funds will be allocated to works at tracks in regions across the state including North Coast; Far West, Western; South Coast, New England, Hunter and Metropolitan at:</p> <ul style="list-style-type: none"> • Bathurst • Bulli • Dubbo • Casino • Coonabarabran • Gunnedah • Lismore • Maitland • Richmond • The Gardens • Wentworth Park <p>The compliance upgrades will ensure that each of the tracks meets the Standard for; (a) Track Design and Construction and; (b) Facilities and Amenities These works will include: Track surface works; track fence and catching pen safety padding and safety rails; kennel cooling and security; lures and lure rails etc. Staff, public and participant safety and greyhound welfare.</p>	<p>TRACK & FACILITIES MINIMUM STANDARDS COMPLIANCE UPGRADES A number of tracks across the state require works to be undertaken at their venue to achieve compliance with the Minimum Standards. These funds will be allocated to works at tracks in regions across the state including Central Coast; Mid North Coast; South Coast, West and and Far West at:</p> <ul style="list-style-type: none"> • Broken Hill • Gosford • Kempsey • Lithgow • Moree • Nowra • Potts Park • Young <p>The compliance upgrades will ensure that each of the tracks meets the Standard for; (a) Track Design and Construction and; (b) Facilities and Amenities These works will include: Track surface works; track fence and catching pen safety padding and safety rails; kennel cooling and security; lures and lure rails etc. Staff, public and participant safety and greyhound welfare.</p>
<p>TRACK IRRIGATION The installation of an automatic irrigation system and water storage tanks at the Bulli greyhound racing track to assist the Club in presenting a premium racing surface for greyhounds</p>	
<p>TRAINING FACILITIES Trial Track and Equipment Upgrades at the tracks in the Wollondilly and Riverina Regions at:</p> <ul style="list-style-type: none"> • Cowra • Thirlmere <p>These upgrades will include renovation of track surfaces, starting boxes; lure and associated equipment and upgrade improvements and upgrades to ensure compliance with the Minimum Standards for Training Facilities.</p>	

	<p>ANIMAL WELFARE CENTRE Rehabilitation centre and infrastructure to support greyhounds injured and in need of care during their lifecycle.</p> <ul style="list-style-type: none"> • Hunter Valley
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RISKS

External

- Local Government – Council Development Application Processes can cause unexpected delays, hindering progress and our ability to meet timelines
- Bad weather in particular, heavy rain storms can cause delays in construction time and often require additional resources to repair damage causing unexpected delay, damage resulting in unbudgeted costs
- A greyhound incident on a track, such as an accidental death, could see an over-reaction in media due to previous negative media coverage of the industry, especially with any lack of context or understanding about what has been done in terms of reform or improvements in recent years.

Internal

Governance

- Incorrect execution of procedures or adherence to procurement policy and tender could place the project at risk
- Human neglect/incompetence in relation to management of the project on site could result in failure to meet project timelines and budget; negative industry feedback and negative media exposure.

Maintenance

- Requirement for ongoing track and equipment maintenance procedures to be adhered to by Club post project completion.
- Requirement for annual GRNSW funding for Tracks & Maintenance team and Club curators to continually upkeep tracks to required standard.

CONCLUSION

Sustainability of Tracks

GRNSW has concluded that all 32 Race Clubs in the state can continue to operate as their own entity or as a merged entity

GRNSW has no desire to close clubs and at recent Club forums and during any communications has encouraged Clubs with tracks that cannot be sustained to consider the following options:

- Continue to operate their track as a training, trialling centre for participants in their area
- Continue to race their allocated dates at a neighbouring racetrack registered for racing

20 * For discussion/consultation

- c) Merge their Club with a neighbouring registered Race Club

Track Safety and Welfare

GRNSW has a responsibility to provide animals and human participants with safe racetracks and facilities to race and trial. It also has a responsibility to prevent any unnecessary euthanasia of racing greyhounds.

To achieve positive outcomes in the coming years GRNSW must:

1. Have access up to \$30M Safety & Welfare Capital Grants Program Funds to establish new safe tracks, remediate existing tracks to safety standards, create centres of excellence and provide welfare initiatives for retired racing greyhounds
2. Include straight track racing in strategic locations around the state
3. To ensure GRNSW fulfils its promise to rehome racing greyhounds after their racing careers, a purpose-built Animal Welfare facility in regional NSW is essential to accommodate greyhounds providing them with lifelong homes after their racing careers and ensuring all racing dogs are lovingly cared for beyond the racetrack

Implementation

1. GRNSW will develop a stakeholder engagement plan (with the key stakeholders; the Minister, GBOTA, GWIC and participants) to ensure a seamless communications rollout
2. It is imperative that the following factors are considered in circumstances where it is by agreement proposed that a greyhound racing track is repurposed or closed:
 - a) consideration of any upcoming race meeting dates close to or immediately prior to the track ceasing to operate as a racing venue;
 - b) if a Club ceases to operate, the transfer/sale and realisation of a Club’s assets (for example any land owned by a Club or a leasehold interest that will need to be surrendered); and
 - c) ensure that a track’s repurposing or closure is effected in accordance with the provisions of its governance documents dependent on the nature of the entity (i.e. articles of association for an incorporated association or constitution for a public company limited by guarantee) as well as the Club’s internal policies.
3. It is also imperative that moving forward Greyhound Racing Clubs are assisted by GRNSW in accordance with the provisions of GRNSW’s operating licence ensuring that clubs are financially viable entities, have a sense of social responsibility and continue to promote greyhound racing as a competitive and sustainable industry.

STRATEGY TIMELINE

The table below demonstrates the proposed progress of GRNSW’s Safety & Welfare Grant Strategy:

Timeline	Key Event(s)	Status
June 2019	Finalise Track Safety Standards and Minimum Standards for Track Design & Construction; Track Facilities and Amenities and Trial Tracks	Completed
June 2019	Evaluation of Tracks to meet Track Safety and Minimum Standards	Completed
July 2019	Discussions take place with both the Temora & Cowra race clubs in regards to the potential to amalgamate into TAB racing at Temora.	Completed
August 2019	Clubs to undertake self-assessment of their track to meet Track Safety and Minimum Standards	Completed
September 2019	GRNSW to complete assessment of all tracks to meet Track Safety and Minimum Standards	Completed
October 2019	GRNSW consultation on track optimisation and sustainability of tracks (Cowra and Temora agree on transition to TAB racing from Non TAB racing allocation)	Completed
December 2019	Conduct TAB Clubs Forum to discuss ongoing viability of tracks	Completed
December 2019	The NSW GBOTA (Temora) and Cowra Clubs to merge all Non TAB racing between the clubs into TAB racing. This would commence in January 2020. The Cowra Club would continue to utilise its facility as a trial track and breaking-in facility.	Completed
December 2019	Extension to Kennel Building at Richmond	Completed
January 2020	Conduct Non TAB Clubs Forum to discuss ongoing viability of tracks. Information provided to all stakeholders including current breeding numbers, race statistics, nomination flow and industry funding. Clubs asked to consider racing options in their regions.	Completed
January 2020	Identify tracks that could be potentially repurposed to conduct trials only and begin discussions with Clubs regarding the future of their racetracks	Completed
February 2020	Consultation begins on track optimisation and sustainability of tracks. GRNSW conduct regional discussions to ascertain their views on the future: Meeting with Mudgee. Meeting with Coonabarabran and Moree. Meeting with Gunnedah and Armidale.	Progressed

Timeline	Key Event(s)	Status
February 2020	GRNSW meets with the Western Sydney Parklands Trust to discuss options with potential sites for racing and GAP facilities.	Ongoing
March 2020	Commence Upgrade Taree Non TAB grass track to meet standard for TAB racing	Completed Phase 1
May 2020	GRNSW continue discussions with Mudgee and the Club advised that they will transfer their race dates into TAB racing at Dubbo. Current site will not be utilised for trialling options.	Completed
May 2020	Temora Kennel Facility Upgrade to include Vet Room	Completed
May 2020	Consultation on track optimisation and sustainability of tracks communications with Coonamble, Coonabarabran, and Moree. Coonamble expressed interest, Moree expressed interest but with potentially Coonabarabran and Gunnedah. Due to distance, Gunnedah is the best option.	Progressed
June 2020	Consultation on track optimisation and sustainability of tracks. GRNSW conduct a stakeholder engagement forum with representatives of the Kempsey, Wauchope and Taree. Initial response from forum was that in the short term Non TAB racing would continue at both Kempsey and Wauchope and TAB race meetings to also be conducted at Wauchope. Kempsey also agreed to hold discussions with Wauchope about transitioning their Non TAB meetings to Wauchope.	Ongoing
June 2020	GRNSW continue discussions with Moree & Armidale in regards to racing options in the region. GRNSW also reaches out to the Lithgow Club to have discussions on their future racing options.	Progressing
July 2020	Commence construction new approved Track and Kennels at Grafton	DA being approved
August 2020	Upgrade Wauchope grass track to meet standard for TAB racing Install Bulli Track Irrigation. Construct Straight Track Richmond. Consider new Dapto track options and investigate a potential Greenfield site. Commence first phase of all regional Track Standards upgrades at: Lismore; Richmond; Bathurst; Dubbo; Wentworth Park, Bulli, Casino Training Facility equipment Upgrade Cowra	
September 2020	Muswellbrook Track Safety Standards Upgrade	
October 2020	Proposed Coonamble Track Upgrade	
November 2020	Thirlmere (Wollondilly) Trial Track Rebuild	
December 2020	Goulburn Track Rebuild Proposed Upgrade of Temora Track	

Timeline	Key Event(s)	Status
	Muswellbrook Track Safety Upgrade	
January 2021	Progress New Options Tamworth/New England region	
March 2021	Goulburn Track Upgrade (includes Goulburn Track Lighting)	
June 2021	Complete the second phase of all Regional Track Standards Upgrades at: Broken Hill; Coonabarabran/Moree; Potts Park; Maitland Build New Track at Wagga Wagga/ Riverina Region	
July 2021	Establish Animal Welfare Rehabilitation Infrastructure to support greyhounds injured on track and care of greyhounds during lifecycle	
2021-22	Complete third phase of all regional Track Standards Upgrades at: Nowra; The Gardens; Gosford; Gunnedah; Young; Kempsey; Lithgow; Development of Sydney Metropolitan region and Newcastle Hunter Region proposed Centres of Excellence Propose build of new track at Tweed Heads (Northern NSW)	

15.8 2020 COMMUNITY OUTREACH MEETING

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

Link to Community Strategic Plan:	CL2 Encourage and facilitate open and respectful communication between the community, the private sector, Council, and other government agencies
Cost to Council:	The cost of the outreach meetings is covered in Councils operational budget
Use of Reserve Funds:	Nil

RECOMMENDATION

That:

1. The report from the General Manager on the 2020 Community Outreach meeting be received.
2. The 2020 Outreach Meetings be cancelled due to COVID-19 restrictions and the State Government guidelines that indicate only essential public meetings should be conducted.
3. Council issues a newsletter to all residents containing the following information:
 - a) Advising that the Outreach Meetings are cancelled for 2020
 - b) Inviting community groups in small numbers to meet with the Mayor and General Manager if they have specific concerns.
 - c) Encourage the community to raise questions via Customer Service
 - d) Providing highlights of the capital and operational works undertaken by Council in the 2019/20 financial year.

BACKGROUND

This report is provided to Council to discuss the 2020 Community Outreach Meeting.

REPORT

Since 2007 Council has undertaken Community Outreach Meetings. Meetings have generally been successful and well received by the various communities.

However because of the uncertainty of the COVID-19 pandemic and the guidelines issued by State Government that only essential public meetings be held, it is recommended in this report that the Outreach Meetings for 2020 be cancelled.

The timetable for the 2020 Outreach Meetings is programmed as follows:

Date	Venue	Time
Thursday, 1 October 2020	Middle Arm (Middle Arm Fire Shed)	6.30pm
Thursday, 8 October 2020	Windellama (Windellama Hall)	6.30pm
Tuesday, 13 October 2020	Bungonia (Bungonia Community Hall)	6.30pm
Tuesday, 20 October 2020	Goulburn (Council Chambers)	5.30pm
Thursday, 22 October 2020	Marulan (Marulan Hall)	6.30pm
Tuesday, 27 October 2020	Parkesbourne (Parkesbourne Uniting Church Hall)	6.30pm
Thursday, 29 October 2020	Tarago (Tarago Community Hall)	6.30pm
Thurs, 14 November 2020	Towrang (Towrang Community Hall)	6.30pm
Thursday, 19 November 2020	Tallong (Tallong Memorial Hall)	6.30pm

These meetings do take time to organise and administer thus the early decision to cancel. It is further recommended in this report that a further newsletter be issued to all rate payers in the region stating that the Outreach Meetings are to be cancelled and to remind the community to lodge their question via Customer Service. The newsletter would also advise the community that if there were any specific issues pertaining to their community that they would still be entitled to arrange a meeting in small groups directly with the Mayor and General Manager.

The newsletter would also provide highlights of what the Council has achieve over the last twelve months. This is would be along the lines of the normal newsletter we distribute at Outreach Meetings.

15.9 SOUTH EAST AUSTRALIAN TRANSPORT STRATEGY INC (SEATS) REPRESENTATION

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

Link to Community Strategic Plan:	CL1 Effect resourceful and respectful leadership and attentive representation of the community.
Cost to Council:	The cost of attending these meetings is included in the operational budget of Council.
Use of Reserve Funds:	Nil

RECOMMENDATION

That:

1. The report from the General Manager on the South East Australian Transport Strategy Inc (SEATS) Representation be received.
2. Cr Peter Walker replace Cr Denzil Sturgiss as the Goulburn Mulwaree Council representative on SEATS.

BACKGROUND

Council is a member of South East Australian Transport Strategy Inc (SEATS) which is a collection of Council members from the East Coast of NSW and Victoria that focus on transport issues.

REPORT

Council's current representative on SEATS is Cr Denzil Sturgiss and because of recent health issues Cr Sturgiss's participation in this group has been limited.

Cr Peter Walker has been invited to nominate for the Executive of SEATS. However until Cr Walker is appointed as Council's representative he cannot be appointed to the Executive. The Executive will be confirmed by the SEATS meeting on the 11 August 2020.

This report recommends Cr Walker replacing Cr Sturgiss on SEATS as this Council's representative.

15.10 GRANTS UPDATE

Author: Rebecca Noonan, Senior Grants Officer

Authoriser: Warwick Bennett, General Manager

Attachments: Nil

Link to Community Strategic Plan:	CL4 – Actively investigate and communicate funding sources and collaboration opportunities that can strengthen the region
Cost to Council:	Income generated as noted below
Use of Reserve Funds:	Nil

RECOMMENDATION

That the report of the Senior Grants Officer and the Director of Corporate and Community Services be received and noted.

BACKGROUND

This report provides an update on grant activities from 31 July 2019 – 9 July 2020.

REPORT

Notified Grants – Successful

From 31 July 2019 – 9 July 2020 Council was awarded **\$20,143,247** in grant funding (including Aquatic Centre \$10,000,000 not previously reported). A summary of awarded grants is below.

Description	Funding Body	Notification Date	Amount
Goulburn Aquatic Centre Redevelopment	Dept of Premier and Cabinet (Election commitment)	Mar 19 (not previously reported)	\$10,000,000
Wollondilly Restoration – Willow and Blackberry Removal	Environmental Trust	5 Aug 19	\$81,850
Goulburn Bike Week	RMS	5 Aug 19	\$2,900
Rocky Hills Lighting Upgrade	Federal Dept of Veterans' Affairs	16 Aug 19	\$3,000
GRAG Collection Significance Assessment	National Library of Australia	4 Sept 19	\$5,112
GRAG Art Walks	M&GNSW	5 Sept 19	\$10,000
Julianne Salway ANZAC Memorial Hyde Park Mentorship	M&GNSW	19 Sept 19	\$1,670
WWT Water Fountain	Dept of Industry, Innovation & Science	25 Oct 19	\$7,268
Goulburn Recreation Area Climate Impacts Assessment	Office of Environment & Heritage	14 Nov 19	\$98,375
GWMC Recycling Relief Claim	NSW EPA	20 Nov 19	\$34,680
Goulburn Youth Week	NSW FACS	2 Dec 19	\$2,259

Mulwaree Ponds Weed Removal Blackshaw Rd	Dept of Environment & Energy	5 Dec 19	\$20,000
Rocky Hill Collection Condition and Significance Assessment	NSW Dept of Veterans' Affairs	11 Feb 20	\$10,000
Weed Removal – Wollondilly River, Roberts Park	Recreational Fishing Trust	20 Feb 20	\$38,407
Goulburn Youth Hub (on behalf of Goulburn PCYC)	Dept of Premier and Cabinet	Feb 20	\$220,822
Riverside Park Inclusive Playspace	Dept of Planning & Environment	1 Apr 20	\$200,000
Bourke/Addison St Roundabout	Dept of Regional Development & Infrastructure	14 Apr 20	\$403,245
Taralga Rd Safety Improvements	Dept of Regional Development & Infrastructure	14 Apr 20	\$804,403
Goulburn Animal Shelter	Office of Local Government	15 May 20	\$4,000
Digital Honour Roll	Federal Dept of Veterans' Affairs	10 Jun 20	\$9,596
Goulburn Water Reuse Scheme	Dept of Regional Development & Infrastructure	10 Jun 20	\$4,400,000
On-road cycling infrastructure in Goulburn CBD	Transport for NSW	17 Jun 20	\$194,000
Youth Mindfulness Garden	NSW Ministry of Health (Discretionary Grant)	19 Jun 20	\$15,000
Rec Area Gate 3 Car Park	NSW DPIE	26 Jun 20	\$176,401
Rec Area Retractable Basketball Hoops	NSW DPIE	26 Jun 20	\$83,730
Rec Area Mobile Seating System	NSW DPIE	26 Jun 20	\$146,000
Carrick Rd Resealing	Transport for NSW	30 Jun 20	\$677,325
Mountain Ash Rd Maintenance	Transport for NSW	30 Jun 20	\$2,383,665
Seiffert Oval Grandstand Refurbishment	Office of Responsible Gambling	1 Jul 20	\$109,529

Notified Grants – Unsuccessful

Description	Funding Body	Notification Date	Amount
Litter control fencing Goulburn and Marulan Waste Management Centres	Environmental Trust	14 Mar 19	\$127,819
O'Brien Park Upgrade Project – Crown Reserve Improvement Fund	NSW DPIE	22 Mar 19	\$80,766
Wollondilly River Walking Track Litter Bins Project	Dept of Environment & Energy	30 Apr 19	\$20,000
Goulburn Community Bus Upgrade	Dept of Premier &	15 May 19	\$113,437

Bungonia Village Amenities Block Project	Cabinet		\$96,513
Bourke St Community Centre Improvements			\$103,593
Illumination for Athletes and Future (Hudson Park Lighting)			\$21,485
Goulburn Seniors Festival	NSW FACS	5 Aug 19	\$4,310
Parkrun Road Safety Activity	NSW FACS	16 Aug 19	\$1,000
Expansion of Paperback Cafe	QANTAS Regional Grants	29 Aug 19	\$90,795
Infinities Exhibition GRAG	M&GNSW	4 Sep 19	\$40,000
Cookbundoon Amenities Block	Dept of Premier & Cabinet	24 Sep 19	\$245,314
Community Bus	Dept of Premier & Cabinet	24 Sep 19	\$123,749
Retractable Basketball Hoops	Dept of Premier & Cabinet	24 Sep 19	\$92,264
Bungonia Public Toilets	Dept of Premier & Cabinet	24 Sep 19	\$78,864
Bourke St Community Centre Access Improvements	Dept of Premier & Cabinet	24 Sep 19	\$123,226
Expansion of Paperback Cafe	Dept of Premier & Cabinet	24 Sep 19	\$115,462
GRAG Refurbishment Stage 2	Dept of Premier & Cabinet	24 Sep 19	\$149,625
Auburn St Seating	NSW FACS	25 Sep 19	\$14,481
Rocky Hill Museum Cottage Condition Assessment	M&GNSW	8 Nov 19	Value of Report
Water Inclusive Masterclasses	Swimming Australia	8 Nov 19	\$6,153
Goulburn Show (for Goulburn AP&H Society)	Dept of Regional Development	13 Dec 19	\$123,795
Rec Area Heat Resilience (for Goulburn Greyhounds)	Office of Local Government	31 Jan 20	\$28,534
Road Reserves Weed Project	Dept of Social Services	28 Jan 20	\$222,246
Steampunk	Destination NSW	23 Mar 20	\$10,000
Music-Making for Seniors	NSW FACS	23 Apr 20	\$33,334

Awaiting Notification

Description	Amount	Submission Date	Estimated Notification Date
6 x New Bus Stops – CPTIGS	\$66,000	18 Sep 19	Now
Nerriga to Tarago Haulage Route – Fixing Country Roads	\$126m	20 Dec 19	Now
Chinaman’s Lane Upgrades	\$3m	20 Dec 19	Now
GRAG Multi-year Funding	\$345,000	5 Mar 20	August
WWT – Cemetery to Lower Sterne St – Walking and Cycling Program	\$642,950	13 Mar 20	November
Auburn St HPAA – Walking and Cycling Program	\$32,230	13 Mar 20	November
Mulwaree High Footpaths – Walking and Cycling Program	\$268,249	13 Mar 20	November
Wollondilly PS Footpaths – Walking and Cycling Program	\$380,792	13 Mar 20	November
Goulburn West PS Footpaths – Walking and Cycling Program	\$132,378	13 Mar 20	November
Trinity College Footpaths – Walking and Cycling Program	\$46,450	13 Mar 20	November
Goulburn East PS Footpaths – Walking and Cycling Program	\$160,904	13 Mar 20	November
Hockey Redevelopment – Growing Local Economies Fund	\$3,872,000	27 Mar 20	August
Marulan Flood Study and FRMS&P – Floodplain Management Program	\$99,999	9 Apr 20	November
Hockey Redevelopment – NSW Office of Sport Unsolicited Proposal	\$3,872,000	28 Apr 20	Not known
Union St – Lagoon to Chatsbury - RRRP	\$154,000	29 Apr 20	July
Union St – Chatsbury to Wilmot - RRRP	\$192,000	29 Apr 20	July
Towrang Road Bridge Replacement - BRP	\$2,000,000	29 May 20	November
Carrick Road Bridge Replacement - BRP	\$458,806	29 May 20	November
Chinaman’s Lane Upgrades - HVSP	\$349,448	29 May 20	November
Marsden Weir BBQ and Shelter - CBP	\$20,690	9 Jun 20	December
North Park BBQ and Shelter - CBP	\$19,852	9 Jun 20	December
Auburn St Seating - CBP	\$15,462	9 Jun 20	December
Goulburn Commuting Cycling Trial – Streets as Shared Spaces	\$724,350	10 Jun 20	September
Upgrades to Peden Pavilion – Showground Stimulus Phase 2	\$229,675	12 Jun 20	August
Solar Panels, Grace-Millsom Centre – Showground Stimulus Phase 2	\$19,086	12 Jun 20	August
Weather Protection for Livestock Yards –	\$96,874	12 Jun 20	August

Showground Stimulus Phase 2			
Blackberry Control Rec Area - CRIF	\$8,945	3 Jul 20	January
North Park Amenities Block - CRIF	\$94,910	9 Jul 20	January

Significant Opportunities – Upcoming

Funding Source	Amount	Project	Submission Date
Black Spot	Not limited	Jerrawa Rd -4km. Near Glymar Rd turnoff Windellama Rd 1 – 2km near airport Windellama Rd 2 – 2.8km near intersection with Lumley Rd. Lumley/Cullulla Rds – 2.5km - covers intersection of the 2 roads Kingham and Albert Street roundabout School crossing – Mulwaree High	31 Aug 20
Fixing Country Roads	Not limited	Range Road Culvert Bridges Assessment	Anytime
Regional Bushfire Recovery and Development Program	TBC	Awaiting guidelines from NSW State Government	TBC

15.11 MARULAN VILLAGE PLAN WORKING PARTY NOTES - 10 JULY 2020

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

Attachments: 1. **Marulan Village Fund Working Party Minutes 10 July 2020** [↓](#) 

Link to Community Strategic Plan:	CL1 Civic Leadership – Attentive representation of the community
Cost to Council:	The allocation of Discretionary Funding to Marulan is included in the operational budget
Use of Reserve Funds:	Nil

RECOMMENDATION

That the report of the General Manager on the notes from the Marulan Village Plan Working Party held 10 July 2020 be received.

REPORT

Please find attached the noted from the Marulan Village Plan Working Party held 10 July 2020.

There are no decisions that require any action from Council.



Marulan Village Working Party Minutes

Meeting Details

Friday 10 July 2020 at 3.30pm
Marulan Hall Supper Room, Marulan

Attendees

Deputy Mayor Peter Walker (Chair), David Humphreys (Marulan Chamber of Commerce), Geoff Kettle (Gunlake), Maureen Eddy (Marulan Lions Club), John Nicastri (Marulan and District Progress Association) & Warwick Bennett (Goulburn Mulwaree Council)

Apology

Dean Beltrame (Boral), Tegan Rups (Community Representative) & Richard Gray (Holcim)

Discussion Items

1. Balance of Marulan Discretionary Fund including 2020/21 allocation of \$27,050 - \$118,642
2. Update on action plan below
3. General Business
 - a. Seating at the Rotunda will be completed by the end of July 2020
 - b. Geoff Kettle to supply wording for plaque at rotunda
 - c. Tennis Courts light cabling is exposed. General Manager to check out
 - d. Strategic Plan Review to be on next agenda
 - e. General Manager to investigate travel irrigator for soccer field
 - f. Agreed to proceed with installation of cricket pitch
 - g. General Manager to investigate fence across southern boundary of soccer field
 - h. General Manager to investigate extension to Skate Park for younger children
 - i. General Manager to check out travel lane on Brayton Road outside Tennis Courts
 - j. Request to IGA to place an additional sign at their exit
 - k. General Manager to investigate cars and front end loader parked on Council land off Brayton Road
 - l. Discussion on trucks entering new fuel station at Corner Brayton Road and George Street – Agreed this was an Transport for NSW issue and no further action is required.

Meeting closed 4.15pm



**Marulan Village Plan
Working Party Discussion Items & Action List**

No	Project	Description	Working Party Members	Update on actions
1	Cricket Oval	<ul style="list-style-type: none"> • Price basketball courts • Cricket pitch 	<p>Richard Gray (Holcim)</p> <p>Warwick Bennett</p>	<p>Application to Holcim Discretionary Fund</p> <p>Agreed to install cricket pitch – price \$23,500</p>
2	Meridian Park	Design and cost realistic upgrade of Meridian Park including safety fence	David Humphreys	Fencing material has been purchased. Now waiting on top soil to be put in place
3	Soccer Fields	<ul style="list-style-type: none"> • Construct new shed at soccer field • Water and irrigation • Grassing • Traffic Management • Changing Rooms • Installing lights 	<ul style="list-style-type: none"> • Dean Beltrame • Warwick Bennett • Warwick Bennett • Warwick Bennett • Warwick Bennett • Warwick Bennett 	<p>Working party agreed to contribute \$20,000</p> <p>Check pressure and flow for irrigation – now investigating travelling irrigator. A travelling irrigator would require constant set up each day as well as storage. Long hose would need to be purchased and process would be very labour intensive.</p> <p>Price cost of regrassing \$25,000</p> <p>Plan to be prepared – see attached – cost \$150,000 with bitumen surface</p> <p>Investigate options including facilities for females cost \$200,000 including two changing rooms, disabled toilet and electrical and plumbing works</p> <p>Cost prohibitive. No further action required</p>



**Marulan Village Plan
Working Party Discussion Items & Action List**

		<ul style="list-style-type: none"> Fence across southern boundary of soccer field 	<ul style="list-style-type: none"> Warwick Bennett 	Obtaining price for 45 meeting of fencing required
4	Skate Park	<ul style="list-style-type: none"> Extension being investigated for younger children 	<ul style="list-style-type: none"> Warwick Bennett 	Investigating design and costs

15.12 EXTERNAL MEETING MINUTES

Author: Warwick Bennett, General Manager

Authoriser: Warwick Bennett, General Manager

- Attachments:**
1. **Marulan Quarry Project Community Consultative Committee - Minutes from 18 June 2020** [↓](#) 
 2. **Veolia Community Liaison Committee Meeting Minutes - 11 June 2020** [↓](#) 

Link to Community Strategic Plan:	CL3 We actively collaborate with others in the region
Cost to Council:	There are no financial implications for this report
Use of Reserve Funds:	Nil

RECOMMENDATION

That the report from the General Manger on the Marulan Quarry Project Community Consultative Committee Meeting minutes from the 18 June 2020 and the Veolia Community Liaison Committee Meeting Minutes from the 11 June 2020 be received.

REPORT

Please find attached the minutes for the Marulan Quarry Project Community Consultative Committee Meeting held 18 June 2020 and the Veolia Community Liaison Committee Meeting Minutes from the 11 June 2020.

These minutes are attached for your information and no Council decision is required other than noting the minutes.

**Marulan Quarry Project
Community Consultative Committee**

**Fourth Meeting, Thursday 18 June, 2020
6.30pm-8.00pm Teleconference**

Attendees

Present

Ian Colley (Independent Chair)

Vergilio Serra (Global Quarries)

Justin Flaherty (Global Quarries - Minute taker)

Graham Edwards (GQ)

Graeme Dally

Wendy Dally

Bill Kenchington

Shane Hill

George Emerzidis

Darryl Pearson

Don Angelosante

Apologies

Stephanie Mowle – GM Council

Lauren Evans – DPIE

Welcome and Introductions

IC notified that Wendy Dally has been approved by the NSW Department of Planning (DPIE) as a full member of the Committee.

Wendy presented an Acknowledgement of Country at the start of the meeting.

Minutes of the Last Meeting

Minutes of 3rd meeting were approved.

SH – Don Angelosante doesn't have email address, and would like the minutes to be posted (155 Winfarthing Rd Marulan NSW 2759). IC agreed to do this .

Action 1: Minutes to be posted to Don

Updates from GQ

IC - invited GQ to note whether any earlier action items have been completed yet.

VS – hit a bump with the design, having at the last meeting advised that it would take 8-12 weeks, noted that it may be more like the 12-week. More core drilling is underway to support this. EIS on hold until the design is finalized. Today no new information can be presented but GQ is happy to hear new concerns.

IC – Does 8-12 weeks mean that 4 weeks from today we will receive the design, including a map and other information?

GE joined the teleconference at this point.

VS – the map will allow GHD to assess impacts, design and reduce impact to the community

GD – why can't we see the map if it is already done? A general site map has been available since January, it was submitted with the amended application to state planning.

SH – guidelines of the CCC require open communication. GQ should have provided the map

VS – the map was a preliminary design. Consultants are drafting the detailed design. We will circulate the map

GD – we already have the map that was submitted. Why didn't you give us this earlier, we have been asking for it since the first meeting? It is a matter of trust.

DP – drilling started on the long weekend. What hours do you think you can work? Are you exempt from standard working hours? Drilled all day Saturday and till midnight, and all day on the public holiday. No consideration was given to noise impact. We will get council onto GQ.

VS – it is private land. GQ will check into the hours. GQ will check into the hours recorded in the drilling log. Work hours are 7-5 and drilling will continue for a few more days.

DP – was there blast testing on the 16th of June?

VS – I can guarantee that we weren't working on the public holiday, but I will check. No blasting has happened. If you believe they are working outside hours please feel free to contact council.

(DP read out his time log of the drilling).

Action 2: VS to check work hours, and ensure these are within council regulations.

BK – I know you didn't want older items repeated but I have six items to emphasise.

IC – is this something new we need to address? There is not much point repeating issues that have already been raised when GQ is not in a position to respond satisfactorily until the design is completed. Major areas of concern have been noted. Have you any new items?

VS – all the issues and concerns raised here are taken on board and have been referred to GHD to be incorporated into the EIS. It is not the case that we are not listening.

BK – I wanted to confirm the road entry and exit design. Will the access point be moved closer to Narambulla Creek. I want to ensure that the access gate on Winfarthing Rd is barriered off.

VS – once the quarry is operational the gate can be closed. It can be welded to ensure no entry.

BK – (to Graham Edwards) Do you have a draft 3D plan of the quarry itself?

GE – we have rough drafts of a quarry hole not a quarry design, it doesn't include a vast amount of information that potentially will change once the proper design is completed.

BK – you said you wouldn't work on eastern side of hill. There must have been a plan for this.

GE - There is a rough draft with hand sketches – nothing has been drawn up formally. Until then you are jumping at shadows.

BK – I don't accept that.

GE – there have been unexpected delays due to covid and when presentation drawings are available they will be shared

VS – to be clear, we are not prepared to provide any design work until it has been properly completed?

BK – will the wildlife corridor be maintained?

VS – it will be forwarded to GHD for inclusion in bio diversity study

IC – I think that is one of the issues that have been raised before, even at the first meeting. Is there anything new issues that need to be noted?

Bill – what is the name of the quarry proponent GQ Limited or GQ Australia Limited – was it deregistered?

VS – It is GQ Australia PL

Bill – the trig station is in low use today. How will GQ demonstrate that there will be no disruption to the trig station.

VS – we are in an application process for purchase or lease of Crown lands. Then we will have discussions about the trig station.

DA – will there be a soil density test for my property – multiple tests over 27 acres should be conducted

VS – we are working with GHD as to how to go about the issue

DA – I’m close to the quarry and I want to know if there is something to ensure my property is safe or if there will be remediation if I am affected.

VS – part of the design is about blasting and its effects will be worked out

JF – this has been raised and answered before

IC – VS said it will be addressed. It was raised in the first meeting, I believe.

SH – there was a Current Affair story recently on a Melbourne quarry where houses in the neighbourhood were affected and it revealed that consideration must be given to soil composition

VS – I can’t comment on that quarry

DA – can Graham answer that question? I’m worried about my property. Can you give me a guarantee when you start testing around here?

GE – I can’t give a full answer without knowing the soil conditions at this point. It is standard operating procedure to assess the impact on existing properties

DA – my house has been here for 22 years, Darryl’s over 50 years

GE – You will be importing enem material. If stored will it create dust?

VS – This will be considered in the design and the EIS

SH – for the operation of drill rig. I have kept a log and residents will sign a statutory declaration that a pump was started at 6.30am and ran until midnight. It’s a commercial enterprise if there is paid work going on. Drill rig procedures need to be approved by Council and their guidelines must be adhered to. A Council compliance officer said there is no exemption. Night work was carried out without notice and residents affected. Residents understand that drilling etc needs to be done. Please be considerate. We need to be notified in advance.

VS – I have noted and will take this into consideration. We will communicate better next time

Action 3: GQ will notify local residents in advance of major work being undertaken on site.

NoW presentations

WD – I’d like to read out a number of points. (Wendy read out a number of excerpts from the Department of Planning Guidelines on the operation of Community Consultative Committees and other related documents. These are appended below at Attachment A.)

When will GQ start:

- Keeping us informed on the actual progress of the project by providing concrete information?
- Consult & Discuss?
- Establish good working relationships by promoting information sharing?

3

- Respond to matters and concerns raised?
- Informing us about amended application to the Department?
- Provide and seek information and feedback to all community individuals, stakeholder groups and businesses?

GQ has provided 4 newsletters plus the original information flyer. Their repeated statement is to engage/ consult with local residents/ community members. This has not happened.

When will GQ engage/consult? The newsletters also state that GQ will hold a 2nd meeting for the community shortly after the SEARs is released. This was first mentioned in the May edition. The SEARs were released on 13-5-2019. This has not happened. When will GQ hold this meeting? It's over 12 months since this was first indicated.

Following the formation of the Community Consultative Committee, NoW Inc has raised some 235 questions/ broad general concerns. Minimal specific information has been supplied by GQ. These are all documented in the minutes of the CCC. The questions/ concerns were either asked at the meetings or tabled in written form for a response at the next meeting.

There have only been some 75 responses by GQ.

- 39 answers have indicated that the responses to these will be included in their Environmental Impact Statement which we will have access to when the EIS is released for public submissions.
- 18 were only partly answered as the GQ representative didn't have the all of the information required to give a complete answer. The final response will be in their EIS.
- 7 were answered in full.
- 6 were not answered at all.
- 5 were not answered as the GQ was unaware of the content. e.g. amended application to the Department re change of road entry to the quarry site.

When will GQ respond to our questions and concerns as outlined in the CCC Guidelines.

At the community drop-in session on 25th May 2019, a document with 61 questions/ concerns were handed to Ann-Marie Kirkman of GHD Pty Ltd by the President of NoW Inc, Graeme Dally. There has still been no answers given to any of these. When will GQ respond?

At this drop-in session, NoW Inc members and others arrived together turning the session into a "meeting". There were many questions asked by the community members. Many of these were along similar lines. 30 questions/ concerns/ statements and their responses were compiled from the notes taken at the meeting.

The responses given by GQ or GHD to these were contradictory in nature (as documented in the notes taken) leaving the "locals" confused and upset. When will GQ clear up these contradictions.

On the Information Flyer, February 2019. After receiving the flyer, Wendy and Graeme Dally sent A-M Kirkman at GHD Pty Ltd a list of 35 questions. No answers have been received. When will these be provided, as indicated by GHD.

The DEPARTMENT OF PLANNING -SEARs REPORT 13-5-2019. The Department emphasised the importance of continued and effective and genuine community consultation during the preparation of the EIS. This process should provide the community with a clear understanding of the proposal and its potential impacts and include active engagement with the community regarding the key issues of concern.

The INTERNAL REVIEW OF SIA SCOPING REPORT. This review is limited to desktop study only and has not independently sought the views of potentially affected people and groups. Stress and mental health impacts have not been considered. There is little focus on nearby residents, rural – residential communities and other stakeholder groups which would be most affected by the project, and there is little discussion regarding the views, values and concerns of these residents and stakeholders (as they relate to the project) and how they might be impacted.

The AMMENDED SEARs 10th March 2020

You must consult with

- Affected landowners
- Community groups

The EIS must describe the consultation process and demonstrate its effectiveness.

As mentioned earlier, all of our questions/ concerns were broad in nature and based upon our research, as GQ / GHD have only given us minimal concrete information.

There is a total of some 326 questions / concerns raised by NoW Inc. Many of these required detailed responses.

We have been trying to work within the CCC guidelines and the Community Participation Plan. Unfortunately, to us, it appears as though Global Quarries Australia Pty Ltd isn't following the recommendations of the 2019 SEARs, Internal review of SIA and SEARs 2020.

As indicated the responses that we have received, have been few and mostly unsatisfactory.

As of Wednesday 10th June 2020, the chairman of the CCC Mr Ian Colley has stated in an email to me that the meeting on the 18th will probably only be short as GQ has nothing to present. This has been typical of their behaviour to us.

When will GQ respond to our questions and concerns as indicated in the various documents listed

GD – my question is to Ian. What is consultation?

IC – First let me pick up some of the points Wendy has raised. GQ has consistently noted that most of the questions and concerns raised can only be answered when the research and reporting to be done by GHD is completed. This has been noted many times. It's also important to note that this committee is unusual since it has been formed prior to the approval of any proposal. Many of the CCC guidelines address concerns (eg monitoring of complaints) that are relevant during the operational phase of a project, not the design phase. Let me remind everyone that when we first met late last year, we expected the EIS information to be available early in 2020. We had planned on 2 or 3 meetings before having this information available. This has not happened.

Let me also point out that I did suggest, after the issues and concerns were fully identified in early meetings, that we not meet until the relevant information was available, given that the GQ studies were

5

not completed. It has been CCC NoW members that insisted on holding the meetings in any case even though GQ has made it clear that it cant answer many of the specific questions until the design work is done.

GD – So what is consultation?

IC - Consultation in these circumstances is for GQ, as the proponent, to invite community stakeholders to identify issues, questions and concerns about the project. It would then respond to such concerns in a timely fashion. These responses may or may not be accepted by the community but they should be actively addressed.

GD – I'd like to move a motion of no confidence in GQ.

IC – It's important to note that CCC's aren't voting forums, they are for consultation. However, I will take the motion as a statement of what is important to community members of the CCC.

GD – We have no confidence in GQ for a number of reasons. They have failed to keep the community informed. They claimed they couldn't give a map. Website closed down for at least 6 weeks. There is confusion as to the proponent's identity. Businesses were not consulted. Individual land owners were not consulted. Incomplete coverage of residents. Technical language used to confuse the community. GQ has not wanted meetings.

VS – The CCC was formed prior to EIS approval. You must understand we can't answer questions without the complete design. We understand the community's frustration. We apologise for the delay. You mentioned that the SEARS had been amended and Ian was across this. The website was down for one week, maybe 2, not 6 weeks. We must be patient, we understand your frustrations. We advise if there is no new information ahead of all meetings.

GD – you haven't consulted with local land owners, businesses and NOW.

VS – there are no businesses around the quarry, and we have consulted with NOW. I have personally delivered information to other residents.

SH – has the turkey farm been consulted? It is behind my property VS – give me the road and I will look into it

IC – I think GQ is clear about the frustration around the lack of detail on what the proposal for the quarry is and its implications. We understand at this point that the design component will be available in 4-6 week's time, and should be followed the studies that will address many of the specific concerns. I suggest that we meet again in two month's time – mid August. If the information is not available then, we can postpone that meeting for a while until we get the information.

VS – the design will be done in 4 weeks but it will not answer all questions. GHD will use the design to finish its reports and this will take time. I'm meeting GHD Tuesday to determine timing where questions can be addressed.

DA – can someone else please answer the questions? Can Vergilio's Directors come?

IC – I don't think the issue is about Directors, Vergilio is more than capable of answering the questions, once the studies are complete. But Verglio, please feel free to invite the Directors.

SH – if you plan to do more night work or drilling can we be informed?

IC – VS has undertaken to inform everyone. How far in advance can this be done?

VS – we shall notify directly of any further works

SH – this is a two way street and we need to alert residents

IC – can we accept a meeting in 2 months time or do we wait for the studies
 GD – wants a set date subject to the design
 IC – I suggest August 27th (9 weeks), with a possible extension to be advised two week’s prior. Do we agreed that this is reasonable.
 SH – I would strongly push for face to face meeting, even with social distancing
 IC – face to face should certainly be possible by August

(SH noted that Darryl left at 7.30)

GD – according to guidelines can you contact local businesses, stakeholders and others who have not been contacted?
 VS – we will find businesses in adjacent streets and take suggestions for more streets where they may be located. We will circulate a list and ask for additions. We will then circulate information to them.
 GD – when is next meeting for residents?
 VS – we are working with GHD to determine the date for next (second) community meeting
 BK – asked for his 6 points raised to be put into the minutes

SH – can there be wider communication e.g. advertise in local papers, radio.

IC – requested that VS notify the communications that GQ would undertake

Action 4: VS to notify how the community meeting would be advertised.

Next steps

Action 5: The next meeting is scheduled for 27 August, and will be a face-to-face meeting.

FOLLOW UP ACTIONS FROM THE PREVIOUS MINUTES – Incomplete or to be monitored

Third Meeting

Action 1: GQ to decide a suitable time for early notice of information to CCC before formal submission of the EIS

First Meeting

Action 1 For documents sent out to members to be sent out as editable PDFs so members can comment.

Action 2 A clearer map of the traffic options will be made available

Action 3 A Map of the actual quarry will be provided to all members at the next meeting

Action 4 GQ will make sure that no one is on the land shooting.

Action 5 GQ will not lock the neighbours' access gates moving forward. But noting that various utilities such as Telstra, electricity and gas companies may be locking the access.

Action 6 The EIS report will be made available when completed.

Action 7 Is the area in the middle of a wildlife corridor. GQ will get back to the committee on this

Action 8 GQ will clarify power source to members

Action 9 GQ to provide details of insurance once approval is granted.

Attachment A Notes from Wendy Dally and Graham Dally presented at the meeting.

NEIGHBOURS of WINFARTHING Inc.

CONCERNS – Global Quarries Community Consultative Committee No. 4 18th June 2020

1. Community Consultative Committee – GUIDELINES

The following are extracts from the CCC Guidelines published by the Department of Planning and Environment for State Significant Developments.

“The Department of Planning and Environment (the Department) is committed to community engagement in the NSW planning system. It recognizes that people should have a say in matters that affect their lives, and that community engagement results in better planning outcomes.

The Department encourages proponents to consult widely with the community and stakeholder groups at all stages of these projects.

This is to ensure that the community and stakeholder groups are:

- Kept informed of the status of projects, any new initiatives, and the performance of proponents.
- Consulted on the development of projects, management plans and proposed changes to approved projects.
- Able to provide feedback to proponents on key issues that may arise during the development or implementation of projects.

Effective community engagement can occur in many ways, and proponents should be innovative when they engage with the community and use a range of tools and techniques. They should also tailor their engagement to reflect the scale and nature of the project and its potential impacts.

If there is doubt about the application of this guideline, the matter should be referred to the department for resolution.

The purpose of the community consultative committee is to provide a forum for discussion between a proponent and representatives of the community, stakeholder groups and the local council on issues directly relating -to a specific State significant project.

More specifically, the purpose of the committee is to:

1. Establish good working relationships and promote information sharing between the proponent, local community, stakeholder groups and councils on individual State significant projects.
2. Allow the proponent to keep the community informed about projects, seek community views on projects, and respond to matters raised by the community.
3. Allow community members and local councils to seek information from the proponent and give the proponent feedback on the development and implementation of projects to assist with the delivery of balanced social, environmental and economic outcomes for the community, including:
 - Community concerns about the project
 - The resolution of community complaints
 - Any community initiatives

If a proponent's community engagement strategy accords with best practice and is appropriately tailored to the particular characteristics of the project, there should be no need for a Community Consultative Committee in the early stages of the project. In cases where proponents are required to establish CCCs in the SEARs, the Department will not exhibit the project application before the proponent has complied with the relevant SEARs.

Committee meeting agenda items would normally be expected to include:

Proponent reports and overview of activities including:

- * progress of the project
- * community complaints and responses to these complaints
- * information provided to the community and any feedback.

If the independent chairperson has concerns about the effectiveness of the committee, they may refer the matter to the Department.

The Department will examine these concerns what, if any, action should be taken.

If the committee is found to be ineffective, the Department may decide to dissolve or reconstitute the committee.

The proponent must provide the committee with timely, accurate and comprehensive reports on the project, including the status of the project, existing operations, environmental performance and community relations.

The proponent must also provide the committee with copies of:

- **Reports on community concerns or complaints and the proponents' response to these matters.**

The proponent should consult with the committee before it lodges any applications with the Department and notify committee members when these applications are lodged.

The proponent must respond to any questions asked or advice given by the committee about the proponents' performance or community relations. These reports must be given to members within 28 days of the committee meeting, unless the meeting's minutes specify otherwise."

(End of extracts)

NOW Inc Comments follow:

The community members of this CCC, Neighbours of Winfarthing Inc, individual landowners and local businesses are concerned that neither Global Quarries Pty Ltd OR Global Quarries Australia Pty Ltd (we are still in the dark as to which entity) appear to not be following the guidelines quoted above.

When will GQ start:

- **Keeping us informed on the actual progress of the project by providing concrete information?**
- **Consult & Discuss?**
- **Establish good working relationships by promoting information sharing?**
- **Respond to matters and concerns raised?**
- **Informing us about amended application to the Department?**
- **Provide and seek information and feedback to all community individuals, stakeholder groups and businesses?**

2. GQ has provided 4 “newsletters” plus the original information flyer.

Their repeated statement is to engage/ consult with local residents/ community members.
THIS HAS NOT HAPPENED.

WHEN WILL G.Q. ENGAGE / CONSULT?

The “newsletters also state that GQ will hold a 2nd meeting for the community shortly after the SEARs is released. This was first mentioned in the May edition. The SEARs were released on 13-5-2019.
THIS HAS NOT HAPPENED.

WHEN WILL G.Q. HOLD THIS MEETING? (over 12 months since this was first indicated)

3. Following the formation of the Community Consultative Committee, **Neighbours of Winfarthing Inc.** have raised some 235 questions/ broad general concerns (minimal specific information has been supplied by GQ). These are all documented in the minutes of the CCC. The questions/ concerns were either asked at the meetings or tabled in written form for a response at the next meeting.

There have only been some 75 responses by GQ.

- 39 answers have indicated that the responses to these will be included in their Environmental Impact Statement which we will have access to when the EIS is released for public submissions.
- 18 were only partly answered as the GQ representative didn't have the all of the information required to give a complete answer. The final response will be in their EIS.
- 7 were answered in full.
- 6 were not answered at all.
- 5 were not answered as the GQ was unaware of the content. e.g. amended application to the Department re change of road entry to the quarry site.

WHEN WILL GQ RESPOND TO OUR QUESTIONS AND CONCERNS, AS OUTLINED IN THE CCC GUIDELINES?

4. **At the community drop-in session on 25th May 2019**, a document with 61 questions/ concerns were handed to Ann-Marie Kirkman of GHD Pty Ltd by the President of NoW Inc, Graeme Dally.

THERE HAS STILL BEEN NO ANSWERS GIVEN TO ANY OF THESE.

WHEN WILL G.Q. RESPOND?

At this drop-in session, NoW Inc members and others arrived together turning the session into a “meeting”.

There were many questions asked by the community members. Many of these were along similar lines. 30 questions/ concerns/ statements and their responses were compiled from the notes taken at the meeting.

The responses given by GQ or GHD to these were CONTADICTORY IN NATURE (as documented in the notes taken) leaving the “locals” confused and upset.

WHEN WILL G.Q. CLEAR UP THESE CONTRADICTIONS?

5. Information Flyer, February 2019.

After receiving the flyer, Wendy and Graeme Dally sent A-M Kirkman at GHD Pty Ltd a

list of 35 questions.

NO ANSWERS TO THESE QUESTIONS HAVE BEEN RECEIVED.

WHEN WILL THE ANSWERS BE PROVIDED, AS INDICATED BY G.H.D.?

6. DEPARTMENT OF PLANNING -SEARs REPORT 13-5-2019

The Department emphasised the importance of continued and effective and genuine community consultation during the preparation of the EIS. This process should provide the community with a clear understanding of the proposal and its potential impacts and include active engagement with the community regarding the key issues of concern.

7. INTERNAL REVIEW OF SIA SCOPING REPORT

This review is limited to desktop study only and has not independently sought the views of potentially affected people and groups.

Stress and mental health impacts have not been considered.

There is little focus on nearby residents, rural – residential communities and other stakeholder groups which would be most affected by the project, and there is little discussion regarding the views, values and concerns of these residents and stakeholders (as they relate to the project) and how they might be impacted.

8. AMMENDED SEARs 10th March 2020

Consultation – in particular you must consult with

- Affected landowners
- Community groups

The EIS must describe the consultation process and demonstrate its effectiveness.

As mentioned earlier, all of our questions/ concerns were broad in nature and based upon our research, as GQ / GHD have only given us minimal concrete information.

There is a total of some 326 questions / concerns raised by NoW Inc. Many of these required detailed responses.

We have been trying to work within the CCC guidelines and the Community Participation Plan – (Department of Planning, Industry and Environment, November 2019.)

Unfortunately, to us, it appears as though Global Quarries Pty Ltd / Global Quarries Australia Pty Ltd (which company?) isn't following the recommendations of the 2019 SEARs, Internal review of SIA and SEARs 2020.

As indicated the responses that we have received, have been few and mostly unsatisfactory.

As of Wednesday 10th June 2020, the chairman of the CCC Mr Ian Colley has stated in an email to me that the meeting on the 18th will probably only be short as GQ has nothing to present. This has been typical of their behaviour to us.

WHEN WILL G.Q. RESPOND TO OUR QUESTIONS AND CONCERNS AS INDICATED IN THE VARIOUS DOCUMENTS LISTED?

Graeme Dally
President

Neighbours of Winfarthing Inc.
10th June 2020

Attachment B Notes from Bill Kenchington summarized at the meeting.

BILL KENCHINGTON – MARULAN QUARRY PROJECT - CONCERNS PRESENTED AT CCC MEETING NUMBER 4 ON THURSDAY 18 JUNE 2020

1) RESTRICTION OF VEHICULAR ACCESS TO WINFARTHING ROAD

It is understood that the proposed quarry access to the Hume Motorway is now planned to be at a new location closer to Narambulla Creek.

What arrangements are proposed to install a physical barrier to stop all manner of vehicles accessing the quarry site at the existing gated entrance off Winfarthing Road?

If this existing access is not physically blocked any quarry employees’ vehicles, service vehicles, visitors’ vehicles and even the haulage trucks may want to use it, for convenience sake, to gain access to and from the quarry. This would be especially so for those vehicles coming from Goulburn, as otherwise it would mean having to travel all the way to the South Marulan Interchange to gain entry to the quarry site from the northbound carriageway.

Any vehicles to and from the quarry via Winfarthing Road will have a detrimental effect on our safety (e.g. school children and resident motorists from being exposed to increased turning traffic at the Hume Motorway intersection) and the natural environmental (e.g. dust in the atmosphere in dry weather and mud on the road pavement in wet weather from traffic travelling on the gravel access road).

It is noted that the April CCC Minutes reported – Follow up action from previous minutes (1st Meeting)

“Action 2 - A clearer map of the traffic options will be made available”. *Still awaited*

2) QUARRY DEVELOPMENT PLAN

We are told via GHD’s PEA Report (April 2019) that the proposal is to quarry 500,000 tonnes of rock annually for 18 years totally 9 million tonnes to produce 5million (or 6 million tonnes?) of tuffaceous aggregate for the construction industry.

It is assumed that a feasibility study would have been undertaken to determine the quality and quantity of the above quarry material and based on a quarry development plan albeit in draft form to arrive at these figures. This quarry development plan (in plan and elevation showing the extent of the quarry workings) should be made available to show to the community what is proposed.

At our last CCC Meeting in April 2020 Consultant Graeme Edwards advised “until plan is fully developed/accepted and agreed it is only in draft form and it can only be progressed at a high level at this stage”.

So, there is a “draft plan” for the quarry extraction work, why can’t we be provided with a copy of this plan?

What is meant by “it can only be progressed at a high level at this stage”?

We were told at that meeting that the quarry extraction work will be on the western side of the hill and won’t be seen from Winfarthing Road, except the operations will be seen in the early stages until the excavation work deepens.

Does that mean that there will be created a vertical/inclined excavation face of the quarry that will not be seen from Winfarthing Road but will be seen from the Hume Motorway?

In addition, we were told that the extent of the quarry excavation could not be advised at this stage. However, a

figure of 100 metres depth was initially given and later corrected to 10-20 metres. That is a huge disparity. Where is this depth measured from – the top of the hill, the ground level of Winfarthing Road or what? This matter needs further clarification with a diagram/plan, otherwise it is way too vague.

Based on the above PEA Report, someone has determined the size of the proposed quarry (i.e. area and depth of excavation needed to produce the 9 million tonnes of rock).

Again, I ask can we be given a copy of that quarry development plan? If not, why not?

As the above PEA Report was published some 14 months ago, surely you will have a more up to date plan (albeit a revised "draft plan") following the further investigation that you would have done in that time.

You want the community to be on side with you (or do you?), so why all the secrecy with this project?

It is noted that the April CCC Minutes reported – Follow up action from previous minutes (1st Meeting)

"Action 3 – A map of the actual quarry will be provided to all members at the next meeting". *Still awaited*

3) COMMUNITY WATER AND AIR QUALITY

Believe it or not there are residents within a few hundred metres of the quarry site. These residents are not connected to a town water supply and rely heavily on rain falling on their roofs and flowing into their rainwater tanks. Also, these residents currently breathe clean fresh air from the atmosphere.

How will the quarrying operations be controlled to avoid any dust from being spread over and on the neighbouring residents' properties including their homes, so as not to contaminate the water they drink and the air they breathe?

"It will be monitored" is NOT an acceptable answer.

Again, some residents also rely on bore water, can you categorically guarantee that this water will not be affected by the proposed quarry operations?

If not, why not?

4) MAINTENANCE OF THE WILDLIFE CORRIDOR

Native animals (kangaroos, wallabies etc.) regularly travel from our next door neighbour's property and through our property and across Winfarthing Road and into the property upon which the quarry is proposed.

This wildlife corridor would appear to be adversely affected by the quarry proposal. What measures are proposed to address any adverse impact to ensure that this corridor will continue to be effectively maintained?

It is noted that the April CCC Minutes reported – Follow up action from previous minutes (1st Meeting)

"Action 7 – Is the area in the middle of a wildlife corridor? - GQ will get back to the Committee on this". *Still awaited*

5) THE "SHELLY" TRIG STATION

The "Shelly" Trig Station No. TS 4803 is located on Trigonometrical Reserve No.TR18607. This land is owned by the NSW State Government.

This reserve would appear to be in the middle of the area proposed for the quarry.

The Trig Station is quite old having been established in 1882 by the NSW Department of Lands and despite its age the structure is in good condition.

This structure consists of a mast and vanes mounted on a rock cairn.

The Trig Station was initially used as a reference point for terrestrial observations which were conducted across the State.

Recent advice from the NSW Surveyor-General states that this Trig Station is in low use today and they do not want this survey infrastructure disturbed or damaged in any way (Reference Section 24(1) of the Surveying and Spatial Information Act 2002).

Whilst the "Shelly" Trig Station may not be heritage listed it is of special historical significance to the local community on account of its age and what it stood for and as such should be preserved.

The question is how will the quarrying operations be undertaken without disturbance or damage to this Trig Station?

6) THE NAME OF THE QUARRY PROPONENT

Finally, the simplest of all the questions still remains to be answered.

Various documents show different companies as the quarry proponent, namely Global Quarries Pty Ltd and Global Quarries Australia Pty Ltd.

Was Global Quarries Pty Ltd deregistered in June 2020? If that is the case is Global Quarries Australia Pty Ltd the proponent? Or is it some other company?

BILL KENCHINGTON Marulan CCC Member 18 June 2020



Woodlawn Eco-Precinct

Community Liaison Committee Meeting Minutes

Date	Thursday 11th June, 2020	Time	5:00 pm
Coordinated by	Henry Gundry	Location	Woodlawn Conference Room

Committee List ✓

Name	Present	Absent	Name	Present	Absent
Henry Gundry (Veolia)	✓		Sandra Ellson (Community)		✓
Cr Denzil Sturgiss (GMC)		✓	Cid Riley (Community)	✓	
Simon Reynolds (Community)	✓		Scott Martin (Council Rep)	✓	
Adrian Ellson (Community)	✓		Owen Manley (Tarago Mens Shed)	✓	
Cr Mark Schweikert (QPRC)		✓	Richard Kirkwood (Community)	✓	

Guest List ✓

Name	Present	Absent	Name	Present	Absent
Marea Rakete		✓	Tobias Stanley (Minutes)	✓	

Minutes

1	Welcome
	Owen welcomed as Chair to the Committee
2	Present / Apologies
	Sandra Elison (Community Representative), Cr Mark Schweikert (Queanbeyan Palerang Regional Council), and Cr Denzil Sturgiss (Goulburn Mulwaree Council)
3	Approval of Previous Minutes
	The minutes of the previous meeting held on Thursday 27th February 2020 were accepted with no changes.
4	Matters Arising from Minutes
	Nil
5	Community Liaison Committee Charter Review
	Amendments to the CLC Charter within Section 2 and 4 were discussed. Henry to draft another version of the Charter for distribution, review and acceptance at the next meeting.
6	Woodlawn Eco-Precinct Operational Update
	Henry presented an operational update on various Eco-Precinct facilities, projects and upcoming external audits accompanied by a slideshow. Key topics included: <ul style="list-style-type: none"> - As a result of COVID there was a 20% reduction in waste volumes from Sydney

Community Liaison Committee Minutes

	<ul style="list-style-type: none"> - Regional waste increase due to receipt of Bushfire impacted material, Receiving up to 140 trucks per day, expecting this to continue to the end of July - Annual Leachate & Water Management System (LWMS) Audit and Odour Audit have been conducted. Findings and Report has yet to be finalised and sent to Veolia - Gas Extraction system (PLC) failure causing an unplanned loss of extraction. rectified within 48 hours. - NSW EPA approval for use of the outputs from the MBT for rehab of Heron Resources tailing dams
7	COVID-19 Impacts on Veolia Operations
	Henry explained the impact of COVID-19 on Veolia from a business and operational aspect including segregation of the workforce.
8	Bushfire Impacted Waste Inputs at Woodlawn - Increased Truck Movements within the Village
	<p>Richard Kirkwood expressed concern surrounding contractors bringing in non-asbestos waste or asbestos concealed in non-asbestos declared loads.</p> <p>Management of Asbestos Contaminated Material and tracking. Henry Gundry advised that the NSW Govt who are utilising Laing O’rourke to carry out the state clean up have the requirement to audit the fire impact sites and adopt a cleanup process and manage the transport of material. Veolia has an asbestos management and disposal plan and has the tracking systems in place for transporters who bring this type of waste.</p> <p>Cid Riley outlined the concerns in regards to the increased truck movement through the Village. Henry stated that they are aware of the issues, and have requested an increase in police presence. Veolia had already asked numerous drivers who are in breach of Veolia protocols not to return to site again.</p>
9	Tarago Village Plan
	<p>Cid Riley expressed concern over the purpose of the Tarago Village Plan, the plan included works that the Council should be carrying out to ensure the objectives of the plan met. Works such as concrete pathways and lighting. Henry stated the VMT guidelines are for community based projects and not intended to cross over to council obligations. Suggestion for TADPAI take this matter up with the Council directly.</p> <p>Henry advised that the Trust has distributed approx \$320k to community groups and projects since development of the plan.</p> <p>Henry also referenced Veolia’s letter of commitment to TADPAI that included a pool of funding of up to \$150k per year for three years for community organisations projects. The trust funding is not set up to remove Councils obligation for improving public infrastructure.</p>
10	Lead Contamination
	Henry confirmed that Veolia’s only involvement has been having attended a meeting (as a neighbour) surrounding a detailed investigation of the extent of the lead contamination. Transport for NSW at that stage were developing a voluntary remediation plan directed by the EPA for the siding and impacted station master’s residence. Transport for NSW carried out testing on Veolia’s land and advised that the levels are within the acceptable limits for the land classification. This detail has not been provided in writing as of yet.

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<https://www.veolia.com/anz/>

Community Liaison Committee Minutes

	Scott Martin stated that he will talk with the council (Warwick Bennett GM) and seek more information for the committee meeting.
11	Sarah Holcombe Project
	<p>A project overview, Sarah has research of old mine sites and effective reuse for alternative infrastructure and technology. She is reviewing the Eco- Precinct's model and its interaction on a social and commercial perspective. Also reviewing the current operation in conjunction with Heron Resources operations.</p> <p>There was discussion surrounding Veolia's corporate social and community engagement methods as a number of community members have been asked by Veolia to participate in a global survey.</p>
12	General Business
	<ul style="list-style-type: none"> - Community Bus Veolia together with TADPAI are developing a management plan for running this service. A local commercial operator will run the service once a week or fortnight. Currently on hold due to CV-19. Veolia will be assessing the options once the pandemic situations are managed and the risks to the community are mitigated. - Local Waste Collection A letter to Tarago village residents is being developed to opt in/opt out for a fortnightly general waste collection service. The service will be free to village residents only, with a complimentary Veolia wheelie bin supplied. This will be presented to council soon for approval. - Bungendore/Tarago Road Contributions Another payment of approx \$500k to QPRC for road upgrades will be made shortly. Adrian Ellson suggested that road improvements don't appear to be on the radar for Council. Scott advised that Council's are being careful where Section 94 Contributions are being spent and investigating different avenues for contributions, capping, and strategies to unlock funds and achieve deliverables. Henry advised that Veolia's funding will contribute to 9km of road worth \$2.8m. <p>Adrian moved a motion to write to QPRC regarding road improvement, Owen Manley seconded. Adrian will draft the letter and Henry to supply the Committee letterhead.</p>
13	Meeting Closed by Chairperson
	<p>Meeting closed by the Chair at 7.40pm.</p> <p>Next meeting - Thursday 13th August at 5pm.</p>

16 CLOSED SESSION

Council must resolve to move into Closed Session to deal with any items under s10 *Local Government Act 1993*.

There were no closed session reports for determination.

17 CONCLUSION OF THE MEETING

The Mayor will close the meeting.