

Minutes 19 APRIL 2011



Minutes of Ordinary meeting of the Port Stephens Council held in the Council Chambers, Raymond Terrace on 19 April 2011, commencing at 8.01pm.

PRESENT: Councillors R. Westbury (Mayor); S. Dover (Deputy Mayor); G. Dingle; G. Francis; P. Kafer; K. Jordan; B. MacKenzie; J. Nell; S. O'Brien; S. Tucker, F. Ward; Acting General Manager; Corporate Services Group Manager, Facilities and Services Group Manager; Sustainable Planning Group Manager; Commercial Services Group Manager and Executive Officer.

Cr Geoff Dingle entered the meeting at 8.02pm.

126	Councillor Peter Kafer Councillor Glenys Francis	It was resolved that the apologies from Cr Caroline De Lyall be received and noted.
127	Councillor Ken Jordan Councillor Bruce MacKenzie	It was resolved that the minutes of the Ordinary meeting of Port Stephens Council held on 12 April 2011 be confirmed.
128	Councillor Glenys Francis Councillor Peter Kafer	It was resolved that the correct protocols with respect to the traditional landowners of Port Stephens be adhered to at all Council functions.
		Cr Glenys Francis declared a less than significant non-pecuniary conflict of interest in Item 1. The nature of the interest is that Cr Francis lives in Raymond Terrace which is affected by

		<p>the 20/25 ANEF.</p> <p>Cr Francis stated that she does not intend to change her address but acknowledges this issue affects potentially 4,000 homes in Port Stephens.</p> <p>Cr Steve Tucker declared a less than significant non-pecuniary conflict of interest in Item 1 of the General Manager's report. The nature of the interest being:-</p> <ol style="list-style-type: none">1) a friendship with one of the proponents – Darren Williams.2) Support by the developer (Builddev) of the Medowie Sport and Community Club of which I am a Patron. <p>Cr Tucker stated that he believe that these issues have not influenced my duty as a Councillor when dealing with this matter. Also Cr Tucker believes that this development will provide many jobs and much prosperity for the people of Medowie and is in the public interest.</p> <p>Cr Ken Jordan declared a less than significant non-pecuniary conflict of interest in Item 1 of the General Manager's report. The nature of the interest being a friendship.</p> <p>Cr Jordan stated that has sought legal advice, that his involvement is in the public interest and that he does not know the interest the friend has in this item.</p>
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MINUTES FOR ORDINARY MEETING – 19 APRIL 2011

129	Councillor Steve Tucker Councillor Peter Kafer	It was resolved that Council write to the Minister of Local Government requesting a review of the Code of Conduct and the Local Government Act with respect to the pecuniary interest provisions.
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Councillors John Nell, Geoff Dingle and Frank Ward recorded their votes against this motion.

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MOTION TO CLOSE

ITEM NO. 1

FILE NO: T03-2011

MOTION TO CLOSE MEETING TO THE PUBLIC

REPORT OF: TONY WICKHAM – EXECUTIVE OFFICER
GROUP: GENERAL MANAGER'S OFFICE

RECOMMENDATION IS THAT COUNCIL:

- 1) That pursuant to section 10A(2)(d) of the Local Government Act, 1993, the Committee and Council resolve to close to the public that part of its meetings to discuss Confidential Item 1 on the Ordinary Council agenda namely **Tender for the Supply of two (2) 22.5 tonne single cab truck/chassis (T03/2011)**.

- 2) That the reasons for closing the meeting to the public to consider this item be that:
 - i) The report and discussion will include details of commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the tenderers; and
 - ii) In particular, the report includes confidential pricing information in respect of the **Tender for the Supply of two (2) 22.5 tonne single cab truck/chassis (T03/2011)**.

- 3) That on balance, it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as disclosure of the confidential commercial information could compromise the commercial position of the tenderers and adversely affect Council's ability to attract competitive tenders for other contracts.

- 4) That the report of the closed part of the meeting is to remain confidential and that Council makes public its decision including the name and amount of the successful tenderer in accordance with Clause 179) of the Local Government (General) Regulation 2005.

ORDINARY COUNCIL MEETING – 19 APRIL 2011
RESOLUTION:

130	Councillor Bruce MacKenzie Councillor Steve Tucker	It was resolved that the recommendation be adopted.
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**COUNCIL
COMMITTEE
RECOMMENDATIONS**

ITEM NO. 1

FILE NO: 16-2010-638-1

DEVELOPMENT APPLICATION FOR MCDONALDS FAMILY RESTAURANT AND TOURIST FACILITY (RECREATION) AT NO. 4 LAVIS LANE WILLIAMTOWN

REPORT OF: MATTHEW BROWN – DEVELOPMENT ASSESSMENT AND ENVIRONMENTAL HEALTH, MANAGER
GROUP: SUSTAINABLE PLANNING

RECOMMENDATION IS THAT COUNCIL:

- 1) Refuse Development Application 16-2010-638-1 for the following reasons;
 - The development site is located within the 30-35 Aircraft Noise Contour under both the ANEF 2025 and ANEC 2025 Aircraft Noise Maps and as such is classified as "unacceptable" development. The development is inconsistent with the provisions of Australian Standard 2021-2000 and Section B2.13 – Aircraft Noise of Development Control Plan 2007.
 - The development is inconsistent with Clauses 37 and 38 of the Port Stephens Local Environmental Plan, 2000, in that the application has not adequately considered the impacts of Flooding and Sea Level Rise.
 - The development has not properly considered the issues of stormwater drainage, detention and minimisation. Accordingly, insufficient information on these important Section 79C considerations has been submitted to allow an environmental planning assessment.

COUNCIL COMMITTEE MEETING – 19 APRIL 2011
RECOMMENDATION:

	<p>Councillor Bruce MacKenzie Councillor Steve Tucker</p>	<p>That Council:</p> <p>1) Indicate its support for the development application for McDonalds Family Restaurant and Tourist Facility (Recreation) at No. 4 Lavis Lane, Williamtown and request the Sustainable Planning Group Manager to bring forward draft conditions in the event that Council resolve to give consent.</p>
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		2) That applicant be advised that Council requires a drainage study to be completed.
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In accordance with the Section 375A, Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Peter Kafer, Bob Westbury, Bruce MacKenzie, Steve Tucker, Shirley O'Brien, Sally Dover and Ken Jordan.

Those against the Motion: Crs Glenys Francis, John Nell and Frank Ward.

Cr Geoff Dingle abstained from voting.

ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

131	Councillor John Nell Councillor Glenys Francis	It was resolved that Council: 1) Defer the application to allow the applicant to submit a revised plan to include an indoor play area. 2) The applicant be advised that Council requires a drainage study to be completed.
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In accordance with the Section 375A, Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Peter Kafer, Glenys Francis, Steve Tucker, Geoff Dingle, John Nell and Frank Ward.

Those against the Motion: Crs Ken Jordan, Bruce MacKenzie, Shirley O'Brien, Sally Dover and Bob Westbury.

BACKGROUND

The purpose of this report is to present a development application to Council for determination as requested by Councillor McKenzie for the reason, "for Council to make a determination due to slow processing".

The development application proposes a McDonalds Family Restaurant and Tourist Facility (Recreation) at No.4 Lavis Lane Williamstown.

The development includes the McDonalds Restaurant and McCafe and a Tourist Facility comprising children's recreation activities.

The tourist facility portion of the development has an area of approximately 620m² and will accommodate the following features;

- Several large childrens play equipment stations.
- Picnic Tables and bench seating
- Shades over eating areas
- Barked area surrounding play equipment
- Pedestrian paths and landscaping.

The Restaurant component of the application includes a single storey building with a floor area of some 373m² including;

- Indoor dining area for 59 people and a terraced dining area for 35.
- McCafe
- Party Room for 12 diners
- Fenced Play land facility with associated dining area for 6 diners.
- Toilet facilities
- Kitchen
- Staff Facilities
- Drive through with 2 ordering lanes.
- Carparking for 38 vehicles
- Landscaping including 2 flag poles.

The site is also identified as being affected by Aircraft Noise and is located within the 30-35 Aircraft Noise Contour under both the ANEF 2025 and ANEC 2025 Aircraft Noise Maps. It is noted that development for the purpose of Tourist Facility is "unacceptable development" in this noise contour under both the Development Control Plan 2000 and Australian standard 2021-2000.

The issue of permissibility is a key consideration in the assessment of a Restaurant in conjunction with a Tourist Facility in the 1(a) zoning. Upon submission of the application, Legal Advice was sought to confirm the permissibility of the proposal. Following the provision of legal advice, additional factual detail was provided by the applicant which lead to acceptance that the relevant jurisdictional fact has been established and that the development is permissible.

The development of a "restaurant" in the 1(a) zone relies on the concurrent site use with a tourist facility. On the subject site, tourist facility is an "unacceptable" form of development due to aircraft noise. Without the tourist facility, development of a restaurant is prohibited development.

The Key issues associated with the proposal are;

- Aircraft Noise
- Flooding
- Non Compliance with Councils DCP2007.
- Outstanding Engineering detail.

An Assessment of these issues has been provided in the attachments.

Application Chronology

- 17/09/2010 – DA lodged
- 21/10/2010 – DA Distributed
- 04/11/2010 – Building Referral Received
- 04/11/2010 – Flooding Referral Received
- 04/11/2011 – Engineering Referral Received
- 16/11/2010 – Wastewater Referral Received
- 16/12/2010 – Environmental Health Referral Received.
- 21/01/2011 – Phase 2 contamination assessment requested.
- 01/02/2011 – Application called to Council by Cr McKenzie "so Council can make a decision due to slow process".
- 03/02/2011 – Additional Engineering Referral Received
- 04/02/2011 – Engineering Information Requested
- 17/02/2011 – Phase 2 Contamination assessment received
- 28/02/2011 – Additional Engineering detail received

FINANCIAL/RESOURCE IMPLICATIONS

Should Council adopt the recommendation and refuse the development application, the applicant may appeal to the Land and Environment Court. Defending the Council's determination would have financial implications.

LEGAL AND POLICY IMPLICATIONS

The development application is inconsistent with Council's Policy.

The development application is inconsistent with Council's Policy with respect to Aircraft Noise and the provisions of Development Control Plan 2007.

A restaurant is prohibited in the Rural 1(a) zone. In this case, the development and Council's capability of granting consent relies upon the extensive playground area and the related legal interpretation that this is a "tourist facility" as the appropriate legal definition for development assessment purposes.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Approval of the development as proposed would have the adverse social implication creating an outdoor recreation/tourist facility that is subject to unacceptable levels of aircraft noise exposure. Notwithstanding the above, an outdoor recreation/tourist facility would have favourable socio-economic benefits.

Attenuation of an outdoor area is considered to be unlikely and as such the application should not be supported.

No adverse economic implications have been identified.

No adverse Environmental implications have been identified.

CONSULTATION

The application was exhibited in accordance with Council policy and seventeen (17) submissions were received. Fifteen (15) submissions supported the proposal while two (2) opposed the development. These are discussed in the Attachments.

OPTIONS

- 1) Adopt the recommendation.
- 2) Reject or amend the Recommendations.

ATTACHMENTS

- 1) Locality Plan.
- 2) Assessment.

COUNCILLORS ROOM

- 1) DA Plans.
- 2) Statement of Environmental Effects.

TABLED DOCUMENTS

Nil.

ATTACHMENT 1
LOCALITY PLAN



**ATTACHMENT 2
ASSESSMENT**

The application has been assessed pursuant to Section 79C of the Environmental Planning and Assessment Act 1979 and the following is a summary of those matters considered relevant in this instance.

THE PROPOSAL

The development application proposes a McDonalds Family Restaurant and Tourist Facility (Recreation) at No.4 Lavis Lane Williamstown.

The development includes the McDonalds Restaurant and McCafe and a Tourist Facility comprising children's recreation activities.

The tourist facility portion of the development has an area of approximately 620m² and will accommodate the following features;

- Several large childrens play equipment stations.
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The Restaurant component of the application includes a single storey building with a floor area of some 373m² including;

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- Kitchen
- Staff Facilities
- Drive through with 2 ordering lanes.
- Carparking for 38 vehicles
- Landscaping including 2 flag poles.

THE APPLICATION

Owner	Mr D R Gaddes
Applicant	McDonalds Properties
Detail Submitted	Statement of Environmental Effects Development Plans Phase 1 & 2 Contamination Report Aircraft Report

THE LAND

Property Description	Lot 91 DP 837152
Address	4 Lavis Lane Williamtown
Area	9135m ²
Dimensions	Irregular shape with dual frontages to Nelson Bay Road and Lavis Lane.
Characteristics	Flat, cleared land.

THE ASSESSMENT

1. Planning Provisions

LEP 2000 – Zoning	1(a) - Rural
Relevant Clauses	11, 14A, 15, 37, 38, 41, 42, 44, 47, 51A
Development Control Plan 2007	B2 – Environmental Construction and Management B3 – Parking, Traffic and Transport B12 – Advertising Signs
State Environmental Planning Policies	SEPP 55 – Remediation of Land SEPP 64 – Signage SEPP 71 – Coastal Protection SEPP (Infrastructure)

Discussion

STATUTORY PROVISIONS

State Environmental Planning Policies (SEPP)

SEPP 55 – Remediation of Land

SEPP 55 provides a state-wide planning approach to the remediation of contaminated land for the purpose of reducing risks to human health and the environment.

Clause 7 states;

7 Contamination and remediation to be considered in determining development application

(1) A consent authority must not consent to the carrying out of any development on land unless:

- (a) it has considered whether the land is contaminated, and
- (b) if the land is contaminated, it is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for the purpose for which the development is proposed to be carried out, and

(c) if the land requires remediation to be made suitable for the purpose for which the development is proposed to be carried out, it is satisfied that the land will be remediated before the land is used for that purpose.

(2) *Before determining an application for consent to carry out development that would involve a change of use on any of the land specified in subclause (4), the consent authority must consider a report specifying the findings of a preliminary investigation of the land concerned carried out in accordance with the contaminated land planning guidelines.*

(3) *The applicant for development consent must carry out the investigation required by subclause (2) and must provide a report on it to the consent authority. The consent authority may require the applicant to carry out, and provide a report on, a detailed investigation (as referred to in the contaminated land planning guidelines) if it considers that the findings of the preliminary investigation warrant such an investigation.*

(4) *The land concerned is:*

(a) land that is within an investigation area,

(b) land on which development for a purpose referred to in Table 1 to the contaminated land planning guidelines is being, or is known to have been, carried out,

(c) to the extent to which it is proposed to carry out development on it for residential, educational, recreational or child care purposes, or for the purposes of a hospital—land:

(i) in relation to which there is no knowledge (or incomplete knowledge) as to whether development for a purpose referred to in Table 1 to the contaminated land planning guidelines has been carried out, and

(ii) on which it would have been lawful to carry out such development during any period in respect of which there is no knowledge (or incomplete knowledge).

Agricultural/Horticultural land uses are identified as activities that may cause contamination (table 1 of Contaminated Land Planning Guidelines) and as such the site is considered to have previously accommodated a potentially contaminating activity. The applicant has submitted a Phase 1 Environmental Investigation.

The phase 1 assessment noted that the site had the potential for contamination due to previous agricultural activities along with the potential for hydrocarbons from the adjacent service station. The investigations recommended a phase 2 Detailed Site investigation.

A Phase 2 Environmental site Assessment was prepared by Environmental Strategies (Ref: 11003RP01_v01, Dated: Feb 2011). The report concluded the following;

The geology of the site generally comprises a thin layer of fill made-up of reworked sand overlying natural clayey sand and sand. Groundwater was encountered in soils during drilling at a depth of approximately 2.5m below

grade. The standing water level once the wells had been left to stand for at least 5 days was between 1.1 and 1.5m below grade, indicating a confined aquifer system.

The concentrations of contaminants of concern in soil were reported to be below the commercial/industrial land use criteria as defined under the NEPM (1999) Schedule B (1).

Zinc and copper were detected above the ANZECC (2000) 95% level of protection for freshwater species in the groundwater on the site. The up-gradient well was found to have the greatest concentrations of these metals and therefore it is considered that the site is not contributing to the contaminant load.

The site is suitable for commercial/industrial land use. A more sensitive land use such as residential or open space would require further investigation to ensure the concentration of contaminants does not pose a risk to human health or the environment.

ES considers the site to be suitable for the proposed land use and does not make recommendations for any further investigation at the site.

It is considered that there is no contamination issues that preclude the proposed development from the site and no remediation is considered necessary.

SEPP 64 – Advertising and Signage

SEPP 64 regulates signage including advertising. The policy applies to all signage in NSW that is permissible with or without development consent. Under another environmental planning instrument and that is visible from a public space.

Clause 3 sets out the aims and objectives of the SEPP.

3 Aims, objectives etc

(1) This Policy aims:

- (a) to ensure that signage (including advertising):
 - (i) is compatible with the desired amenity and visual character of an area, and
 - (ii) provides effective communication in suitable locations, and
 - (iii) is of high quality design and finish, and
- (b) to regulate signage (but not content) under Part 4 of the Act, and
- (c) to provide time-limited consents for the display of certain advertisements, and
- (d) to regulate the display of advertisements in transport corridors, and
- (e) to ensure that public benefits may be derived from advertising in and adjacent to transport corridors.

(2) This Policy does not regulate the content of signage and does not require consent for a change in the content of signage.

The proposed signage is clearly identified as being associated to the proposed development and is wholly located on the subject site. The general area while rural in nature does contain a localised cluster of development around the Roundabout area. When considered in this context the development is consistent with the character of the area.

Therefore, the signage is considered to be consistent with the aims and objectives of the SEPP.

Schedule 1 of the SEPP outlines the assessment criteria for signage.

1 Character of the area

- Is the proposal compatible with the existing or desired future character of the area or locality in which it is proposed to be located?*
- Is the proposal consistent with a particular theme for outdoor advertising in the area or locality?*

The development is consistent with the character of the immediate locality. Directly adjacent to the site across Lavis Lane stands an existing Metro Service Station. The proposed development is consistent with this existing commercial operation on the roundabout.

Given the uses adjacent to the site, and the airport further to the north, it is considered that the proposed signage will not be in consistent with the immediate area.

2 Special areas

- Does the proposal detract from the amenity or visual quality of any environmentally sensitive areas, heritage areas, natural or other conservation areas, open space areas, waterways, rural landscapes or residential areas?*

The development signage will not detract from the amenity or scenic quality of the locality. The signage is located on one corner of a roundabout and is consistent with adjacent signage for the Metro Service Station and is also consistent with signage in the nearby airport precinct.

3 Views and vistas

- Does the proposal obscure or compromise important views?*
- Does the proposal dominate the skyline and reduce the quality of vistas?*
- Does the proposal respect the viewing rights of other advertisers?*

It is not considered that the proposed signage will compromise important views, nor will it dominate the sky line.

4 Streetscape, setting or landscape

- *Is the scale, proportion and form of the proposal appropriate for the streetscape, setting or landscape?*
- *Does the proposal contribute to the visual interest of the streetscape, setting or landscape?*
- *Does the proposal reduce clutter by rationalising and simplifying existing advertising?*
- *Does the proposal screen unsightliness?*
- *Does the proposal protrude above buildings, structures or tree canopies in the area or locality?*
- *Does the proposal require ongoing vegetation management?*

The scale of the signage is consistent with that on the adjacent Metro Service Station. All signage, except the pylon sign, is integrated into the building bulk which in turn reduces clutter.

The cleared nature of the site reduces the need for vegetation management with management only required for vegetation proposed as site landscaping.

5 Site and building

- *Is the proposal compatible with the scale, proportion and other characteristics of the site or building, or both, on which the proposed signage is to be located?*
- *Does the proposal respect important features of the site or building, or both?*
- *Does the proposal show innovation and imagination in its relationship to the site or building, or both?*

It is considered that the proposed pylon signage is consistent and compatible with the built form of the restaurant building.

6 Associated devices and logos with advertisements and advertising structures

- *Have any safety devices, platforms, lighting devices or logos been designed as an integral part of the signage or structure on which it is to be displayed?*

No safety devices have been proposed for the signage.

7 Illumination

- *Would illumination result in unacceptable glare?*
- *Would illumination affect safety for pedestrians, vehicles or aircraft?*
- *Would illumination detract from the amenity of any residence or other form of accommodation?*
- *Can the intensity of the illumination be adjusted, if necessary?*
- *Is the illumination subject to a curfew?*

The signage is proposed to be illuminated during all hours of darkness. Notwithstanding this, it is not considered that the illuminated sign will impact on any properties or aircraft due to the soft nature of the lighting.

8 Safety

- *Would the proposal reduce the safety for any public road?*
- *Would the proposal reduce the safety for pedestrians or bicyclists?*
- *Would the proposal reduce the safety for pedestrians, particularly children, by obscuring sightlines from public areas?*

It is not considered that the proposed signage constitute a safety hazard.

SEPP 71 – Coastal Protection

Policy 71 aims to protect and manage the New South Wales coast and foreshores and requires certain development applications in sensitive coastal locations to be referred to the Director-General for comment, and it identifies master plan requirements for certain development in the coastal zone.

The site is located within the Coastal Zone. Refer to the following assessment of SEPP 71 and the Coastal Policy.

SEPP 71 – provides a consistent and strategic approach to coastal planning. It provides a clear development assessment framework for development in the NSW coastal zone ensuring development is appropriate and suitably located and managed. In accordance with clause 2 the proposed development satisfactorily meets the aims of the policy. In accordance with clause 8 the development is consistent with the prescribed matters for consideration.

The proposal of an Tourist Facility and Restaurant in a rural location will not impact on the foreshore and it is not seen as the type of development that needs to be assessed under policy 71 at a state level. As such the application is acceptable under Policy 71.

SEPP (Infrastructure) 2007

Division 17 of SEPP (Infrastructure) relates to this proposal. Clause 101 sets out matters to be considered when determining an application fronting a classified road.

The submitted traffic report concludes that the safety and efficiency of the road will not be adversely impacted upon by the development. Access to the site is provided by an alternate road (Lavis Lane). It is considered that the proposal satisfies SEPP (Infrastructure).

Schedule 3 of SEPP (Infrastructure) outlines the types of developments that require referral to the Roads and Traffic Authority for concurrence. The development access Lavis Lane at a distance of greater then 100m from Nelson Bay Road and as such is not subject to the triggers in Column 3. The development is also considered to not meet any of the triggers within Column 2.

As the development is not identified in either column 2 or 3, referral to the RTA is not considered to be required.

Port Stephens Local Environmental Plan 2000 (PSLEP 2000)

Clause 11 – Zone Aim, Objectives and Description

Objectives of the zone

The objective of the Rural Agriculture “A” Zone is to maintain the rural character of the area and to promote the efficient and sustainable utilisation of rural land and resources by:

- (a) regulating the development of rural land for purposes other than agriculture by ensuring that development is compatible with rural land uses and does not adversely affect the environment or the amenity of the locality, and*
- (b) ensuring development will not have a detrimental effect on established agricultural operations or rural activities in the locality, and*
- (c) preventing the fragmentation of grazing or prime agricultural lands, protecting the agricultural potential of rural land not identified for alternative land use, and minimising the cost to the community of:
 - (i) fragmented and isolated development of rural land, and*
 - (ii) providing, extending and maintaining public amenities and services, and**
- (d) protecting or conserving (or both protecting and conserving):
 - (i) soil stability by controlling development in accordance with land capability, and*
 - (ii) trees and other vegetation in environmentally sensitive localities where the conservation of the vegetation is likely to reduce land degradation or biodiversity, and*
 - (iii) water resources, water quality and wetland areas, and their catchments and buffer areas, and*
 - (iv) land affected by acid sulphate soils by controlling development of that land likely to affect drainage or lower the water table or cause soil disturbance, and*
 - (v) valuable deposits of minerals and extractive materials by restricting development that would compromise the efficient extraction of those deposits, and**
- (e) reducing the incidence of loss of life and damage to property and the environment in localities subject to flooding and to enable uses and developments consistent with floodplain management practices.*

It is considered that the proposal will not result in the fragmentation of rural land. The subject site by its very nature is currently fragmented from the surrounding rural zoned lands by way of being completely surrounded by road reserve on all sides. The site itself is of a size that is unlikely to support and sustain a viable agricultural usage. As such the use of the site for the proposed development is not considered to contribute to the degradation of incremental loss of valuable agricultural land.

In the immediate locality there is an existing Metro Service Station which serves as a hub for recreational users of the Stockton Sand Dunes. The proposed development will be similar in its tourist and recreation commercial based character and will create a service node focused on the roundabout. It is not considered that this scenario will have a detrimental impact upon the existing amenity of the locality.

It is not considered that the development will impact on the ability of surrounding land holders to undertake a rural activity on their allotments.

It is considered that the development is consistent with the 1(a) – Rural Zone objectives.

Permissibility

Within the Rural 1(a) zoning developments for the purpose of a restaurant are only permissible when in conjunction with an approved Tourist Facility (refer clause 14A).

The applicants supporting documentation asserts the following;

"Restaurants" and "tourist facilities" are not listed as prohibited or permissible without consent and as such development is permissible with consent.

- *Restaurant is defined as a building or place used principally for providing prepared food to people for consumption on the premises or to take away (or for preparing both kinds of food).*
- *Tourist Facility means an establishment providing primarily for tourist accommodation, recreation or both.*

No specific definition for tourist recreation is provided and as such the applicant has considered the definitions of recreation areas and recreation facilities. Of most relevance to the proposal is the definition of recreation area.

- (a) a children's playground*
- (b) an area used for sporting activities or sporting facilities*
- (c) an area used to provide recreational facilities for the purposes of the physical, cultural or intellectual welfare of the community, and*
- (d) an area used by a body of persons associated for the purposes of the physical, cultural or intellectual welfare of the community to provide recreational facilities for the purposes but does not include a racecourse, race track or a show ground.*

The proposal consists of a restaurant and tourist facility. The tourist facility comprising a children's playground.

The definition of Tourist Facility does not require that any proposal demonstrate the sole usage of the facility by tourists. The applicant further provided the following factual material to support the tourist facility and that the recreation facility can provide primarily for tourist recreation once established.

- *It is not envisaged that a Children's Recreation Area by its very nature will be used by commuters and/or business users.*
- *The development is located within 500m of the Newcastle Airport which provides linkages to Melbourne, Brisbane, The Gold Coast and other regional areas. The applicant considers that a number of users with families who will be attracted by the tourist facility.*
- *The development is at a key intersection of Nelson Bay Road which is an arterial route to Nelson Bay. As Nelson Bay is the key tourist destination in the LGA it is considered that many tourists travelling by will utilise the facility.*
- *Lavis Lane provides a primary point of access to the Stockton Sand Dune system, which itself is a popular tourist destination. It is not unreasonable to expect that usage of the tourist facility will occur by this demographic.*
- *The nature of the development incorporates two bus/coach parking bays. It is not McDonalds standard practice to provide any bus/coach parking bays at new store developments. Accordingly, to provide two as proposed is a clear indication of an expectation of high volumes of bus/coach visits to the site. It is expected that overwhelmingly, this will be carrying tourists.*
- *The area surrounding the Recreation Area is very sparsely populated with very few residential properties within the immediate restaurant trade area. McDonald success in operating over 800 Family Restaurants nationally is based upon a 3minute drive time, creating convenience lines at these three minute boundaries around the site. The Williamtown development would not be near feasible if the trade area within a 3 minute drive was relied upon. The reliance on tourist patronage of the Recreation Area, and the functional nexus that exists between it and the restaurant makes the development feasible.*
- *The Port Stephens Tourism Plan 2010 (Action Plan) supports the notion that the Recreation Area will be heavily used by tourists.*

The applicant considers that the above points provide factual information that demonstrate that the proposed recreation area will be primarily for tourist use and allows Council to establish the relevant jurisdictional fact that the proposal is permissible with consent.

Council obtained legal advise based upon the above justification and factual material and Councils Executive Planner confirmed with the applicant on 18/10/2010 of the permissibility of the application.

Clause 14(a) – Hotels and restaurants in zone 1(a)

Clause 14 states;

- (1) This clause applies to land within Zone No 1 (a).*
- (2) Despite any other provision of this plan, the consent authority must not consent to development of any land to which this clause applies for the purpose of a hotel or restaurant unless the development is in conjunction with a tourist facility.*

The permissibility of the development is discussed below under the heading Permissibility.

Clause 15 – Advertisements in Rural Zones

Clause 15 states;

A person shall not display an advertisement on land within a rural zone other than an advertisement that relates to development on that land, or to premises situated on that land.

The development is consistent with this clause in that the proposed signage relates to the development site.

Clause 37 – Objectives for development on flood prone land

Clause 37 sets the objectives of development on flood prone land;

The objectives for development on flood prone land are:

- (a) to minimise risk to human life and damage to property caused by flooding and inundation through controlling development, and*
- (b) to ensure that the nature and extent of the flooding and inundation hazard are considered prior to development taking place, and*
- (c) to provide flexibility in controlling development in flood prone localities so that the new information or approaches to hazard management can be employed where appropriate.*

The development is considered to be inconsistent with the objectives contained within Clause 37 - Refer to section on flooding.

Clause 38 - Development on flood prone land

Clause 38 states;

- (1) A person shall not carry out development for any purpose on flood prone land except with the consent of the consent authority.*
- (2) Before granting consent to development on flood prone land the consent authority must consider the following:*
 - (a) the extent and nature of the flooding or inundation hazard affecting the land,*
 - (b) whether or not the proposed development would increase the risk or severity of flooding or inundation affecting other land or buildings, works or other land uses in the vicinity,*
 - (c) whether the risk of flooding or inundation affecting the proposed development could reasonably be mitigated and whether conditions should be imposed on any consent to further the objectives of this plan,*
 - (d) the social impact of flooding on occupants, including the ability of emergency services to access, rescue and support residents of flood prone areas,*

(e) the provisions of any floodplain management plan or development control plan adopted by the Council.

The development is considered to be inconsistent with the objectives contained within Clause 38 - Refer to section on flooding.

Clause 41 – Direct Access to Certain Roads is Restricted.

This clause requires that no new means of access are created on land fronting Nelson Bay Road. As the development is to be accessed via Lavis Lane, it is considered that the development is consistent with this clause.

Clause 42 – Development Along Arterial Roads.

This clause requires that consent shall not be granted for land with a frontage to a main road unless access is provided by way of an alternate road, and the safety and efficiency of the arterial road will not be affected by the development.

Nelson Bay Road is defined as an Arterial Road and as such this clause is applicable to the development. The site is accessed via an alternate access and as such is considered to be consistent with this clause.

Clause 44 – Appearance of land and buildings

As the site is not affected by bushfire or vegetation constraints the site is considered to be suitable with respect to site suitability.

The proposed structures will not be of high reflectivity and are appropriately set back from the road frontage. The maximum height of the development is approximately 6m and as such it is considered that the development will not present any adverse impacts in terms of visual amenity.

Clause 47 – Services

The site is currently serviced by all essential services other than reticulated sewer. The removal of waste water and drainage has been considered in the application and the proposal is considered to be consistent with this clause.

Clause 51A - Development on land identified on Acid Sulfate Soils Planning Map

The site is identified as being in Class 3 Acid Sulfate Soils. The proposed waste water holding tanks are to be located below ground level and as such an Acid Sulfate Soils Management Plan is required.

An Acid Sulfate Soils Assessment and Management Plan (Douglas Partners, Project 49568.01, September 2010) was submitted with the application. The report concluded that potential Acid Sulfate soils are present on the site.

Based on the report, any excavations below 1m (The water table) should be undertaken with reference to the Acid Sulfate Soil Management Plan. A condition of consent has been included to give effect to this.

Port Stephens Council Development Control Plan 2007

The application has been assessed against the relevant provisions of Port Stephens Development Control Plan, 2007, as follows:

B2 - Environmental and Construction Management

The application has been assessed against the applicable provisions of Port Stephens Development Control Plan, 2007 – Environmental and Construction Management, as follows:

DCP Control	Control	Applicable	Compliance
B2.2	General Standards	Yes	Yes
B2.3	Water Quality Management	Yes	Yes
B2.4	Acid Sulfate Soils	Yes	Yes
B2.5	Landfill	Yes	Yes
B2.6	Contaminated Land	Yes	Yes
B2.7	Vegetation Management	Yes	Yes
B2.8	Koala Management	N/A	N/A
B2.9	Mosquito Control	Yes	Yes
B2.10	Weed Control	Yes	Yes
B2.11	Tree Management	Yes	Yes
B2.12	Waste Water	Yes	Yes
B2.13	Aircraft Noise	Yes	No

Section B2.13 – Aircraft Noise

Clause B2.13 Aircraft Noise stipulates the requirements for developments in Aircraft Noise affected areas.

The subject site is identified as being located within the 30-35 Aircraft Noise Contour under both the ANEF 2025 and ANEC 2025 Aircraft Noise Maps. Under this noise zone, both the DCP2007 and Australian Standard 2021-2000 classify Dual Occupancy as "unacceptable" development.

It is noted that Australian Standard 2021-2000 does not recommend development in unacceptable areas. It recommends that should a development be approved that it demonstrate that achieving the aircraft noise reduction (ANR) in accordance with Australian Standard 2021-2000 is possible. Given the Tourist Facility, an outdoor recreation area, is an outdoor facility, attenuation of the noise has not been demonstrated and is considered to be unlikely to be achievable.

The development is contrary to both Development Control Plan 2007 and Australian Standard 2021-2000 and as such should be refused.

Comments

The application is considered unsatisfactory with regards to section B2 – Environmental and Construction Management.

B3 – Traffic and Parking

The application is considered satisfactory with regards to section B3 – Traffic and Parking.

The proposal seeks to provide some 38 parking spaces, a drive through facility with storage for 15 cars, and a bus loading bay. The restaurant provides for 106 seats.

DCP 2007 requires 15 spaces per 100m² or 1 space per 3 seats which equates to 35 parking spaces.

It is considered that the provided parking spaces in conjunction with the queuing capacity of the drive through result in adequate parking for the proposal and consistent with DCP requirements.

B12 – Advertising Signs

Section B12 sets controls for which signage can be implemented without development consent. It is considered that in this instance the signage does require development consent and an assessment of the signage can be found in this report under the heading SEPP 64.

Flooding

Council's Flood Engineer provided the following advice with respect to the proposed development.

The Williamstown/Salt Ash Flood study predicts that the 1% AEP flood level for the site is RL 1.2 m AHD. Nelson Bay Road at this location acts as a flood levy and flood levels on the western side of Nelson Bay Road are significantly higher at RL 1.9 m AHD. With the release of the Department of Planning Guidelines on adapting to sea level rise Council is now required to consider the impacts of sea level rise on flood levels for the property. It is likely that sea level rise will have a significant impact on flood levels in the Williamstown area. As such Council is about to commence a revision of the Williamstown/Salt Ash Flood Study to include modelling for the NSW Government's adopted sea level rise benchmarks of 40 cm by 2050 and 90 cm by 2100. Until then Council is adopting the precautionary principle and adding 0.9 m to the predicted flood levels on the basis it represents the worst case scenario.

On this basis the sea level rise compliant flood levels on the western side of Nelson Bay Road will be RL 2.8 m AHD while on the development side it will be RL 2.1 m AHD. It is however noted that the flood waters overtop Nelson Bay Road in the area when the flood level reaches RL 2.2 m AHD therefore the western side flood level would then be the most appropriate for the site.

Therefore it is considered that on currently available information I consider the 1 % AEP flood level for the site is RL 2.8 m AHD when sea level rise impacts are accounted for. It is noted that even the Worley Parsons Flood Emergency Response Study submitted with the application predicts the 1 % AEP flood level accounting for climate change impacts to be RL 2.71 m AHD.

Council requires a 500 mm freeboard for its flood planning level therefore the appropriate Flood Planning Level for the site is considered to be RL 3.3 m AHD. The floor level for the restaurant will need to be at or above this level. The current plans show the floor level to be at RL 2.7 m AHD therefore the plans will need to be amended to raise this level by 600 mm.

Council has also adopted an Infrastructure Planning Level (IPL) of RL 2.5 m AHD for climate change impacts. This has been set to protect infrastructure from future inundation as a result of the impact of climate change on high tide levels and does not include protection from flooding associated with storm events. It is noted throughout the submitted documentation that a flood level including climate change impacts of 2.5 m AHD was sourced from Port Stephens Council. Whilst I was not the person to provide this advice I suspect that the recipient of this advice has misunderstood Council's advice.

The impact of the IPL on this application is that the car park area and the playground area will both need to be at or above the IPL. The current plans show the playground at RL 1.9 m AHD and the car park and drive through area at between RL 1.0 m AHD and RL 2.5 m AHD. Therefore these areas also need to be raised to comply with Council's flood requirements.

I have reviewed the Flood Emergency Response Study and deem it satisfactory though some minor amendments will need to be made as a result of the required level changes for the site. A detailed Flood Emergency and Evacuation Plan will be required to be completed and implemented prior to occupation of the premises. I am satisfied however that this study has demonstrated that a suitable flood emergency and evacuation plan could be prepared for the development.

The proposed McDonald's Restaurant and Playground can not be supported in its current format as it does not comply with Council's requirements in regard to flooding and adapting to future sea level rise. To comply the following changes need to be made to the development;

1. The minimum floor level for the building is to be RL 3.3 m AHD.
2. The playground and car park / drive through area are not to be below RL 2.5 m AHD.

The Flood Emergency Response Study though considered satisfactory will need some minor amendment as a result of the design changes required in points 1 & 2 above.

It is considered that the development has not adequately considered the impacts of flooding on the site. Due to the "Tourist Facility" being unacceptable on the site as a result of aircraft noise and a stand alone restaurant being prohibited, the flooding issue was not pursued with the applicant as resolution of the flooding issue would still result in development unable to proceed due to aircraft noise impacts.

Engineering Issues

Council's development engineer undertook an assessment of the proposal and provided the following comments that were forwarded to the applicant. No response has been received.

Minor Stormwater System

The proposed plans include a large carpark with no minor drainage system. Drainage from a substantial impervious area appears to be by overland flow to a single outlet at the North-Eastern corner of the carpark to Lavis Lane. This is considered by Council to have the potential to generate unnecessary surface flooding in minor events (up to the 10 year ARI). The plans should therefore be amended accordingly.

Stormwater Detention and Minimisation

The amount of impervious are proposed for the site is likely to increase both the peak stormwater discharge and total discharge volume generated from the proposed development. The site is immediately upstream of a known drainage problem area. Therefore every reasonable effort should be made to reduce both runoff volumes and peak discharges to levels that are comparable to the existing conditions to minimise the adverse impacts to downstream land owners by this development. The stormwater plan should be amended to include measures that would reduce the discharge peak and total discharge volume leaving the site. It should be noted that the current zoning of the land (Rural Agriculture) does not permit the use of dedicated stormwater detention basins.

It is considered that the development has not adequately considered the impacts of stormwater drainage on the site. Additional detail has been submitted by the applicant but has not been assessed at the time of writing this report. Notwithstanding, due to the "Tourist Facility" being unacceptable on the site as a result of aircraft noise and a stand alone restaurant being prohibited, the resolution of the stormwater issue would still result in development unable to proceed due to aircraft noise impacts.

Wastewater

Council's Wastewater Officer provided the following comments in relation to wastewater disposal.

The wastewater servicing strategy within the Statement of Environmental Effects (Hughes Trueman Report, Appendix 10) proposes 2 solutions for generated sanitary and trade wastes. The 2 solutions include on-site treatment, reuse and disposal and effluent pumpout.

The provided information relating to the 2 solutions is very early stage, conceptual only and very brief. Undertaking an assessment is difficult in this regard but the following comments are made:

- The DCP (B2.C55) states that development based on effluent pumpout system is not permitted.
- The construction of a sewerage system is an activity captured under Schedule 3 designated development, C29(b) Sewerage Systems (Environmental, Planning and Assessment Regulation).
- The DAREZ development permits an effluent pumpout as an interim solution for stage 1 only. Progression past this stage is subject to many variables, therefore a timeline for construction of sewer infrastructure is not known and in fact there is no guarantee that sewer infrastructure will ever be available.
- Validation data and associated information on waste generation volumes has not been provided.
- Information supporting the construction of a treatment system utilising reuse and irrigation is very limited. The reuse (in a public context) of treated effluent is subject to a stringent assessment process.
- The provided information does not validate that the size of the allotment is capable of accepting the volume of effluent generated, should the treatment system option be selected (or enforced).
- Reference to the statement "Discussions with HWC have indicated they support the removal of waste via tanker rather than treatment and reuse due to groundwater issues". Raising the issue of groundwater is a valid point but a constraint that can be overcome through careful and appropriate system selection and design.

It is my opinion that the proposal to construct and utilise and "interim" effluent pumpout facility based on the assumption that sewer infrastructure will be constructed as a result of another development is questionable and should not be considered as a viable long term solution based on the limited information provided.

The construction of an effluent treatment system with reuse and irrigation is considered a viable and sustainable solution providing certainty moving forward. That said it is a proposal that due to the site constraints would be subject to a stringent assessment process, on many levels, involving a number of government agencies and stakeholders. As an example the activity would be captured under:

- Local Government (General) Regulations;
- EP&A Regulation - Designated development;
- NSW Groundwater Framework policy;

- *NSW Guidelines for Management of Private Recycled Water Schemes.*

It is important that this matter be considered at the DA assessment stage as it is not an activity that can be dealt with by way of DA conditions.

To move forward in this matter the applicant will need to provide significantly more information covering all the matters raised above. Considering the facts as they currently exist it is unlikely that I would support development based on effluent pumpout.

Due to the "Tourist Facility" being unacceptable on the site as a result of aircraft noise and a stand alone restaurant being prohibited, the wastewater issue was not pursued with the applicant as resolution of the issue would still result development unable to proceed due to aircraft noise impacts.

2. Likely Impact of the Development

Approval of the development will result in the creation of an outdoor recreation area (Tourist Facility) that is subject to high levels of Aircraft Noise Exposure. The levels of Aircraft noise exceed that permissible by Australian Standard 2021-2000 and Development Control Plan 2007, and being an outdoor recreation area attenuation of the Aircraft Noise will not be achievable.

3. Suitability of the Site

Due to the site constraint of Aircraft Noise, the outdoor recreation facility will be subject to high levels of aircraft noise. Being an outdoor facility, any aircraft attenuation is considered to be highly unlikely and as such the development site is considered to be unsuitable for the development.

The site is also subject to flooding and wastewater constraints which have not been adequately addressed by the application.

4. Submissions

The application was exhibited in accordance with Council policy and seventeen (17) submissions were received. Fifteen (15) submissions supported the proposal while two (2) opposed the development.

Issues raised in the two submissions objecting to the proposal include;

- Permissibility of the development
- Roadside Litter
- Stormwater and Flooding

These issues are all discussed elsewhere in this report.

5. Public Interest

It is not considered to be in the public interest to approve this application due to the unacceptable exposure to aircraft noise that users of the "Tourist Facility" would be subject to.

ITEM NO. 2

FILE NO: PSC2010-05535

NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT – NOTICES OF MOTION

REPORT OF: DAVID BROYD – SUSTAINABLE PLANNING, GROUP MANAGER
GROUP: SUSTAINABLE PLANNING

RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the following two proposed Notices of Motion to be put forward at the National Assembly of the Australian Local Government Association in June 2011:

"NOTICE OF MOTION 1:

That the Commonwealth Government lead the preparation of a National Settlement and Infrastructure Strategy based upon a Governance Structure that engages strongly with the Governments of State's and Territories and with representatives of Local Government."

"NOTICE OF MOTION 2:

That a Governance Model be established that enables the engagement of political and senior management/professional representatives in the preparation of a National Settlement and Infrastructure Strategy and that that Governance Model be based upon:

- *The Council of Australian Governments;*
- *The reestablishment of a Ministerial Council of Minister's for Planning or equivalents from all States and Territories;*
- *The establishment of a Forum which is a support network of Senior Management in planning and infrastructure delivery from the Major Cities Unit, all States and Territories and from the Australian Local Government Associations / equivalents of all States and Territories."*

- 2) Consider other proposed Notices of Motion put forward by Councillors.

COUNCIL COMMITTEE MEETING – 19 APRIL 2011

RECOMMENDATION:

	Councillor Bruce MacKenzie Councillor Bob Westbury	That the recommendation be adopted.
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ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

132	Councillor John Nell Councillor Frank Ward	It was resolved that the Council Committee recommendation be adopted.
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Cr Peter Kafer recorded his vote against Item 2.

BACKGROUND

The purposes of this report are to recommend two Notices of Motion to be put on behalf of this Council to the National General Assembly of Local Government in June 2011 and to enable Councillors to put forward and consider any additional Notices of Motion to be submitted to the Assembly.

The National General Assembly of Local Government is taking place in Canberra between 19–22 June 2011. This is a major event which typically attracts more than 700 Mayors, Councillors and Senior Officers from Councils across Australia. The Australian Local Government Association (ALGA) Board is calling for Motions for the Congress under this year's theme: "Growing with our Community – Partnership, Place, and Position".

To be eligible for inclusion in the Assembly business papers, motions must follow the principles of being:

- Under one of the themes: Partnership, Place and Position;
- Relevant to the work of Local Government nationally;
- Complement to, or building on the Policy objectives of State and Territory Associations.

In relation to the three part theme:

Places – recognises that individuals and households live and work in: suburbs, neighbourhoods, farms, cities, towns and local communities ie. "Places". As these places differ geographically, culturally, economically and socially, it is not surprising that services need to be tailored to local circumstances. Under this topic delegates will be invited to discuss models for improved collaboration between Governments and Governance Models to jointly develop policy, plan, coordinate and deliver better infrastructure and services that will meet the circumstances of a particular place"

Position – refers to the need for Local Government to be seen and treated as in integral part of the Australian Federal System. There are more than 560 Local Governments in Australia, all of them democratically elected, accountable to their communities and charged with the responsibility, under State Legislation, to govern in the interests of local communities. Under this topic delegates will be invited to

explore ways of ensuring that Local Government is properly recognised in all Government Structures including the Australian Constitution as well as how Local Government can be better involved in shaping Commonwealth and State Service Delivery to better meet local needs.

Partnership – This recognises that Government Sector provision including regulation is a shared responsibility. While Local Government provides a wide range of services and infrastructure, many of these are in partnership with other levels of Government. At the national level, the partnership between Local Government and the Australian Government has delivered benefits to every Australian Community including through programs such as the "Roads to Recovery" program and "Community Infrastructure" program. Under this theme delegates will be encouraged to identify opportunities and challenges to the development of effective partnerships to improve the delivery of services and infrastructure at the local level.

NOTICE OF MOTION 1:

That the Commonwealth Government lead the preparation of a National Settlement and Infrastructure Strategy based upon a Governance Structure that engages strongly with the Governments of State's and Territories and with representatives of Local Government.

Theme - This Notice of Motion falls under the theme of "Position".

National Objective – This is a national objective because the projected growth of the population of Australia is projected to increase from the current 22 million to 36 million by the year 2050 – placing major demands on the capacity to plan and deliver settlement patterns and infrastructure which meet fundamental social, economic and environmental criteria.

Summary of Key Arguments – Never more has there been a compelling case for the Commonwealth Government to be involved in leading the planning of future settlement patterns and related infrastructure delivery. Australia is projected to increase its population from 22 million to 36 million by 2050. Sydney is projected to grow from 4.5 million to 7 million.

The Hunter region is anticipated to grow from approximately 545,000 to over 800,000 with significant consequences for Newcastle, the lower Hunter and Port Stephens. Port Stephens could have to plan for an increase from approximately 67,000 to over 120,000 to 2050.

Currently 85% of Australia's population live on the coast – 18.7 million out of 22 million. If this proportion continues, 31.5 million will seek to live in that coastal sector an increase of 12.8 million – over the next 40 years. This will place huge demands on State and Local Government as well as the Commonwealth Government, to deliver infrastructure and manage the social, economic and environmental implications of that scale of growth in that sector.

Hence, the Commonwealth Government should lead the preparation of a National Settlement and Infrastructure Strategy – establishing a pattern of managed growth of capital cities, major regional centres and Coastal Settlement which is fundamentally based upon infrastructure capacities and needs. The Commonwealth Government should therefore play a strong leadership role in coordinating, advocating and directing consistent planning legislation and practices across the States and Territories to deliver the future outcomes for our cities, major regional centres and coastal settlements.

To "get the planning right" and integrate the infrastructure delivery with future growth and settlement patterns, the coordinated approach between the three levels of Government is critical.

NOTICE OF MOTION 2:

That a Governance Model be established that enables the engagement of political and senior management / professional representatives in the preparation of a National Settlement and Infrastructure Strategy and that that Governance Model be based upon:

- **The Council of Australian Governments;**
- **The reestablishment of a Ministerial Council of Minister's for Planning or equivalents from all States and Territories;**
- **The establishment of a Forum which is a support network of Senior Management in planning and infrastructure delivery from the Major Cities Unit, all States and Territories and from the Australian Local Government Associations / equivalents of all States and Territories.**

Theme – This Notice of Motion falls under the theme of "Partnership"

National Objective – To increase the rational allocation of resources and funding to the priority infrastructure needs and priorities associated with national growth.

Summary of Key Arguments - With the projected growth of the Australian population being from the current 22 million to 36 million in the next 40 years, not only is there a compelling case for the Commonwealth Government to lead a National Strategy for Planning and Infrastructure, but for there to be a well established Governance Structure encompassing all of the three levels of Government in the planning and coordination of growth of metropolitan areas, planning for Regional Centres and the Coastal Sector and the related planning, funding and delivery of infrastructure required to support that locational distribution of growth resulting from this enhanced strategic approach at the National Level.

FINANCIAL/RESOURCE IMPLICATIONS

The projected population growth and infrastructure demands in Australia warrants some higher level of planning between the three levels of Governments to ensure the most effective allocation of resources and funding in the context of highly competing interests. The above two Notices of Motion seek to improve the directions for such better planning and allocation for resources and funding.

LEGAL, POLICY AND RISK IMPLICATIONS

Arguably, on an international scale, Australia is lagging behind in terms of national planning for its growth and infrastructure delivery. Hence improved policy directions as indicated within the two Notices of Motion are crucially important. The improved planning can also deliver better policy which should mitigate against the high level of legal disputes that currently exist around decision making on development, the environment, and infrastructure delivery.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Improved planning and infrastructure delivery as indicated in the two Notices of Motion are fundamentally directed at improving the management of the social, economic and environmental implications of the nationally projected growth and infrastructure needs. The substantially improved planning between the three levels of Government can certainly assist in getting an improved balance between enabling development to provide for the growth and the related environmental implications.

CONSULTATION

The Australian Local Government Association (LGA) is consulting every Council in Australia with regard to potential Notices of Motion to be put to the National Assembly in June 2011. Consultation has taken place with the Executive Leadership Team in proposing the above two Notices of Motion.

OPTIONS

Council can:

- 1) Adopt the recommendation and include any additional Notices of Motion that a Councillor wishes to put forward as a Motion to Council;
- 2) Not support one or both of the recommended Notices of Motion.

ATTACHMENTS

- 1) 2011 National General Assembly of Local Government – Discussion Paper.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

ATTACHMENT 1

**2011 National General Assembly of Local
Government**

Discussion Paper

**Growing with Our Community
- Place, Position and Partnership -**

Prepared by the Australian Local Government Association to help councils develop motions for the 2011 National General Assembly for Local Government.

Preamble

The theme for the 2011 National General Assembly for Local Government (NGA) is: 'Growing with our Communities: Places, Position and Partnership'. The issues discussed in this paper aim to assist councils to develop motions for the 2011 NGA. This paper will discuss a limited range of key policy issues that emerge from international literature and are of direct relevance to local governments in Australia. While the topics under the themes are not mutually exclusive, they are discussed separately to help focus attention on specific initiatives that could assist local government to address the challenges of meeting the growing demands of local communities. It is anticipated that motions for the 2011 NGA will outline credible ideas and policy initiatives that will strengthen local government's capacity to respond to the social, economic and environmental challenges facing Australia.

Context

As discussed at last year's NGA, on current trends Australia's population is expected to grow from the current 22 million to 35.9 million by 2050. Population growth will create opportunities and challenges for governments and communities. Meeting the demands of a bigger Australia will require substantial new physical infrastructure as well as the need for the economy to remain internationally competitive, innovative, more inclusive and sustainable. What we as a nation choose to invest in, how we invest and where we invest will have profound impacts on local communities across Australia and influence where and how Australians will live.

At the time of writing, the Australian Government was seeking comment on several important research, discussion and issues papers related to urban policy and the development of an Australian sustainable population strategy. These papers provide interesting background to the theme of the 2011 NGA, and insight into the challenges and opportunities the Australian Government identifies at the current time. The papers are:

1. *Our Cities – Discussion Paper 2010 A national strategy for the future of Australian cities,*
2. *Our Cities – The challenge of change, Background and research paper, and*
3. *A Sustainable Population Strategy for Australia Issues Paper.*

At the national level, reform (and, in particular, micro-economic reform) has been at the forefront of Australia's public policy debate and practice over the past twenty years. Reform has helped transform the Australian economy, and made a significant contribution to preparing the nation to meet the challenges of economic shocks such as the Global Financial Crisis (GFC). Landmark reforms include, but are not limited to: floating of the Australian dollar; national competition policy; the introduction of the Goods and Services Tax (GST); reform to Commonwealth state financial relations; health reforms; business red tape reduction; education; industrial relations; and water.

Further reform is essential if Australia is to continue to be internationally competitive as well as meet the future challenges of job creation, skills shortages, providing adequate and appropriate social support and achieving ecological sustainability.

Managing the local and regional impacts of reform is a significant challenge for governments. All reform has the potential to impact local and regional communities including the concentration of benefits and burdens in localities such as cities, regions, or specific neighbourhoods.

Local governments are at the 'coal-face' of managing change, planning¹, coordination and provision of infrastructure and services for their local communities. It is therefore essential that local governments are consulted, and their policies and plans are taken into account when national reforms are being designed and implemented. This is, in part, achieved through active participation by the Australian Local Government Association (ALGA) at important intergovernmental forums such as the Council of Australian Governments (COAG) and relevant ministerial councils, and through ongoing dialogue with the Australian Government.

At the implementation level, however, local government has for many years strongly advocated the need for new ways for governments to work together to ensure that national programs and services meet local needs and local conditions. Models advocated include the need for greater local control and whole of government collaboration and better processes to jointly develop policy, and plan and implement initiatives at the local and regional level.

The challenge is to achieve effective mechanisms for council plans and projects to be better integrated into the way state and national programs and services are planned and delivered. In summary: achieving more appropriate integration of 'top-down' and 'bottom-up' policy approaches that will shape the future of local communities and thus Australian society.

The theme of the 2011 NGA is 'Growing with our Communities - Places, Position and Partnerships'. The aim is to stimulate ideas about new ways of doing business to meet the infrastructure and service needs of local people in their local communities.

The 'Places' topic recognises that individuals and households live and work in: suburbs, neighbourhoods, farms, cities, towns, and local communities i.e. 'places'. As these places differ geographically, culturally, economically and socially, it is not surprising that services need to be tailored to local circumstances. Under this topic, delegates will be invited to discuss models for improved collaboration between governments and governance models to jointly develop policy, plan, coordinate and deliver better infrastructure and services that will meet the circumstances of a particular 'place'.

The 'Position' topic refers to the need for local government to be seen and treated as an integral part of the Australian federal system. There are more than 560 local governments in Australia, all of them democratically elected, accountable to their communities and charged with the responsibility, under state legislation, to govern in the interests of their local communities. Under this topic delegates will be invited to explore ways of ensuring that local government is properly recognised in all government structures including the Australian Constitution, as well as how local government can be better involved in shaping Commonwealth and state service delivery to better meet local needs.

The third topic is 'Partnership'. This recognises that government service provision, including regulation, is a shared responsibility. While local government provides a wide range of services and infrastructure, many of these are in partnership with other levels of government. At the national level the partnership between local government and the Australian

¹ In NSW for example local governments are required to undertake strategic land-use planning under the *Environment Planning and Assessment Act 1979 (NSW EP&A)* in addition councils are required to prepare corporate plans and monitor 10 year community strategic plan.

Government has delivered benefits to every Australian community including through programs such as the Roads to Recovery Program (R2R) and Community Infrastructure Program (CIP). Under this theme delegates will be encouraged to identify opportunities and challenges to the development of effective partnerships to improve the delivery of services and infrastructure at the local and regional level.

Place

Commentators frequently describe Australia as experiencing a two (2) speed economy observing the rapid growth in the resource-rich states and comparatively slow growth in other jurisdictions. This description is used to highlight the disparity in economic performance and the associated opportunities and challenges in respective jurisdictions. For example, in a general sense, it accounts for relatively lower rates of unemployment, higher average wages, rising house prices and skills shortages in Western Australia and Queensland, and flat or comparatively higher unemployment, less pressure on average wages and flat housing prices in other states.

The annual State of the Regions Report (SOR)², by National Economics for the Australian Local Government Association (ALGA) takes a more sophisticated approach to the analysis of Australia's economic performance. The SOR classification comprises 6 types of regions:

- Core metropolitan regions;
- Dispersed metropolitan regions;
- Lifestyle regions;
- Non-metro city regions;
- Resource regions; and
- Rural regions.

This analysis highlights, with greater granularity, the divergence (and / or convergence) in economic performance of Australia's regions.

There is a large and growing international body of research that shows the growing importance of place-sensitive approaches in public policy.³ This research demonstrate how 'place matters' to the quality of life for all citizens and to the prosperity of nations. Place-based approaches can help to inform the development of policy initiatives to address the population and infrastructure pressures facing Australia's diverse communities. For example the challenges and opportunities of:

- large cities managing population growth; high and growing infrastructure demand; the need for greater connectivity including transport; pressure on urban amenity; concentration of social disadvantage; population diversity; social harmony; affordable and appropriate housing supply; and
- smaller communities facing population and employment decline, difficulty in attracting and retaining skilled labour, ageing infrastructure and environmental degradation.

² State of the Regions (SOR) is in its twelfth edition. The SOR methodology pays attention to internal economic interactions within regions, while drawing upon and adapting Australian Bureau of Statistics data and respecting state and local government boundaries.

³ Much of the literature is expressed in terms of 'Urban Policy' recognising the importance of cities, large and small. However this should not be interpreted as purely city-metro.

Having examined place-based approaches from North America, Europe and the United Kingdom, Bradford (2005) suggests there are two perspectives that need to be integrated into place-based policy development. The first is an 'urban perspective' which he suggests is preoccupied with physical infrastructure, and the powers and resources available to municipalities. The second is a 'community perspective' which focuses on social infrastructure, such as 'civic participation and inclusion networks'.

In Australia it should be noted, local government has a major responsibility for both these perspectives. Local government has a major role in the provision of local physical infrastructure. ALGA in partnership with state and territory local government associations has developed a strong case for additional funding for local roads and community infrastructure. Local government also has a very strong role in facilitating civic participation, community engagement, social cohesion and inclusion. Therefore local government is a critical actor in any place-based approach in Australia.

Bradford (2005)⁴ observes that in Canada a disproportionate burden of responsibility to manage place falls to local government. '[At] present, the problem of ageing infrastructure, insufficient affordable housing, spatially-concentrated poverty, traffic congestion and lowered air quality are piling up at the doorstep of the municipal governments. However, the implications reach well beyond the boundaries of the locality and the powers [fiscally] of the municipal authority'.

This highlights the need for governments at all levels to coordinate their policies and tailor their programs to the conditions prevailing in, and the circumstances of, particular places. Bradford cites the approach by New Labour (1997 – 2000) as being instructive in this regard ... 'While not without its tension and gaps, New Labour's joined up government and partnership approach moved beyond either a 'top-down' impositions of central government priorities and a 'bottom-up' competitive scramble among localities for funds. He also notes that the national government restored some legitimacy and capacity to local government as a partner in local collaboration and integration and rewarded them for working in 'new ways'. [See also position theme in this paper.]

Improved Intergovernmental Relations

ALGA is a member of the Council of Australian Governments (COAG) and other ministerial councils.⁵ Through these forums ALGA is able to fully participate in debate and is involved in meetings of heads of government, ministers and officials representing the Commonwealth and state and territory jurisdictions.

ALGA's participation in these processes is guided by ALGA policy which is determined by the ALGA Board and informed by all state and territory local government associations and the National General Assembly for Local Government.

⁴ Place-based Public Policy: Towards a New Urban and Community Agenda for Canada, Research report F/31 family network, Canadian Policy Research Network, (2005)

⁵ It should be noted that COAG is currently reviewing ministerial council arrangements and by the time of the NGA, may have implemented a number of changes. ALGA will remain a member of COAG and will continue to be represented at all ministerial forums that have direct relevance to local government.

This is a unique model of intergovernmental relations internationally where local government can be characterised as ‘...most often suffering from a ‘culture of non-recognition and neglect when it comes to the policy voice,’ Bradford (2005).

Participating at COAG and ministerial councils is very important as it provides ALGA with an opportunity to ensure that local government’s collective interest and concerns are taken into consideration in the development of intergovernmental policy arrangements. But it is important to note that much of the work of the Commonwealth, states and territories in relation to their respective program and policies is still developed and pursued unilaterally by governments. This is not unexpected given jurisdictional autonomy of all governments, constitutional responsibilities and electoral obligations.

In describing the public policy challenge, Bradford (2005) describes the notion of ‘wicked problems’. These are problems that: ‘... cannot be solved through ‘off the shelf solution’. With their inherent complexity, these problems are resistant to traditional sectoral interventions designed and delivered in a top-down fashion by individual government departments. Required instead are place-sensitive modes of policy intervention – strategies constructed with knowledge of the particular circumstances in communities, and delivered through collaborations across functional boundaries and departmental silos.’

Wicked problems frequently require inter-state and intergovernmental collaboration and coordination. It is therefore important that solutions to address wicked problems are developed collaboratively, pragmatically and are capable of achieving mutual goals.

Given local government’s knowledge and understanding of local communities, expertise in community consultation and planning, coordination and provision of infrastructure and services for local communities:

- *Is there a need to improve the level of collaboration between all levels of government at the local level to better coordinate policies and tailor programs to local circumstances?*
- *Are there any changes that could be implemented to improve the coordination and integration of policies and tailor programs to better meet the conditions prevailing and particular places?*
- *How could national funding be allocated to improve the balance between ‘top-down’ impositions of central government priorities and a ‘bottom-up’ competitive scramble among localities for funds?*

Cities

As previously mentioned, in December 2010 the Australian Government released 2 ‘urban policy’ papers:

- Our Cities – The challenge of change, background and research paper, and
- Our Cities – building a productive, sustainable and liveable future 2010, Discussion Paper.

These documents show an appreciation of the value of place-based approaches, in particular in the Government's developing approach to urban policy: '... Urban policy is grounded in a geographic consideration of place and the people that interact with that place. It considers how policy settings and investment decisions of governments, businesses and individuals impact on, or are affected by the needs and requirements of places. Urban policy is about understanding and trying to guide the complex systems that make up our cities. The aim of urban policy is to effectively manage change in a way which supports sustainable development: to meet the needs of the current generation without compromising the ability of future generations to have their needs met. (Bruntland 1988)'.

The documents note that '... the five largest city-regions in Australia are home to 70% of the nation's population (15 million people) and this proportion will substantially increase over the next decades'. The corollary of this is that around 30 per cent live outside these regions. Importantly the background paper acknowledges that there is a multi-faceted and wide-ranging interdependence between cities and regional Australia.⁶

A key issue in the context of this year's NGA and the above discussion on place-based policy is that of city governance. The Cities Discussion Paper quoting the 2010 Intergenerational Report suggests: '...The development of Australia's cities will also be central to improving productivity performance. Much of a city's capacity to accommodate population increases while supporting productivity growth is reliant on the efficacy and adequacy of its infrastructure, including its housing stock. The sustainability of Australia's cities will also be dependent on better governance in the planning and organisation of city infrastructure and more efficient use of existing infrastructure'.

The Background Paper notes that there are 157 local government entities in Australia's 18 major cities and, while acknowledging the roles and expectations of local governments have substantially broadened over time, it suggests '...yet there remains concern that the prevalence of small local governments inhibits both the efficiency of local services delivery and the effectiveness of city-wide governance'.

The Commonwealth Discussion Paper suggests '.... The coming together of communities to form larger and more effective entities, or the grouping of local government into regional coalitions, can be the foundation of planning strategies over wider city areas. Regional groupings can also produce economic benefits for constituent entities, through economies of scale, for purchasing and more effective use of capital equipment'.

- *If local government was to accept the premise, that the prevalence of small local governments inhibits both the efficiency of local services delivery and the effectiveness of city-wide governance:*
 - *are there any other preferred governance models that could deliver improved city governance?*

⁶ ALGA supports a broadly based approach to regional development including the 6 types of regions identified in State of the Region (SOR) ranging from core-metro to remote regions. In this sense urban policy is directly linked to a comprehensive regional policy.

- *are there any preferred models to improve coordination and integration of strategic planning at relevant scales e.g. local government areas; a city or region; state / territory; and national?*

Sustainable Population Policy

As previously mentioned, in late December 2010 the Australian Government released *A Sustainable Population Strategy for Australia Issues Paper*. At the time of writing the Government is seeking submissions on the document by 1 March 2011. ALGA will be making a submission on the issues raised in the paper.

There are a range of important issues in these papers which will not be discussed in this section of the paper. However, it is important to note the Government's intention to link the development of the sustainable population strategy with other major policy initiatives and in particular the development of a National Urban Policy, commitments to regional Australia and meeting the needs of the economy. The Government also recognises the strategy will '...build on other major reforms...tackling climate change and water scarcity, service delivery reform, health reform, training and schools, productivity, infrastructure investment, food security, social inclusion and improving the lives of Indigenous Australians. Some of these issues may be considered under the 'partnership' theme where the delivery mutual objectives of programs and services will be discussed.

The purpose of raising the issues under the theme of 'place' is to consider ideas and or possible mechanisms to ensure local government plans are formally considered in the development of and implementation of a sustainable population strategy.

- *How could council strategic plans be used effectively in the development and implementation of a sustainable population strategy?*
- *What conditions would be required to allow practical implementation of such strategic plans*

Position:

As noted above, Bradford identifies the importance of national [and state / territory] ⁷ governments recognising the legitimacy and capacity of local government in local collaboration and integration in place-based approaches. The 'Position' topic explores the way in which local government can increase the level of recognition and assert its legitimacy more fully in the Australian Federation.

Building on the success of the 2008 Constitutional Summit – A Special General Assembly, considerable progress has been made over less than five years toward a referendum on the recognition of local government.

ALGA and state and territory association have developed a comprehensive constitutional reform campaign to be conducted over the coming years. ALGA welcomes the undertaking

⁷ ALGA insert recognising the Australian Federal system of government.

of the Australian Government during the 2010 election to hold a referendum by 2013 on local government recognition in the Australian Constitution.

ALGA continues to work with the Government to bring this commitment. ALGA also welcomes the funding granted in the 2010-11 Budget towards development of the case in favour of constitutional recognition.

The core of the ALGA campaign is that although the Commonwealth Government has provided direct funding to local government for many years, a recent High Court decision has highlighted its lack of power to do so. The 2009 High Court case of *Pape v Commissioner of Taxation* has found that the Commonwealth does not have power to directly fund areas such as local government. It can only spend money where it has a specific power under the Constitution.

Without Constitutional recognition, direct Commonwealth funding of local government, through programs such as Roads to Recovery, may be technically invalid. Local government needs certainty and security in funding in order to provide the range and level of services expected by the community.

A full report of progress on the campaign will be provided at the NGA.

Working with the Government to ensure that a referendum on local government is achieved in the next term of the Government is only one component of a successful campaign on constitutional recognition. The second, and equally important component, is to ensure that the referendum is successful. This is an area which ALGA is working very closely with state and territory local government associations.

To understand this task it is important to know how the Constitution can be changed. Section 128 of the Australian Constitution sets out the process needed to amend the Constitution. In summary, the Constitution can only be changed through a Bill that is passed through the House of Representatives and the Senate by an absolute majority. An absolute majority is a majority of each chamber, voting separately. So there must be 50%+1 of the membership of the House of Representatives, and 50% +1 of the membership of the Senate. This practically means that there can be no constitutional change without the support of the government of the day, as it controls the business of the parliament.

Within 4 weeks of a referendum question being passed by the Parliament, the Electoral Commissioner must publish a booklet containing the Yes and No Case. This is:

- an argument of less than 2000 words approved by: the majority of parliamentarians who voted "yes" to the proposed referendum question
- an argument of less than 2000 words approved by: the majority of parliamentarians who voted "no" to the proposed referendum question

The question must then go to a referendum. A majority of voters overall must support the measure. A majority of states must also support the measure – that is 4 out of the 6 states must vote yes (the two territories do not count for this purpose).

This is what is called the double majority.

The voter must vote either “yes” or “no” to the question put in the ballot paper. The question is put in a very simple form to the voters along the lines of, do you agree to the Bill which Parliament has passed to amend the Constitution. Voting is compulsory and if the double majority is achieved, the Constitution is amended.

To achieve the double majority every council will need to play their part. In particular, every council must do everything they can to ensure that the electorate will vote yes to the referendum question on local government.

An important strategy to achieve a double majority is the need to strengthen the profile and standing of local government within the broader community. State and territory local government associations in all jurisdictions are working on strategies to achieve this end.

- *How can local councils help to increase the standing of local government across the electorate?*
- *What is actually required by local government to successfully implement such an initiative?*

Cost Shifting

Currently a key indicator of the legitimacy and level of recognition given to local government is the way local government is treated, by other levels of government in particular, when councils are involved in the delivery of services on behalf of or in partnership with other levels of government.

In April 2006, all levels of government in Australia signed the *Intergovernmental Agreement Establishing Principles Guiding Intergovernmental Relations of Local Government Matters* (the IGA). The IGA, at the highest level, is an important expression of trust and respect between all levels of governments, and a commitment to deal with each other [fairly] in accordance with the agreement when other levels of government seeks to delegate responsibilities to local government.

Part I outlines the Fundamental principles of the IGA. These are:

- All parties are committed to achieving an open and productive relationship between the three spheres of government.
- All parties acknowledge the need for services and functions to be provided to communities in an efficient and effective manner.
- All parties agree in principle that where local government is asked or required by the Commonwealth Government or a State or Territory Government to provide a service or function to the people of Australia, any consequential financial impact is to be considered within the context of the capacity of local government.

The IGA, which is due for review by 2011, outlines a set of principles designed to establish an ongoing framework to address future cost-shifting.

- *Are there any matters that your council believes should be taken up in the review of this high level IGA that would help to address cost shifting?*

Partnerships

In recent years, the Commonwealth and local government have worked together to deliver community infrastructure and services to local and regional communities. Local government has often been a partner in the efficient and effective planning, funding and delivery of national policies and programs – both through the provision of targeted funding for local government, like the Roads to Recovery program, and through local government applying for specific program funding under grants programs such as the Digital Regions Initiative.

One of the most successful partnerships between the Commonwealth and local councils has been the Roads to Recovery program. Since its inception in 2001, this program has delivered on national objectives directly through local government, benefiting local communities and enhancing economic capacity, particularly in rural and regional areas. These partnerships and collaborative arrangements should be maintained whilst working on further partnerships so that:

- policies and programs are designed in a way that directly responds to local and regional community aspirations and diversity;
- policies and programs are more cost effective and avoid duplicating systems;
- policies and programs reflect community feedback and are responsive to present and future community needs; and
- the design and administration of policies and programs is more transparent.

Direct partnership between the Commonwealth and local government can achieve a number of key outcomes:

- Renewal of local infrastructure, including local sporting facilities, cultural and community venues, and roads and transport infrastructure;
- Management of emergencies and recovery, and strengthening community resilience;
- Assessment of the impacts of climate change and the delivery of local mitigation and adaptation programs to achieve national objectives at the local level;
- Implementation of water initiatives at the local level – including infrastructure projects, water conservation programs, and community education;
- Delivery of sustainable regional economic development programs;
- Security and social cohesion;
- Development and enforcement of national food standards;
- Implementation of public and environmental health strategies;
- Delivery of national objectives in the areas of children’s and aged care services; and
- Delivery of community cultural development programs and the arts.

Local government seeks to expand and deepen its partnership with the Commonwealth in the delivery of mutually agreed national program and policy outcomes to local and regional communities. Meaningful partnerships between the levels of government can only improve the quality of government decision-making for all Australians, and confidence in elected representatives.

- *How can the partnership between local government and the Australian Government be expanded and deepened to delivery of mutually agreed national program and policy outcomes to local and regional communities?*
- *What are some of the priority areas for stronger partnerships between local government and the Australian Government?*

ITEM NO. 3

FILE NO: PSC2005-3938

PLANNING FOR PROPOSED TILLIGERRY MULTIPURPOSE COMMUNITY CENTRE

REPORT OF: BRUCE PETERSEN - ENVIRONMENTAL AND DEVELOPMENT PLANNING, MANAGER AND STEVE BERNASCONI - COMMUNITY AND RECREATION SERVICES, MANAGER

GROUPS: SUSTAINABLE PLANNING, FACILITIES & SERVICES

RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse Mallabula as the preferred location for the future Tilligerry Multipurpose Community Centre with the facility being located within the Mallabula Community and Recreation Precinct.
- 2) Develop, in consultation with the Tilligerry Peninsula community, community service providers and relevant Sections of Council, a concept plan for the layout of the proposed Tilligerry Multipurpose Community Centre with funds sourced from available Section 94 Contributions.
- 3) Prepare a proposed financial strategy for the construction and establishment of the proposed Tilligerry Multipurpose Community Centre.
- 4) Consider a further report by October 2011 comprising the finalised concept plan and proposed funding strategy and timeline for the delivery of the proposed Tilligerry Multipurpose Community Centre.
- 5) Subject to Council gaining approval from the "Land & Property Management Authority" to use the existing Tanilba Bay Fire Station for community use following the commissioning of the new Tilligerry Fire Station at RAF Park, Tanilba Bay, Council undertake minimal modifications to convert the former Fire Station for community use with funds sourced from Section 94 Contributions to a maximum of \$5,000.
- 6) Subject to recommendation (5), Council relinquish temporary use of the former Tanilba Bay Fire Station as a community facility once the new Tilligerry Community Services Centre is commissioned.

COUNCIL COMMITTEE MEETING – 19 APRIL 2011

RECOMMENDATION:

	<p>Councillor Bruce MacKenzie Councillor Shirley O'Brien</p>	<p>That Council: 1) Subject to Council gaining approval from the "Land & Property Management Authority" to use the existing Tanilba Bay Fire Station for community use</p>
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MINUTES FOR ORDINARY MEETING – 19 APRIL 2011

		<p>following the commissioning of the new Tilligerry Fire Station at RAF Park, Tanilba Bay, Council undertake minimal modifications to convert the former Fire Station for community use with funds sourced from Section 94 Contributions to a maximum of \$5,000.</p> <p>2) Subject to recommendation (1), Council relinquish temporary use of the former Tanilba Bay Fire Station as a community facility once the new Tilligerry Community Services Centre is commissioned.</p> <p>3) Further consultation with Ward Councillors be conducted with respect to Items 1 to 4 of the recommendation.</p>
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ORDINARY COUNCIL MEETING – 19 APRIL 2011**RESOLUTION:**

133	Councillor Steve Tucker Councillor Bruce MacKenzie	It was resolved that the Council Committee recommendation be adopted.
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BACKGROUND

The purpose of this report is to seek Council endorsement on the location of the proposed Tilligerry Multipurpose Community Centre and the proposed way forward for its planning and establishment.

The Tilligerry Peninsula is well serviced by medium to large meeting spaces/halls. These facilities are provided by Council in the form of community halls and by Clubs, churches and the Tanilba Bay Public School. In many cases however Council's facilities are ageing and their use for the delivery of community services is constrained due to their design constraints (eg; lack of office spaces, meeting rooms, storage provisions, disabled access, location) which limit their appropriateness for the delivery of community services such as counselling and family support services.

For more than a decade residents of the Tilligerry Peninsula and local community service providers have expressed concerns to Council over their community's lack of adequate facilities for the delivery of community services. The closure of the Tilligerry Plaza approximately 4 years ago elevated these concerns which forced the

community service providers who were operating out of shopfronts to seek alternate accommodation. Community services on the Tilligerry Peninsula are currently delivered via services based in other locations in Port Stephens and the Hunter outreaching into the area through accessing existing Council halls.

Various studies and community consultations conducted over the last 11 years have clearly indicated a need for a centrally located quality community facility comprising meeting rooms and office spaces for the delivery of community services and programs. Community service providers and government agencies operating in/out of Port Stephens have indicated a willingness to provide centre based services on the Tilligerry Peninsula if suitable accommodation was available.

To date this new facility has not been provided owing to insufficient funds being available for construction. In addition to this, difficulty has been experienced in identifying an appropriate site due to diverse community opinion and lack of funding for land acquisition.

The proposed siting of the new Tilligerry Multipurpose Community Centre at Mallabula follows an extensive assessment of a range of potential sites as specified in Council's Tilligerry Community Facilities Study, December 2010/2011 undertaken by Council's Social Planning Team. The potential sites were assessed against the following criteria:

- Located on a public transport route (ie; existing or proposed future public transport route)
- Site capability (ie; large size) to accommodate building, parking
- High profile site (ie; landmark site on a main rd, and/or or in middle of shopping area, and/or geographically prominent position)
- Centrally located (ie; readily accessible by either walking, bicycle, wheelchairs, gopher scooters, public transport or short car journey)
- Within close proximity (ie; approx 400m) walking distance of residential area
- Within close proximity (ie; approx 400m) walking distance of key supportive infrastructure and facilities (eg; schools, medical centres, govt agencies)
- Conducive to pedestrian / cyclist safety
- Overall geographic centrality of site with regard to the geography and movement network, and existing and future residential settlement of the Tilligerry Peninsula
- Crime Prevention Rating (casual surveillance)
- Significance to the community (eg; historical, archaeological, cultural, community identity, political)
- Compatibility / capacity of site/facility accommodating a multipurpose community centre with surrounding built and non built environment and activities / uses
- Ease of site acquisition (ie; Council owned).

Council Officers briefed the Central Ward Councillors on 29 June 2010 on the preliminary outcomes of the Study and the shortlist of site options. All of the Central Ward Councillors were unanimous in their support for:

- Locating the new facility at Mallabula adjacent to and in close proximity to the existing pool and facilities.
- In the event that the existing Tanilba Bay Fire Station becomes vacant, Council seek approval to use the existing Tanilba Bay Rural Fire Station for temporary use as a community facility until the new Tilligerry Community Services Centre is constructed.
- Council pursuing the development of a concept plan for the new facility and the preparation of a financial strategy to see the new facility realised within the next 5 years.

At the Ordinary Meeting of Council on 14 December 2010 Council considered a report on improvements to Tilligerry Fire Station Facilities with Council resolving to: -

- 1) Locate the new Tanilba Bay Fire Station at RAF Park, Tanilba Bay.
- 2) Seek funding for this project through a building grant from the NSW Rural Fire Fighting Fund with the required Council co-contribution funded from Section 94 Developer Contributions.
- 3) On commissioning of the new facility, authorise the General Manager to negotiate with "Land & Property Management Authority" to permit other uses for the existing Tanilba Bay Fire Station facility to occur, such as a Men's Shed, consulting rooms or other uses of community benefit.

These resolutions provide Council with the opportunity in the future to consider using the existing Tanilba Bay Fire Station on a temporary basis as a community facility once the building becomes redundant for use as a fire station.

FINANCIAL/RESOURCE IMPLICATIONS

One of the many factors in favour of Mallabula as the preferred site besides its central location on the Tilligerry Peninsula, is that Council owns the site so no funds would need to be expended on land acquisition.

Council currently has \$270,000 in Section 94 contributions towards this new community facility. It is proposed that some of these funds be used to fund a concept plan for the proposed new Tilligerry Multipurpose Community Centre. The concept plan will enable Council to quantify the cost of providing this new facility. A proposed financial strategy will be prepared outlining the costs, any budget shortfalls and options on how sufficient funds may be sourced to delivery this new facility.

It is also proposed that subject to Council being granted permission from the "Land & Property Management Authority" to use the Tanilba Bay Fire Station for other community uses following the commissioning of the new Fire Station at RAF Park, Tanilba Bay, that some of the available Section 94 funds be used to cover any minor modifications required to the Tanilba Bay Rural Fire Station for use as temporary community facility. It is recommended that the budget for any modifications be capped at \$5,000 to ensure available Section 94 funds are expended on the planning and go towards the provision of the new community facility.

LEGAL, POLICY AND RISK IMPLICATIONS

The recommendations within this report are in line with the following policy statement from Council's Social Policy:

Community Services & Facilities:

- Council will plan for, and support the development and provision of a range of community services and facilities that will assist in meeting the community's needs and aspirations.
- Council will where possible support the development and maintenance of a range of external community services delivered by the community sector
- Council will develop a co-operative relationship with all levels of government, acting as an advocate on identified high needs to ensure the highest quality of service and facilities to residents.
- Council will where appropriate seek and encourage partnerships amongst local community service providers, residents and Local/State/Federal Government bodies.
- Council will endeavour to ensure all residents have equitable access to Council services and facilities.

(Source: Port Stephens Council Social Policy)

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

The Tilligerry Peninsula is geographically isolated from the rest of Port Stephens. The isolation is compounded by limited public transport and the subsequent car dependence to access services and facilities. The lack of adequate accommodation for the delivery of community services in the area has hindered the delivery of services in the area, and the desire of service providers in the area and elsewhere in Port Stephens and the Hunter to increase the provision of community services on the Tilligerry Peninsula. As a result residents seeking support services are required to travel out of the area to places such as the Tomaree Peninsula and Raymond Terrace to access support services. For many single vehicle households these services (which predominantly operate during business hours) are not accessible as their household vehicle is not available during these hours owing to their partners personal transport needs to access his/her place of work.

The provision of a centrally located facility where community service providers can be located will enable residents to have access to a range of support services and programs which aim to improve and protect their social well-being. It will also result in fewer people travelling out of the area to access these support services which in turn may result in an upturn in localised economic activity and reductions in greenhouse gas omissions from fewer and shorter car trips.

CONSULTATION

The Tilligerry Community have been consulted extensively over the last decade through various briefings and workshops which have been used as a basis for shaping the recommendations specified herein. Several residents and service providers who have been engaged by Council at various times over the last decade concerning community facility planning are now at the point where they are seeking a resolution from Council to address this long standing matter. Any further consultation at this point without a resolution from Council on the location and a commitment to formulate a financial strategy to deliver this facility in the short-medium is likely to be met with a high degree of community angst and cynicism. Once Council is able to provide the community with a direction and commitment, the community will be more conducive to being re-engaged in the development and formulation of the concept plan and financial strategy. Relevant Council Officers from Facilities and Services Group were also consulted during the 2010/2011 Tilligerry Community Facilities Study and in the preparation of this report.

OPTIONS

- 1) Accept the recommendations
- 2) Reject the recommendations and seek another report
- 3) Amend the recommendations.

ATTACHMENTS

Nil.

COUNCILLORS ROOM

- 1) 2010/2011 Tilligerry Community Facilities Study, December 2010.

TABLED DOCUMENTS

Nil.

ITEM NO. 4

FILE NO: PSC2011-01212

ECONOMIC DEVELOPMENT & TOURISM SUSTAINABILITY REVIEW

REPORT OF: JEFF SMITH - COMMERCIAL SERVICES, GROUP MANAGER

GROUP: COMMERCIAL SERVICES

RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the strategic and operational directions for Economic Development & Tourism outlined in ATTACHMENT 1.

COUNCIL COMMITTEE MEETING – 19 APRIL 2011

RECOMMENDATION:

	Councillor Bob Westbury Councillor John Nell	That the recommendation be adopted.
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ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

134	Councillor Ken Jordan Councillor John Nell	It was resolved that the Council Committee recommendation be adopted.
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BACKGROUND

The purpose of this report is to provide Councillors with an overview of the Sustainability Review undertaken for Council's Economic Development & Tourism functions and to present the recommendations for Council's future role in these functions strategically, operationally and financially.

This sustainability review is the culmination of a number of pieces of work that have been undertaken over the last eighteen months.

Economic Development & Tourism are functions Council has been involved with for many years. In December 2007 Council resolved to adopt the Port Stephens Economic Development Strategy and in early 2008 was successful in its application for a special variation to business rates to fund delivery of the Economic Development Strategy. This permanent funding of \$600,000 per annum (increasing annually by the rate peg) was used to fund three positions within the Economic

Development Unit together with a number of programs including events, community programs and marketing initiatives. The unit commenced operation in June 2008.

In 2009 a strategic review of the Tourism function was initiated. In early 2010 Council gave in principle endorsement to the recommendations of the Port Stephens Tourism Plan prepared by Jenny Rand & Associates.

In July 2010, after two years of operations of the Economic Development Unit it was decided to undertake a review of the effectiveness of the function and assess the level of stakeholder satisfaction. Shortly after this decision Council's Economic Development Manager resigned to pursue other opportunities. Hunter Councils Consultancy Services (HCCS) was engaged to undertake a review of the Economic Development Unit as well as the Tourism function to consider how the recommendations of the Port Stephens Tourism Plan could be implemented.

The scope of HCCS' engagement did not include consideration of Council's Sustainability Review or financial position. Council cannot afford its existing breadth of service delivery. It is imperative that any recommendations regarding how we change our approach to doing business in the future looks at opportunities to potentially eliminate services, reduce services or streamline service delivery. The recommendations of this memo incorporate this consideration and as a result some of the specific recommendations of the HCCS reviews have been omitted or modified.

FINANCIAL/RESOURCE IMPLICATIONS

Council has a current underlying operating deficit (excluding land sale profits and Newcastle Airport profits) of approximately \$5million. The major implication of this underlying operating deficit is that insufficient funds are available for community infrastructure rehabilitation, renewal and replacement. One of the key objectives of Council's Sustainability Review is to eliminate or at least, substantially reduce Council's underlying operating deficit.

The financial implications of the Economic Development & Tourism Sustainability Review recommendations need to be considered in two ways. "Net Cost of Direct Service Delivery", which is defined as the difference between the direct income generated by the function and the direct operating costs of providing the service and "Net Call on General Revenue" which is Net Cost of Direct Service Delivery (above) plus the allocation of Council's corporate overheads.

The net cost of direct service delivery of the current structure is \$507,000 with a net call on general revenue of \$751,000.

The net cost of direct service delivery of the proposed structure is \$186,060 (63% reduction) with a net call on general revenue of \$408,875 (46% reduction).

The proposed structure for the Economic Development & Tourism section results in a net reduction of two full time equivalent positions and the non replacement of a temporary full time position. A number of positions become redundant whilst other positions will be modified. Staff whose current position becomes redundant as a

result of this sustainability review will have access to all the redundancy provisions within Council's Enterprise Agreement.

Recruitment for the vacant positions within the structure will commence immediately as will the development of the funding/service level agreement between Council and PSTL. Therefore, it is anticipated that the outcomes of the sustainability review will be operationally implemented from 1 July 2011.

LEGAL, POLICY AND RISK IMPLICATIONS

Council's legal obligations relating to redundant positions are addressed within Council's Enterprise Agreement.

There are risks associated with any change in strategy or structures however these risks have been identified, assessed and are being managed.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

It is anticipated that the sustainability review recommendations will have a positive impact on the Port Stephens economy with Council's resources being more focused on Community Economic Development, Visitor Information Services, Events and Destination Marketing

CONSULTATION

Councillors
Economic Development & Tourism Staff
Economic Development Advisory Panel Members
Representatives of Port Stephens Tourism Limited.

OPTIONS

- 1) Accept the recommendations
- 2) Amend the recommendations
- 3) Reject the recommendations.

ATTACHMENTS

- 1) Strategic and Operational Directions for Economic Development & Tourism.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

ATTACHMENT 1

Recommended Strategic & Operational Directions of Economic Development & Tourism

Recommendation 1: Council's Visitor Information Services operate on an "inclusive" basis of promoting all tourism related activities and operators in Port Stephens.

Historically, Council's Visitor Information Centre (VIC) has restricted access to brochure display space and its website to members of Port Stephens Tourism Limited (PSTL). Council is a very strong advocate for PSTL and encourages all businesses with links to the tourism sector to be members of PSTL, however, as the operation of the VIC is subsidised by Council general revenue it is considered appropriate that all tourism related activities and operators in Port Stephens have the opportunity to be promoted through the VIC.

Recommendation 2: Port Stephens Tourism should assume responsibility for the marketing and promotion of Port Stephens with Council continuing to provide funding for marketing and promotion.

Council's medium to long term objective is for the tourism industry, through PSTL, to take full responsibility for market and industry development, information services and marketing and promotion, and to work with Council and other Government Agencies, operators and organisations in destination development and management. It must be acknowledged that the proposed structure is the first in what will likely be a number of steps to transition towards this medium to long term objective.

Recommendation 3: Establishment of a Visitor Information & Events Coordinator who would be responsible for the operation of the Nelson Bay VIC, coordination of the Level 3 centres, and coordinating Council's ED & Tourism related events support.

Currently, Council's support for ED & Tourism related events that drive economic activity and visitation to the area is ad-hoc and decentralised and as a result the support can be variable in quality and at times inequitable. The recommended structure proposes a single point of contact for ED & Tourism related events. The functions of visitor information and event support are seen to complement each other well for two key reasons. Firstly, the workload of the two functions is complementary with visitor services workloads being high in peak tourism periods whilst the events Council supports are primarily in low and shoulder tourism seasons to encourage visitation during those times. Secondly, the VIC website can act as an effective information and accommodation booking resource for event organisers and participants.

Recommendation 4: The General Manager appoint two senior Council officers to the PSTL board to represent Council's position on destination marketing and as a governance measure to oversee the utilisation of Council funding. These board appointments would replace the current quarterly Joint Venture Tourism meeting.

The appointment of two senior Council officers to the PSTL board will primarily address two key issues. Firstly, Council's cash contribution to PSTL is substantial and it is considered appropriate for a level of oversight to be introduced as a governance measure. Secondly, as acknowledged elsewhere in this report, the recommended strategies and structure are designed as a logical first step in a transition towards PSTL's greater long term responsibility for tourism. Council representation on the PSTL board will help ensure this is high on the board's agenda and that the momentum of change is maintained.

Recommendation 5: Redesign the position of all VIC customer service staff to become "Visitor Information & Events Support Officers".

This recommendation is aligned to Recommendation 3 above and will both provide a diversity of work for the staff involved and ensure an adequate level of event support is available for ED & Tourism related events.

Recommendation 6: Retain the "Communicate Port Stephens" function with a goal of achieving zero net cost of direct service delivery (excluding corporate overheads) for the 2012/13 financial year and beyond.

The proposed structure for the Communicate Port Stephens functions includes only one position being the Coordinator. As a result of this, together with the additional income that has been generated by the function over the last two years through relationships developed with TAFE and other training providers, the net cost of direct service delivery of the Communicate Port Stephens function is only \$10,000. Given this minor call on general revenue and the economic and social benefits delivered by the function, it is proposed to continue to deliver this service to the community.

Recommendation 7: A dilution of the "Business Port Stephens" branding, to be replaced with more Port Stephens Council branding.

Feedback from the Hunter Councils Consultancy Services review of Economic Development was that there was a lack of awareness amongst some parts of the community that Business Port Stephens was a function of Port Stephens Council and as a result Council was not getting the acknowledgement it deserved for the work being undertaken under the Business Port Stephens banner. As a result it is proposed to pull back on the Business Port Stephens branding and replace it with Port Stephens Council Economic Development branding

Recommendation 8: Redistribution of 30% of the Economic Development Special Rate towards funding of the Tourism function to reduce reliance on general revenue.

A primary strategy for achieving financial savings through this sustainability review has been to reallocate a proportion of the Economic Development Special Rate towards the funding of the Tourism function. This has resulted in a reduction in expenditure within the Economic Development function commensurate with the amount of reallocated funding. In turn this has reduced the amount of General Revenue being called upon to fund the Tourism function.

Recommendation 9: An upgrading of the focus within the Economic Development team on working with small business and potential small business (community economic development) to help grow that sector.

The Hunter Councils Consultancy Service review of Economic Development identified the upgrading of focus on community economic development (CED) as a key recommendation. The review identified that although CED is hard work, low yield in terms of employment, and often challenging, it is a sector where the community's regard for Council's efforts and care can be significant. The review also identified that in a local government area such as Port Stephens, with its many disparate communities, it is a function ideally positioned for effort by an Economic Development team.

Recommendation 10: A upgrading of the focus within the Economic Development team on Tourism Development.

Given the focusing of Council's tourism resources towards visitor information, events and marketing, the role of tourism development is allocated to the resources within the Economic Development function. The primary tourism development role in the short term will be to assist the more immature tourism markets within Port Stephens to develop their tourism identity and a point of difference. This work fits quite logically with the CED work identified above.

Recommendation 11: Council's cash contribution to PSTL be increased from the current \$200,000 to \$250,000 for financial year 2011/12 and that subsequent year's contributions be indexed in accordance with the annual NSW Local Government Cost Index / Rate Peg percentage.

Council's contribution to PSTL has remained fixed at \$200,000 since 1997. It is acknowledged that the real value of this contribution has deteriorated over time and it is therefore proposed to increase the contribution to \$250,000 for the 2011/12 financial year and to index it to the annual NSW Local Government Cost Index / Rate Peg percentage in subsequent years.

Recommendation 12: Development of a funding/service level agreement between Council and PSTL to provide PSTL with a level of funding certainty and to clarify the expectations and obligations of both parties.

An agreement will provide the certainty and clarity both organisations require in relation to their respective expectations and obligations

ITEM NO. 5

FILE NO: PSC2006-1939

RAYMOND TERRACE SPORTS FIELD MASTER PLAN

REPORT OF: CARMEL FOSTER – COMMERCIAL PROPERTY, MANAGER

GROUP: COMMERCIAL SERVICES

RECOMMENDATION IS THAT COUNCIL:

- 1) Adopt the Master Plan for the former Raymond Terrace Sports Field Site.
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COUNCIL COMMITTEE MEETING – 19 APRIL 2011

RECOMMENDATION:

	Councillor Peter Kafer Councillor Steve Tucker	That the recommendation be adopted.
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MATTER ARISING

	Councillor Bruce MacKenzie Councillor Glenys Francis	That Council be provided with a 2 way conversation on the progress of Kings Hill.
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MATTER ARISING

	Councillor Glenys Francis Councillor Peter Kafer	That Council be provided with an update on the progress of the Raymond Terrace Strategy and of the costings associated with the Strategy.
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ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

135	Councillor Ken Jordan Councillor Peter Kafer	It was resolved that the Council Committee recommendation be adopted.
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MATTER ARISING

136	Councillor Ken Jordan Councillor Peter Kafer	It was resolved that Council be provided with a 2 way conversation on the progress of Kings.
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MATTER ARISING

137	Councillor Ken Jordan Councillor Peter Kafer	It was resolved that Council be provided with an update on the progress of the Raymond Terrace Strategy and of the costings associated with the Strategy.
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BACKGROUND

The purpose of this report is to submit the Master Plan for the former Raymond Terrace Sports fields (RTSF) to Council for adoption.

In 2005 approximately 6.8 hectares of land located to the north of the Council Administration Building and Council Chambers was rezoned and reclassified to 3(a) General Business in response to economic studies indicating that Raymond Terrace was underserved in respect to overall retail space and supermarket competition.

A "Call for Detailed Proposal" to redevelop the site commenced in August 2006 and thirteen proposals were received. Council entered discussions with 3 preferred respondents and a Heads of Agreement for lease was entered into with the preferred respondent in April 2007.

The financier of the project withdrew in late 2008 due to the Global Financial Crises, the Project Group tried unsuccessfully to source alternate funding therefore Council resolved on the 24th February 2009 to terminate the agreement for lease.

At Council's 15th December 2009 Ordinary Meeting Council resolved to:

- 1) Authorise the Mayor and the General Manager to initiate a procurement process to facilitate the development of the Raymond Terrace Sports fields
- 2) Authorise the Councillors and the General Manager to identify and inspect innovative and sustainable retail/commercial developments.

Council appointed APP Corporation to as Project Manager of the process.

An initial Expression of Interest was advertised in March/April 2010 with Council receiving 24 submissions. A Project Control Group comprising The Mayor and Deputy Mayor, Commercial Services Group Manager, Commercial Property Manager,

Commercial Property Development Coordinator, and APP Corporation interviewed the respondents to develop a short list to progress to the next stage.

The shortlist comprises:

- 1) Watpac Property
- 2) Charter Hall
- 3) Grocon Property Group
- 4) Lend Lease
- 5) Alba Capital.

Councillors and Council staff inspected three retail developments, Springfield "Orion" Town Centre Ipswich "Rouse Hill Town Centre" Western Sydney and the "Village Centre" Batemans Bay. All developments displayed aspects of environmental, energy saving initiatives and design features that could be incorporated into Council's retail /commercial development.

Suters Architects were appointed in September 2010 to undertake the development of a Master Plan. Workshops were organised with the Councillors, Council Planning and Social Planning Staff, Council technical staff, the Community and the Raymond Terrace Business Community.

An economic assessment has been prepared by experienced retail/development Consultant Bob Hawes, ADW Johnson. The Economic Assessment identified the Primary, Secondary and Tertiary Trade Areas and measured the capability and capacity for retail development of Raymond Terrace. The Assessment identified that the LGA population is forecast to increase by 46% from 2006-2031 and household growth of 51.8% for the same period. This has a significant effect on the capacity of the Primary Trade Area. The growth estimates for the Secondary Trade Area and Tertiary Trade Area are more conservative. The economic assessment concluded that "Raymond Terrace clearly sits in the context of a significant trade area with an enormous capacity to generate retail expenditure. However, Raymond Terrace is punching below its weight in terms of trade capture. It is lacking particular forms of retail services found in other locations and centres in the Lower Hunter".

The report indicated that a development of 20,000sqm staged in delivery and commencing 3-4 years from now would have a significant opportunity to provide support for Raymond Terrace and facilitate the attraction and inclusion of traders not currently present in the town or trade area.

The Master Plan document outlines a development footprint of 35,000sqm which is 15,000sqm in excess of the 20,000sqm outlined in the report however there is the potential to include residential (medium density) that could absorb the residual area. The Master Plan is consistent with Council current Development Control Plan and additionally identifies open space, public domain, connections to William Street and other nodes of Raymond Terrace, identifies an area for a library and streetscape. The extension of Sturgeon and Bourke Streets provide development quadrants making the potential staging of the development easier to manage. The intent of the Master Plan document is to provide guiding principles and a flexible framework to assist

potential developers when they are preparing their design documentation. Council's "Call for Detailed Proposals" documentation calls for an A3 Concept Plan to be provided as part of their submission. It is likely that Council will Publically Exhibit the shortlisted proposals.

The Business Association have been provided with a copy of the Master Plan and the Economic Assessment and were given a two week period to respond to Council with comments/feedback. No responses were received.

FINANCIAL/RESOURCE IMPLICATIONS

Council's Property Reserve is financing the research, economic assessment and Master Plan. All other development costs will be financed by the selected Developer. The financial returns will be analysed by the Commercial Services Group Manager, Financial Services Manager, Commercial Property Manager, Commercial Property Development Coordinator and APP Corporation. The analysis results and recommendation will be submitted to Council for review and approval.

LEGAL, POLICY AND RISK IMPLICATIONS

Council will be required to enter into a legal agreement with the preferred proponent. The format of the agreement will not be determined until analysis of the financial models and the Call for Detailed Proposals submitted is completed.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Council is committed to ensuring the development of the former sports fields has minimal impact on the existing businesses in Raymond Terrace in particular the main strip businesses (William Street). The Economic Assessment enables informed decisions to be made in the timing/staging of the development so that the trade area can mature sufficiently to absorb the retail development and recover. The Economic Analysis highlighted that there are currently deficiencies in services and commercial offerings in the Raymond Terrace CBD. This was exacerbated by the closure of Bi-Lo. Additionally the Commercial Property Section instructed Suters to have regard to the connectivity of the proposed development to the existing retail/commercial nodes within the Raymond Terrace CBD.

CONSULTATION

Councillors
General Manager
Suters Architects
APP Corporation
ADWJohnson
Group Manager Commercial Services
Integrated Planning staff
Social Planning staff
Civil Assets staff
Community and Recreation staff
Principle Property Advisor
Commercial Property Development Coordinator
Raymond Terrace Business Community
Port Stephens's Council residents and ratepayers.

A meeting with the Raymond Terrace Business Association (RTBA) was held on the 4 April 2011 at the request of the Councillors to discuss the Business Associations concerns with the Economic Demand and Impact Assessment and the Master Plan. Councillors, Council staff, ADW Johnson and representatives of the RTBA attended the meeting. The RTBA were advised that the Master Plan document provides guidelines and planning principles regarding Public Domain, open streetscape design and Community Services that Council requires as part of the proposals the short listed developers will submit to Council.

There was discussion regarding the concerns of the economic assessment however it was outlined by Council staff that the economic analysis was only one input into the Master Plan. Until more detailed proposals are submitted to Council a more definitive assessment cannot be completed.

Council is not being asked to endorse the economic analysis except to recognise:

- That there is growth capacity for approximately 20,000m² in Raymond Terrace
- That Raymond Terrace is targeted in the Regional and LGA plans as a regional centre but currently under performs in terms of trade volume, range and scale
- That the biggest gap is in non food retail but that there is a need to grow some functions which already exist in order to provide greater choice for the consumer and to grow the whole centre, capture escape expenditure and attract new business and growth markets. The alternative is to fall behind the competition.
- There will be some impact, both positive and negative on existing traders which can only be quantified once an actual Development Application is received.

OPTIONS

- 1) Adopt the Master Plan
- 2) Reject the Master Plan.

ATTACHMENTS

Nil.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

- 1) Economic Assessment
- 2) Master Plan.

ITEM NO. 6

FILE NO: PSC20010-04106

INTEGRATED PLANS 2011-2021, RESOURCE STRATEGY 2011-2021, FEES & CHARGES 2011-2012

REPORT OF: WAYNE WALLIS - CORPORATE SERVICES, GROUP MANAGER
GROUP: CORPORATE SERVICES GROUP

RECOMMENDATION IS THAT COUNCIL:

- 1) Approves the draft Integrated Plans 2011-2021, draft Resource Strategy 2011-2021 and draft Fees & Charges 2011-2012 to be placed on public exhibition for a period from 1 to 31 May 2011, and invite written submissions on the documents to reach Council by close of business 31 May 2011.

COUNCIL COMMITTEE MEETING – 19 APRIL 2011
RECOMMENDATION:

	Councillor John Nell Councillor Bob Westbury	<p>That Council:</p> <ol style="list-style-type: none"> 1) Approves the draft Integrated Plans 2011-2021, draft Resource Strategy 2011-2021 and draft Fees & Charges 2011-2012 to be placed on public exhibition for a period from 1 to 31 May 2011, and invite written submissions on the documents to reach Council by close of business 31 May 2011. 2) That the Tables include the underlying profit and loss.
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ORDINARY COUNCIL MEETING – 19 APRIL 2011
RESOLUTION:

138	Councillor Ken Jordan Councillor John Nell	It was resolved that the Council Committee recommendation be adopted.
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BACKGROUND

The purpose of this report is to seek Council's approval to place the draft Integrated Plans 2011-2021, draft Resource Strategy 2011-2021 and draft Fees & Charges 2011-2012 on public exhibition for a period of not less than 28 days, as required under Section 402 (6) of the Local Government (Integrated Planning & Reporting) Act 2009.

The draft Integrated Plans 2011-2021 comprise the draft Community Strategic Plan 2011-2021; the draft Delivery Program 2011-2015; and the draft Operational Plan 2011-2021.

The draft Resource Strategy comprises the draft Long Term Financial Plan 2011-2021; the draft Workforce Strategy 2011-2015; and the draft Strategic Asset Management Plan 2011-2021.

The Fees & Charges 2011-2012 are also required to be placed on exhibition.

FINANCIAL/RESOURCE IMPLICATIONS

The cost of production of these integrated plans, resource strategy and fees & charges for public exhibition are provided within the existing budget. The exhibition drafts will be placed as reference copies on Council's website, and in libraries and the Administration Building. DVDs will be available for those wishing to examine the documents away from Council facilities. The documents combined consist of more than 500 pages and the DVDs are a cost effective way of providing access for the community to these documents.

LEGAL, POLICY AND RISK IMPLICATIONS

Placing these documents on public exhibition is a statutory requirement.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

In accordance with the Local Government (Integrated Planning & Reporting) Act 2009, the draft Integrated Plans 2011-2021 address social, economic and environmental considerations, as well as "Governance" and "Civic Leadership" as required by that legislation. The plans were drafted to conform to the principles of equity, diversity and social justice, and to meeting the obligations of Council's Charter, as per Section 8 of the Local Government Act 1993.

The draft Resource Strategy 2011-2021 provides details of how Council will resource its obligations in implementing the Community Strategic Plan, how it will meet its obligations under Section 8 of the Local Government Act 1993 with regard to managing community assets, and how it will manage its workforce to provide services and facilities to the community. It also sets out how Council will move to a sustainable financial position within 10 years.

CONSULTATION

Preparation of the draft Integrated Plans involved extensive community consultation supported by an Issues document that was available to the community.

In 2008 Council formed a Port Stephens Futures Reference Group that comprised stakeholders from various State Agencies, business groups and community groups. This Reference Group established the framework for identifying issues and challenges facing the LGA and informed the nine community workshops held in November 2008 across the LGA.

In May 2009 Council held two Futures Forums attended by more than 300 citizens, where the main strategies were refined and formed the basis of Council's first set of Integrated Plans, adopted in June 2010, under the Local Government (Integrated Planning & Reporting) Act 2009.

To inform the revised Integrated Plans 2011-2021 contained in this document, Council conducted three workshops with the community and Councillors – one in each Ward – to validate the strategic directions and to identify the community's priorities for Council over the next four to ten years. The workshops were held at Nelson Bay on 14 October, 2010; Salt Ash on 15 October, 2010; and Raymond Terrace on 22 October, 2010. In addition, Council held a forum with its Residents Panel on 4 November 2010. More than 150 members of the Port Stephens community attended, together with the Mayor and Ward Councillors, and Executives and staff of Council.

A workshop with staff on 28 October 2010 assisted to formulate the details for the Operational Plan and the Delivery Program, which was then workshopped further with Councillors in two separate sessions in November 2010 and February 2011.

A further workshop with Councillors held in March 2011 focussed on the budget and financial aspects of the Resource Strategy, followed by sessions with Ward Councillors on the Works Plan and especially focussing on proposed works and funding for 2011-2012.

The feedback from all of these workshops and the Residents Panel Forum (attended by 43 delegates together with the Mayor, Councillors, Executives and staff) was collated and became the revised Strategic Directions contained in the Community Strategic Plan – Port Stephens 2021 and the Resource Strategy. From the community workshops the community's top priorities were identified as:

- Employment & training –young people
- Roads, drains and facilities
- Community safety
- Financially sustainable Council
- Development and environmental sustainability

The Residents' Panel Forum was asked to consider the 18 components of the Community Strategic Plan and to determine, given Council's limited resources, which of the components Council should consider giving lower priority. Each table was

facilitated by a staff member and was asked to nominate 5 components as lower priorities. The room then voted on the choices nominated by all tables, having 3 votes per person. (Councillors and staff did not vote). Whilst the Forum delegates considered all components to be important, the lower priorities were determined to be:

- Culture and heritage
- Community safety delivery
- Technology provision
- Education and training delivery
- Employment generation.

Emphasis was made that while the service outcomes were important to the community, these services were primarily considered by the Port Stephens community to be a State government responsibility.

The top and lower priorities were weighted into the draft Integrated Plans in this document.

The New South Wales State plan and its Hunter local action plan and the Lower Hunter strategy, as well as social justice principles also informed the preparation of the integrated plans.

On 5 April 2011, a forum was held with a range of State government agencies in order to confirm and align the Council's strategic directions with State government plans and strategies. The forum was attended by over 40 State government and Council representatives.

Arising from the forum there may be a need to modify some aspects of the integrated plans. This will be further considered during the public submission period.

OPTIONS

- 1) Adopt the recommendation to place the draft Integrated Plans 2011-2021, draft Resource Strategy 2011-2021 and draft Fees & Charges 2011-2012 on public exhibition from 1 to 31 May 2011
- 2) Reject the recommendation
- 3) Amend the recommendation.

ATTACHMENTS

Nil.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

- 1) Draft Integrated Plans 2011-2021
- 2) Draft Resource Strategy 2011-2021
- 3) Draft Fees & Charges 2011-2012.

ITEM NO. 7

FILE NO: 1190-001

REQUEST FOR FINANCIAL ASSISTANCE

REPORT OF: TONY WICKHAM – EXECUTIVE OFFICER
GROUP: GENERAL MANAGER’S OFFICE

RECOMMENDATION IS THAT COUNCIL:

- 1) Approves provision of financial assistance under Section 356 of the Local Government Act from the respective Mayor and Ward Funds to the following:-
 - a) Rotary Club of Williamtown – Rapid Response – Cr Dingle – Donation towards refund of cost of hiring Medowie Community Centre for fund raising event - \$500.00
 - b) Native Animal Trust Fund Wildlife Rescue Service – Rapid Response – Cr Dingle – Donation towards fund cost of veterinary bills specifically for treatment of Koalas in the Port Stephens Area - \$500.00
 - c) Tanilba Bay Parks Reserves and Hall Committee – Rapid Response – Cr Tucker – Funding to remove logs from Energy Australia compound Tanilba Bay to Foreshore - \$500.00
 - d) Nelson Bay Town Management – Requisition for Funds – East Ward Councillors – Funding towards Light Up Nelson Bay Project - \$200.00
 - e) Corlette Hall, Parks and Reserves – Requisition for Funds – East Ward Councillors – Funding towards Bush Regeneration - \$900.00
 - f) PCYC Port Stephens – Requisition for Funds – Cr Westbury – Bail required to ensure release of prisoner in "Time for Kids" event - \$500.00
 - g) Seaham Park & Wetlands Committee – Cr Jordan – Grant towards the cost of materials required to lay a concrete slab on which to anchor a picnic table - \$500.00.

COUNCIL COMMITTEE MEETING – 19 APRIL 2011

RECOMMENDATION:

	<p>Councillor Glenys Francis Councillor Peter Kafer</p>	<p>That Council:-</p> <ol style="list-style-type: none"> 1) Adopt the recommendation with amendment to Item 1a, amending the amount provided from \$500 to \$127. 2) That Council provide funds to the Raymond Terrace Historical Society in the amount of \$2,000 for the installation of an electricity pole and re-wiring of power to Sketchley Cottage.
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MINUTES FOR ORDINARY MEETING – 19 APRIL 2011**ORDINARY COUNCIL MEETING – 19 APRIL 2011****RESOLUTION:**

139	Councillor Ken Jordan Councillor Glenys Francis	It was resolved that the Council Committee recommendation be adopted.
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The purpose of this report is to determine and, where required, authorise payment of financial assistance to recipients judged by Councillors as deserving of public funding. The new Financial Assistance Policy adopted by Council 19 May 2009, to commence from 1 July 2009, gives Councillors a wide discretion to either grant or to refuse any requests.

The new Financial Assistance Policy provides the community and Councillors with a number of options when seeking financial assistance from Council. Those options being:

1. Mayoral Funds
2. Rapid Response
3. Community Financial Assistance Grants – (bi-annually)
4. Community Capacity Building.

Council is unable to grant approval of financial assistance to individuals unless it is performed in accordance with the Local Government Act. This would mean that the financial assistance would need to be included in the Management Plan or Council would need to advertise for 28 days of its intent to grant approval. Council can make donations to community groups.

The requests for financial assistance are shown below is provide through Mayoral Funds, Rapid Response or Community Capacity Building:-

CENTRAL WARD – Councillors Dingle, MacKenzie, O'Brien & Tucker

ROTARY CLUB OF WILLIAMTOWN	DONATION TOWARDS REFUND OF COST OF HIRING MEDOWIE COMMUNITY CENTRE FOR FUND RAISING EVENT	\$500.00
NATIVE ANIMAL TRUST FUND WILDLIFE RESCUE SERVICE	DONATION TOWARDS FUND COST OF VETERINARY BILLS SPECIFICALLY FOR TREATMENT OF KOALAS IN THE PORT STEPHENS AREA	\$500.00
TANILBA BAY PARKS RESERVES AND HALL COMMITTEE	FUNDING TO REMOVE LOGS FROM ENERGY AUSTRALIA COMPOUND TANILBA BAY TO FORESHORE	\$500.00

EAST WARD – Councillors Westbury, Dover, Nell, Ward

NELSON BAY TOWN MANAGEMENT	FUNDING TOWARDS LIGHT UP NELSON BAY PROJECT	\$200.00
CORLETTE HALL, PARKS AND RESERVES	FUNDING TOWARDS BUSH REGENERATION	\$900.00
PCYC PORT STEPHENS	BAIL REQUIRED TO ENSURE RELEASE OF PRISONER IN "TIME FOR KIDS" EVENT	\$500.00

WEST WARD – Councillors De Lyall, Jordan, Francis, Kafer

SEAHAM PARK & WETLANDS COMMITTEE	GRANT TOWARDS THE COST OF MATERIALS REQUIRED TO LAY A CONCRETE SLAB ON WHICH TO ANCHOR A PICNIC TABLE	\$500.00
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FINANCIAL/RESOURCE IMPLICATIONS

Council Ward, Minor Works and Mayoral Funds are the funding source for all financial assistance.

LEGAL AND POLICY IMPLICATIONS

To qualify for assistance under Section 356(1) of the Local Government Act, 1993, the purpose must assist the Council in the exercise of its functions. Functions under the Act include the provision of community, culture, health, sport and recreation services and facilities.

The policy interpretation required is whether the Council believes that:

- a) applicants are carrying out a function which it, the Council, would otherwise undertake;
- b) the funding will directly benefit the community of Port Stephens;
- c) applicants do not act for private gain.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Nil.

CONSULTATION

Mayor
Councillors
Port Stephens Community.

OPTIONS

- 1) Adopt the recommendation.
- 2) Vary the dollar amount before granting each or any request.
- 3) Decline to fund all the requests.

ATTACHMENTS

Nil.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

ITEM NO. 8

INFORMATION PAPERS

REPORT OF: TONY WICKHAM – EXECUTIVE OFFICER

GROUP: GENERAL MANAGERS OFFICE

RECOMMENDATION IS THAT COUNCIL:

Receives and notes the Information Papers listed below being presented to Council on 19 April 2011.

No:	Report Title	Page:
1	CUSTOMER SATISFACTION SURVEY	

**COUNCIL COMMITTEE MEETING – 19 APRIL 2011
RECOMMENDATION:**

	Councillor Glenys Francis Councillor Bob Westbury	That the recommendation be adopted.
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**ORDINARY COUNCIL MEETING – 19 APRIL 2011
RESOLUTION:**

140	Councillor Glenys Francis Councillor Steve Tucker	It was resolved that the Council Committee recommendation be adopted.
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COUNCIL COMMITTEE INFORMATION PAPERS



INFORMATION ITEM NO. 1

CUSTOMER SATISFACTION SURVEY

REPORT OF: WAYNE WALLIS - GROUP MANAGER
GROUP: CORPORATE SERVICES GROUP

FILE: PSC2009-01400

BACKGROUND

The purpose of this report is to advise Councillors of the details of the 2011 Customer Satisfaction Survey (CSS).

The Operational Plan 2010-2011 Section 15.4.1 requires that a Customer Satisfaction Survey will be undertaken in 2011.

Council has also required that customer satisfaction be measured with a benchmark target for overall satisfaction greater than 50%.

Council has undertaken Customer Satisfaction Surveys in 2007, 2008 and 2009. The CSS measures residents' satisfaction with Council's provision of facilities and services, using a five-point Likert Scale of Importance/Performance. Categories surveyed include:

- Rubbish collection services
- Maintenance of public toilets
- Maintenance of foreshore and beach areas
- Removal of dumped rubbish from roadside areas
- The local road network
- The storm water drainage system
- Recycling services
- Facilities and services for older people
- Maintenance of the parks
- Community involvement in Council's decision-making
- Maintenance of playgrounds and playground equipment
- The way Council employees deal with the public
- Facilities and services for young people, like youth centres & school holiday programs
- Maintenance of footpaths
- Sporting and recreational facilities in general
- Facilities and services for children
- Maintenance of nature reserves
- Informing residents about Council activities
- Maintenance of the roadside
- Management of local traffic

- Child care services, including family day care
- After hours service provision of Council
- Access to waste depots
- Maintenance of Council operated cemeteries'
- Library services
- Maintenance of the streetscapes
- Swimming pools
- Animal management by rangers
- Greening and tree maintenance
- Cleaning of kerbs, gutters and streets
- Holiday parks
- Maintenance of walking tracks
- Maintenance of cycle ways
- Indoor sports centres
- Arts, entertainment and cultural events and facilities
- Public halls
- Management of on-street parking by rangers.

The CSS identifies gender, age, locality and employment status to enable deeper analysis leading to more targeted strategies in future planning.

Questions in the CSS will follow those of previous years to allow for capturing trends and to denote improvements or otherwise related to the facilities and services offered by Council.

The CSS will be undertaken in May 2011 and will be conducted over three weeks, using Council's Survey Monkey facility together with paper-based options for those who prefer that method. A statistical relevant sample of residents will be sent the survey to complete, as will the Residents Panel members. In addition through newspaper advertisements and on the home page of Council's website the public of Port Stephens will be invited to participate in the survey.

Following analysis of the outcomes a report will be provided to Council and subsequently reported to the community through the Council website and via the Annual Report.

ATTACHMENTS

Nil.

GENERAL MANAGER'S REPORT

PETER GESLING
GENERAL MANAGER

ITEM NO. 1

FILE NO: 16-2010-291-1

DEVELOPMENT APPLICATION FOR SUPERMARKET (WOOLWORTHS) AT NO. 39, 41, 43, 45, AND 47 FERODALE ROAD, MEDOWIE

REPORT OF: DAVID BROYD – GROUP MANAGER SUSTAINBLE PLANNING
GROUP: SUSTAINABLE PLANNING

RECOMMENDATION IS THAT COUNCIL:

- 1) That Council consider the draft Conditions to be supplied under separate cover.

ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

	Councillor John Nell Councillor Glenys Francis	That Council approve the DA in accordance with the amended conditions of consent as detailed in the supplementary information on page 14.
141	Councillor Glenys Francis Councillor Peter Kafer	It was resolved that Council move into Committee of the Whole.

AMENDMENT

	Councillor Steve Tucker Councillor	That Council approve the development application for a supermarket (Woolworths) at No.39,41,43,45 and 47 Ferodale Road, Medowie in accordance with the amended conditions of consent as detailed in the supplementary information on page 14 with the following amendments:- 19. A public art feature shall be designed for the elevation of the building along Peppertree Road. This feature shall provide visual interest for pedestrians and interpret or reflect the local setting and/or landscape character and/or the cultural setting of the Medowie area. The
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MINUTES FOR ORDINARY MEETING – 19 APRIL 2011

		<p>feature shall be designed to ensure long-term durability and be resistant to vandalism. Details shall be approved by Council prior to issue of Occupation Certificate, and the applicant is advised to liaise with Council's Social Planning Team during design stages.</p> <p>28. Stormwater disposal and retention as submitted be approved and that the proponent to increase the capacity of the piping under Ferodale Road to Campvale swamp.</p> <p>32. The stormwater detention system shall be constructed and made operational prior to completion of any parking and manoeuvring areas within the site. No Construction Certificate(s) can be issued until a construction staging plan has been provided to the Certifying Authority for assessment and determined to be satisfactory by the Certifying Authority. A construction staging plan shall include measures necessary to capture and convey stormwater to the system during construction stages, as well as any measures required to provide compliance with this condition at each stage of construction.</p>
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142	Councillor Glenys Francis Councillor John Nell	It was resolved that Council out of Committee of the Whole into Open Council.
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143	Councillor John Nell Councillor Glenys Francis	It was resolved that Council continue past 9.00pm to finalise the agenda items.
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<p>144</p>	<p>Councillor John Nell Councillor Glenys Francis</p>	<p>It was resolved that Council approve the development application for a supermarket (Woolworths) at No.39,41,43,45 and 47 Ferodale Road, Medowie in accordance with the amended conditions of consent as detailed in the supplementary information on page 14 and with the following amendments to conditions of consent No's. 19 and 33:-</p> <p>19. A public art feature shall be designed for the elevation of the building along Peppertree Road. This feature shall provide visual interest for pedestrians and interpret or reflect the local setting and/or landscape character and/or the cultural setting of the Medowie area. The feature shall be designed to ensure long-term durability and be resistant to vandalism. Details shall be approved by Council prior to issue of Occupation Certificate, and the applicant is advised to liaise with Council's Social Planning Team during design stages.</p> <p>33. The stormwater detention system shall be constructed and made operational prior to completion of any parking and manoeuvring areas within the site. No Construction Certificate(s) can be issued until a construction staging plan has been provided to the Certifying Authority for assessment and determined to be satisfactory by the Certifying Authority. A construction staging plan shall include measures necessary to capture and convey stormwater to the system during construction stages, as well as any measures required to provide compliance with this condition at each stage of construction.</p>
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MINUTES FOR ORDINARY MEETING – 19 APRIL 2011

In accordance with the Section 375A, Local Government Act 1993, a division is required for this item.

Those for the Motion: Crs Glenys Francis, Ken Jordan, Bruce MacKenzie, Steve Tucker, John Nell, Shirley O'Brien, Sally Dover and Bob Westbury.

Those against the Motion: Crs Peter Kafer, Geoff Dingle and Frank Ward.

BACKGROUND

Council at its meeting of 12 April 2011 resolved the following:

It was resolved that Item 1 be deferred to the next Council Ordinary meeting to allow Council staff to assess the amendments tabled by Cr Steve Tucker.

Note: Supplementary Information will be provided to Councillors on Friday 15 April 2011 which will contain the revised conditions.

At the Ordinary Meeting on 22 March 2011 Council resolved as follows:

"It was resolved that Council:

- 1) Indicate its support for the development application for a supermarket (Woolworths) at No 39, 41, 43, 45 and 47 Ferodale Road, Medowie and request the Sustainable Planning Group Manager to bring forward draft conditions in the event that Council resolve to give consent.*
- 2) Foreshadow the intention to include a condition to require the provision of public toilets."*

This was subject of a Rescission Motion "that Council indicate its support for the Development Application for the Woolworths Supermarket at Medowie and request the Group Manager Sustainable Planning to bring back draft conditions of consent to the next Ordinary Meeting of Council in the event that Council determines to give Development Consent to this application".

This was subject of a Rescission Motion considered at an Extra Ordinary Meeting of Council on Friday 25 March 2011. The Rescission Motion was defeated and therefore the above resolution has been actioned.

The report to the Ordinary Meeting of Council and the consequent resolution are **ATTACHMENT 2** to this report.

FINANCIAL/RESOURCE IMPLICATIONS

The main implication is the potential of the applicant to lodge an appeal in the Land and Environment Court in relation to any condition that is contained in the formal development consent issued as a consequence of the Council Resolution resulting from this report.

LEGAL, POLICY AND RISK IMPLICATIONS

Again, the legal implications would be potentially significant if an appeal is lodged by the Applicant to the Land and Environment Court because of any disagreement with the conditions contained in the formal development consent issued as a consequence of the Council Resolution at this meeting. It is also important that the conditions are framed appropriately to be legally defensible and appropriate to the implementation to the Development of the site.

The key policy implication of this Development Consent being issued is the need to review the Medowie Strategy in terms of the policies applicable to the Medowie Town Centre. There are also implications for the consistent approach of the Port Stephens Development Control Plan 2007 in so far as policies and provisions for retail and commercial centres are concerned.

Council should consider the inclusion of appropriate wording as a resolution to justify the departure from Council's adopted policy framework. For example, what immediate benefits have prevailed over the need for compliance with Council's planning framework.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

These are essentially covered in the original report to Council which is **ATTACHMENT 2** to this report. Many of the conditions are important to manage the Social, Economic and Environmental Implications in particular conditions to manage storm water, water quality and traffic impacts. The Voluntary Planning Agreement established with Buildev Development Pty Ltd covers a number of these issues, but the conditions additionally cover aspects of stormwater, water quality management, traffic management and Developer Contributions over and above the content of the Voluntary Planning Agreement.

CONSULTATION

The draft conditions result from consultation with a number of Council professional staff and in particular the Coordinator of Development Engineering.

An offer has also been made to Buildev Pty Ltd for consultations to be conducted with them and their consultant representatives on the draft conditions – on the clear basis that the Manager Development Assessment and Environmental Health reserves the right to recommend the draft conditions to Council as he considers appropriate.

OPTIONS

- 1) Council adopt the draft conditions to support a Resolution to grant Development Consent in the following terms:
"Council resolves to grant Development Consent for the development of a Woolworths Supermarket at No's 39, 41, 43, 45, and 47 Ferodale Road, Medowie based upon the conditions contained in **ATTACHMENT 1** to this report." In addition, Council could resolve to specifically detail the reasons why this development application clearly differs from Council's adopted planning policy as suggested in the above report;
- 2) Council to determine to grant Development Consent in the same way as option 1 but with the modification of certain conditions as drafted in **ATTACHMENT 1**;
- 3) Council can defer the Resolution to grant development consent to enable further discussions within Council and / or with the applicants before the conditions are finalised in a formal Development Consent.

CONCLUSION:

The draft conditions will be provided to Council under separate cover as **ATTACHMENT 1** and are submitted to Council to enable the actioning of Council's Resolution of 22 March 2011.

ATTACHMENTS

- 1) Draft Conditions
- 2) Original Report and Council Resolution of 22 March 2011.

COUNCILLORS ROOM

Nil.

TABLED DOCUMENTS

Nil.

ATTACHMENT 1

Attachment 1 was previously provided to Council on 12 April 2011. It has not been reproduced due to the volume of the attachment, however is available from the website or by request.

ATTACHMENT 2

Attachment 2 was previously provided to Council on 12 April 2011. It has not been reproduced due to the volume of the attachment, however is available from the website or by request.

ITEM NO. 2

INFORMATION PAPERS

REPORT OF: TONY WICKHAM – EXECUTIVE OFFICER

GROUP: GENERAL MANAGERS OFFICE

RECOMMENDATION IS THAT COUNCIL:

Receives and notes the Information Papers listed below being presented to Council on 19 April 2011.

No:	Report Title	Page:
1	GENERAL MANAGER'S PERFORMANCE REVIEW	
2	REGIONAL DEVELOPMENT AUSTRALIA FUND – COUNCIL APPLICATIONS AND SUPPORT FOR LOCAL PRIORITIES	

ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

145	Councillor Peter Kafer Councillor Glenys Francis	It was resolved that Item 1 be deferred to the next Council Meeting to allow the General Manager to be present.
146	Councillor John Nell Councillor Ken Jordan	It was resolved that Item 2 be adopted.

GENERAL MANAGERS INFORMATION PAPERS



INFORMATION ITEM NO. 1

GENERAL MANAGER'S PERFORMANCE REVIEW

REPORT OF: PETER GESLING - GENERAL MANAGER
GROUP: GENERAL MANAGER'S OFFICE

FILE: PSC2005-01318

BACKGROUND

The purpose of this report is for Council to receive and accept the outcome of the Performance Feedback process.

Council has established a Performance Feedback process for the General Manager that aligns with the Department of Local Government guidelines. This includes:

- 1) Establishment of a Performance Feedback Committee to review the General Manager's performance against the agreed Individual Work and Development Plan (IWDP). This Committee normally meets in February and August each year and provides a report to Council.
- 2) Undertaking an assessment of the statutory quarterly performance report against the Council Plan. This is done in the first week of November, February, May and August.

A further element is available to Council, that any concern should be raised when it occurs. It should include written notification to the Mayor and General Manager. After assessment, the General Manager will respond to the council to ensure a review in the bi-annual meeting of the Performance Feedback Committee.

This review included a discussion with all Councillors at Council on Tuesday 15 February 2011 nominating Councillors Bob Westbury, Geoff Dingle and John Nell as the sub-committee meeting to meet with John Pala and Peter Gesling on 22 March 2011. The meeting was held and the notes from that meeting are attached for the half-yearly assessment.

FINANCIAL/RESOURCE IMPLICATIONS

Included in operating budget.

LEGAL, POLICY AND RISK IMPLICATIONS

Council's charter requires it:

- To have regard to the long term and cumulative effects of its decisions.
- To be a responsible employer.

Participation in this formal process allows Council to demonstrate these elements of the Charter and models behaviour for the organisation that performance management is important to ensure Council objectives are achieved. Council's workforce policies are met in this process.

SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Participation in the Performance Feedback Process enhances the overall sustainability of the organisation by modelling behaviours expected of other supervisors within the organisation and building more effective working relationships.

OPTIONS

- 1) Accept the recommendation.

ATTACHMENTS

- 1) GM Performance Plan Review – File note of John Pala dated 27 September 2010
- 2) GM Performance Plan Review – File note of John Pala dated 22 March 2011.

TABLED DOCUMENTS

- 1) Individual Work and Development Plan (IWDP) for 1 July 2009/ 30 June 2010.
- 2) Memo to All Councillors dated 11 February 2011 including:-
 - a) Quarterly reports for December and September 2010.
 - b) Individual Work and Development Plan (IWDP) 1 July 2010/ 30 June 2011.
 - c) Systems View (Level 1).
 - d) Exerts from a recent 360 degree report completed as part of the Griffiths Leadership Program.

ATTACHMENT 1

File Note

**Port Stephen Council
Performance Management meeting for General Manager
Sub-committee meeting**

Date: 27 September 2010

Attendees

General Manager: Peter Gesling
Councillors: Bob Westbury (Mayor), Geoff Dingle, Peter Kafer
Facilitator: John Pala (Palaré)

General Items

General review of the General Managers performance plan. In general, there were no major issues identified on the performance plan.

(i) Community

General discussion relating to community consultation and issues discussed. Some examples of good staff performance as well as opportunities for improvement canvassed.

Actions

Review current community consultation process and develop guidelines for how the process is undertaken. The review is to include input from senior staff and councillors – P. Gesling

(ii) Staff

Concerns raised in regard to issues of staff conflict and of low level of involvement in professional associations.

Actions

- Investigate options to promote involvement in staff professional associations
- Encourage engagements through individual learning and development plans
- Encourage and foster the production of professional and independent reports
- Promote CAT system as a means of lifting the profile and acknowledge staff and provide wider group recognition
- Schedule workshops on a Tuesday/ Thursday afternoon to facilitate input from councillors. Suggest meetings should deal on a single issue as a way of bring effective focus- avoid using weekend times where possible.
- Some example topics maybe – Structure & organisation, LEP, Budget, OH&S

(iii) Front line Supervisors

Focus of improvement is to be driven through line Managers and in particular through Front Line Supervisors.

Peter Gesling is responsible for the above nominated actions

ATTACHMENT 2

File Note

Port Stephen Council
Performance Management meeting for General Manager
Sub-committee meeting

Date: 22 March 2011

Attendees

General Manager: Peter Gesling
Councillors: Bob Westbury (Mayor), Geoff Dingle, John Neil
Facilitator: John Pala (Palaris)

General Items

At a full council meeting held on 15 February 2011 the key items flagged for consideration in the performance review process included:

- General OH&S performance
- Project Management process
- These matters were referred to the sub- committee

(i) Project Management Process

General concerns flagged about a number of aspects of certain projects. The GM tabled a new tracking report for projects which provides; the type of project, user group & benefit from using project management process. The project plan now includes a communication plan which includes communication with councillors (action completed from the last sub-committee meeting)

Actions

- a. Formulate a plan for a project sign-off against a check list before a project commences. This plan to also include an agreement for project handover- so this happens smoothly
- b. Projects to have cost and schedule tracking reports which should raise a **flag** if 'off track' and a **lick** if 'on track'
- c. Councillors to only get reports for community type projects

(ii) OH&S

Have now engaged DuPont to provide training on the safety observation system which should result in a more consistent approach across the organisation.

A number of specific initiatives including: return to work process, front line supervisor responsibility, etc. have been adopted

Actions

- a. Consider targets for safety observations across the organisation
- b. Develop options for OH&S succession planning from with the organisation

(iii) Community

A number of issues regarding the RAAF base were discussed. Council is work with defence to review ANEF. Council is also engaging with Australian Standards on the issue of applicability of the noise testing process.

Actions

- a. Council to participate in the ES process
- b. It is critical that council sty engaged with defence
- c. Continue input into the National airport committee process

- (iv) **Waste material issue**
Some discussion regarding the dumping of road- base waste is dumped
- Actions**
- a. A tighter regime on waste material to be developed; in particular some policy which defines how this material should be generally handled, what should be dumped, what quantities and how it should be stored.
- (v) **Communications strategy- funding**
A communications strategy to be developed; targeting the public domain which increases awareness of council funding issues.

INFORMATION ITEM NO. 2

**REGIONAL DEVELOPMENT AUSTRALIA FUND – COUNCIL
APPLICATIONS AND SUPPORT FOR LOCAL PRIORITIES**

REPORT OF: DAVID BROYD - SUSTAINABLE PLANNING, GROUP MANAGER

GROUP: SUSTAINABLE PLANNING

FILE: PSC2001-00977

BACKGROUND

The purposes of this report are to:

1. Advise Council that the priority applications put to the General Managers' Advisory Committee of Hunter Councils, and which are proposed to be submitted as priorities to the Hunter Council's Board and subsequently to the Fund are: The upgrading of Shoal Bay foreshore; and the construction of Fingal Bay Surf Club;
2. Provide strong support to the applications by Newcastle Airport Limited for tow-way works and to Hunter Botanic Gardens for the proposed construction of a new Herbarium.

The Regional Development Australia Fund (RDAF) is a \$1 billion dollar National Grant Program to support Australia's Regions. The first round comprises a total of \$100,000,000 for allocation and applications are due to be submitted by 13 May 2011 and need to be submitted through Regional Development Australia Hunter for endorsement by 5 May 2011. Applications for all projects should also be priorities within the "State Plan: Supporting Business and Jobs – Hunter Region – Regional Business Growth Plan" – (NSW Industry and Investment, August 2010).

The Guidelines advise that:

"Targeted areas for applications are, but not limited to, health, employment, social and environmental infrastructure projects in the later stages of planning and other priority projects as identified by the community that can demonstrate a benefit to the Hunter Region. Projects should demonstrate that they have the capacity to significantly improve economic outcomes increase social inclusion and liveability and build on the unique capabilities and potential of our Region."

The process of proposing and prioritising projects has been through Council's Infrastructure Planning Committee and Executive Leadership Team. The following projects were endorsed by the Executive Leadership Team for submission to the General Manager's Advisory Committee of Hunter Council's on 14 April 2011, and for proposed submission to the Hunter Council's Board, as follows:

1. The upgrading of the Shoal Bay foreshore;
2. The part funding of construction of the Fingal Bay Surf Club.

It was also decided that Council express it's strong support for the following two applications that are being submitted independently:

1. Works on the tow-way at Newcastle Airport – application being submitted by Newcastle Airport Limited;
2. The proposal for a new Herbarium – application being submitted by Hunter Regional Botanic Gardens.

The matrix which is **Attachment 1** presents these projects and includes a range of comments in relation to important criteria that should apply.

The "Frequently Asked Questions" document on the Regional Development Australia Fund provided by the Department of Regional Development Australia, Regional Development and Local Government is **Attachment 2**, and the "Guidelines" for the Regional Development Australia Fund is **Attachment 3**.

ATTACHMENTS

- 1) Matrix
- 2) Frequently asked Questions – Regional Development Australia Fund
- 3) Guidelines – Regional Development Australia Fund.

ATTACHMENT 1

REGIONAL DEVELOPMENT AUTHORITY REVIEW

Project Title	Responsible Officer	Project Estimate	Grant Estimate	WAP #	Included Prior or Joint	Approvable in year	State address	Matches to State Prior	Transferrable to	Partially supported for	Comments	SLT Priority
Port Stephens Coastal Projects												
18 Fisheries Rehabilitation	Steve B	\$2,100,000.00	\$1,000,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important. The site is environmentally important.	
19 Land Clear	Steve L	\$1,000,000.00	\$500,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Port Stephens Coastal Supplemented Projects												
20	Steve B	Supplement beyond existing applications under this area		04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Summer Beaches Corridor												
21	ABC Board	\$400,000.00	\$100,000.00		04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Other Government Projects												
Township Pool	Steve Y	\$1,500,000.00	\$750,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Coastal coastal (recreation)	SLA M	\$1,000,000.00	\$500,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Medicare to William Street (library)	SLA M	\$1,000,000.00	\$500,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Mag Street Rehabilitation	Grant P	Stage 1 - \$175,000 Stage 2 - for job to be carried out	\$175,000	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
RF Library	Grant P	\$1,000,000.00	\$500,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	
Priority community assets	Paul P	\$1,000,000.00	\$500,000.00	04	04	04	04	04	04	04	Project would have significant economic and recreational benefits. The rehabilitation of the fishery will result in both fish and waterbirds. The site is environmentally important. The site is environmentally important.	

ATTACHMENT 2



Frequently Asked Questions Regional Development Australia Fund

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Record of Updates to the Frequently Asked Questions

This Frequently Asked Questions document is a living document, and will be updated regularly to reflect new questions or issues. The following table provides an indication to the reader of when this document was last updated and the nature of the changes.

Date Updated	Pages Updated	Description of Update
23 March 2011		Document released

1. REGIONAL DEVELOPMENT AUSTRALIA FUND

1.1. What is the RDAF?

- ◆ The Regional Development Australia Fund (RDAF) is a \$1 billion national grant program to support Australia's regions.
- ◆ The program seeks to ensure that new investments reflect the characteristics, and address the opportunities and challenges, of our diverse regions.
- ◆ The RDAF also aims to support localism, and to leverage state, territory, local government and private investments for the long term benefit of Australia's communities.
- ◆ Program grants will support the infrastructure needs, and economic and community growth, of Australia's regions.

2. ROLE OF REGIONAL DEVELOPMENT AUSTRALIA

2.1. What are Regional Development Australia Committees?

- ◆ Regional Development Australia (RDA) is a partnership between the Australian, state and territory and local governments to support the growth and development of Australia's regions. RDA is delivered through a national network of 55 committees.
- ◆ RDA committees build partnerships between governments, regional development organisations, local businesses, community groups and key regional stakeholders to provide strategic and targeted responses to economic, environmental and social issues affecting local communities across Australia.
- ◆ Further information on RDA, including committee locations and contact details can be found at www.rda.gov.au.

2.2. What are Regional Plans?

- ◆ Regional Plans are developed by each RDA committee and are strategic documents about their local region (maps of RDA regions are at www.rda.gov.au). Each Plan identifies key regional attributes, sets out the economic, environmental and social vision for the region, describes the drivers of change, identifies strengths and opportunities, and lists priorities for action.
- ◆ Plans have been developed in consultation with local communities.
- ◆ Regional Plans are published on RDA committee websites, which can be accessed through the www.rda.gov.au portal.

2.3. How many projects can an RDA endorse?

- ◆ An RDA committee can endorse a number of projects across a region, as long as each project is aligned with a priority set out in the committee's Regional Plan.
- ◆ An RDA committee will not review the eligibility of a project, rather it will confirm how the project aligns with the priorities in its Plan. The Department of Regional Australia, Regional Development and Local Government (the Department) will review applications

to confirm eligibility. The RDAF Advisory Panel will make recommendations on projects to be funded. Decisions on projects to be funded are taken by the Minister for Regional Australia, Regional Development and Local Government (the Minister).

2.4. Is my project eligible if it does not align with an RDA plan?

- ◆ No, projects seeking funding under the RDAF must align with the priorities set out in an RDA committee's Regional Plan. Potential applicants should consult with their local RDA committee to establish how closely their project aligns with the priorities set out in the Regional Plan.
- ◆ Regional Plans are living documents that are revised regularly to reflect the needs of the community. It is possible that projects may align with revised and updated Regional Plans.

2.5. How do I demonstrate that my project has the support of my local Regional Development Australia committee?

- ◆ Applicants should familiarise themselves with the Regional Plan of the local RDA committee. Applicants should also meet with the RDA committee to discuss regional priorities and opportunities for cooperation.
- ◆ Applications should include a written endorsement from the RDA committee or committees in whose areas the project will be located or have a significant impact. Applications should also include confirmation from the RDA committee or committees on how the project aligns to its or their Regional Plans.
- ◆ Separate advice has been provided to RDA committees on their role.

2.6. Can RDA endorsement be other than a letter?

- ◆ Evidence of alignment with the RDA Regional Plan must be demonstrated by advice from the RDA committee, including an extract from the RDA's Regional Plan and articulation of how the project aligns with the relevant section of the Plan.

2.7. What is the role of RDA committees in identifying and supporting projects seeking funding from the RDAF?

- ◆ RDA committees can play a facilitation role, including by identifying proposals which are important to local communities and are consistent with the priorities set out in their Regional Plans. They can bring parties together, including local councils which fall within their region, to discuss proposals.
- ◆ RDA committees can talk with each other to identify and garner support for projects which cross a number of regions and have an impact on a larger number of communities.
- ◆ Projects put forward for funding under the RDAF must be endorsed by Regional Development Australia committees. Committees will establish their own internal procedures for considering and endorsing projects.
- ◆ Committees will not be applicants for program funding.

2.8. Do RDA committees need to undertake an assessment of RDAF proposals?

- RDA committees only need to undertake the endorsement activity described above. The Department will undertake an assessment of the project application against the eligibility and selection criteria set out in the program Guidelines.

3. CONSORTIA

3.1. What is meant by a consortium?

- For the purposes of RDAF, a consortium is a temporary joint venture by two or more parties, which is created for the purpose of submitting an application and completing the proposed project under the RDAF Funding Agreement. The lead organisation which submits the application on behalf of the consortium must be an eligible organisation and a member of the consortium.
- A consortium needs to be supported by appropriate legal arrangements. Such arrangements need to be in place prior to signing a Funding Agreement with the Department.
- The lead member of the consortium is legally responsible for the delivery of the contracted services funded under RDAF.

3.2. What does it mean to be the lead member of a consortium?

- The lead organisation of the consortium must be an eligible organisation.
- The lead member of the consortium will contract with the Commonwealth to deliver the project, and will be legally responsible for the delivery of the contracted services. It will also be responsible for all reporting and acquittal arrangements outlined in the Funding Agreement.
- The legal arrangements supporting the consortium is a matter for its members.

4. ADVISORY PANEL

4.1. What does the Advisory Panel do and how will it work?

- The RDAF Advisory Panel will provide independent advice and recommendations on projects to be funded under the RDAF to the Minister.
- The Advisory Panel will review all eligible applications and rank them in order of merit. Decisions on projects to be funded will be taken by the Minister.
- The Chair and members of the Advisory Panel will be appointed by the Minister for a period of up to three years.
- The governance and operating procedures for the Advisory Panel will be included as a schedule to the Guidelines (on www.regional.gov.au when available).

4.2. When will the Advisory Panel be appointed?

- The Advisory Panel will be selected and appointed by the Minister. Details of the appointments will be available on the Department's website at www.regional.gov.au.

5. ELIGIBILITY

5.1. Who is eligible to apply for RDAF funding?

- Two types of organisations are eligible to apply for funding in their own right or as a lead organisation of a consortium:
 - Local government bodies; and
 - Incorporated not-for-profit organisations. An organisation is non-profit if its activities are not carried on for the profit or gain of its individual members. The constitution or governing documents of the organisation should prohibit the distribution of profits or gains to individual members. The Australian Securities and Investment Commission further defines an incorporated association as:
 - created by law;
 - a legal entity, such that it can sue and be sued in its corporate name;
 - has perpetual succession (ie, it continues even if its members die or resign);
 - has a public officer and a committee;
 - has members; and
 - its profits, if any, can only be used to promote its objectives (non profit making).
- Consortia can apply for program funding, where the application is submitted by an eligible applicant. For-profit organisations can participate in applications for funding where they are a member of a consortium.
- The applicant must be a legal entity and must have an Australian Business Number (ABN) or an Australian Company Number.

5.2. Are local governments in metropolitan areas eligible to apply for this funding?

- All local government bodies and incorporated not-for-profit organisations are eligible to apply for funding. The Guidelines do not define the locality of potential applicants, meaning that applications will be accepted from all eligible organisations.
- All applications for funding under the RDAF need to meet the mandatory eligibility criteria and make a case against the selection criteria, both of which are included in the Guidelines.

5.3. How are local government bodies defined?

- A *local governing body* is defined by the *Local Government (Financial Assistance) Act 1995* (Cwlth) as either:

- a local governing body established by or under a law of a State, other than a body whose sole or principal function is to provide a particular service, such as the supply of electricity or water; or
- a body declared by the Minister, on the advice of the relevant State Minister, by notice published in the Gazette, to be a local governing body for the RDAF.
- ◆ The Australian Capital Territory is considered to be a local governing body for the RDAF.
- ◆ Ten declared local governing bodies are also considered to be eligible for the RDAF:
 - five Indigenous local governing bodies in South Australia (Anangu Pitjantjatjara, Maralinga, Gerard, Nepabunna, and Yalata);
 - the Outback Communities Authority, formerly the Outback Areas Community Development Trust, in South Australia;
 - the Trust Account in the Northern Territory;
 - the Silverton and Tibooburra villages in New South Wales; and
 - Lord Howe Island governed by New South Wales.

5.4. Are Council owned businesses eligible to apply for RDAF?

- ◆ Council owned business enterprises whose sole or principal function is to provide a particular service, such as the supply of electricity or water, regardless of whether they have been established by or under a law of a State, do not satisfy the mandatory eligibility requirements for RDAF.
- ◆ These bodies are not, by definition, a local government or an incorporated not-for-profit organisation. However, business enterprises of local councils could apply for funding as part of a consortium led by a local council.

5.5. What projects are eligible for funding?

- ◆ The scope of eligible projects is broad. Projects must contribute to the development of infrastructure, and to economic and community growth. Completion of the project should enhance the liveability of the community.
- ◆ Projects should be strategic, but may be large or small in nature (noting that grants of between \$500,000 and \$25 million are available). Potential projects could include:
 - community centres, such as a theatre, performing arts centre or a youth centre;
 - child care centres;
 - sporting facilities, such as football fields, a grandstand, or a regional sports hub;
 - waste management systems;
 - economic infrastructure projects, such as bridges, new additions to local airports or a regional transport hub.
- ◆ Projects should also seek to integrate a range of activities and investments, such as broadband, health, education and social inclusion, and demonstrate innovation and incentive for new investments in Australia's regions.

5.6. What is the RDAF mandatory eligibility criterion?

- Applicants must submit a completed application and meet all eligibility criteria set out in Section 4 of the Guidelines. Applications which meet the eligibility criteria will be assessed by the RDAF Advisory Panel, which will provide advice to the Minister.

5.7. What are the six Commonwealth Priority Areas?

- Projects seeking funding must support at least one of the Australian Government's national priorities:
 - Skilling Australia;
 - Lifting productivity;
 - Maximising the opportunity for broadband;
 - Sustaining our environment;
 - Social inclusion; and
 - Water and energy efficiency.

5.8. What is meant by the term 'priority infrastructure'?

- Projects that are demonstrated to have broad community benefit and the support of the local RDA Committee.
- Water supply, sewerage, stormwater, roads, waste management systems and public parks are all projects that could be seen to be 'priority infrastructure' projects.

5.9. Do I need to have planning approval before I apply for RDAF?

- No. Projects must be "investment ready", that is ready to proceed within six months of signing the Funding Agreement.
- To be "investment ready", applicants must demonstrate that all planning, zoning, environmental and/or native title approvals are or will be in place to ensure that construction commences within six months of signing the Funding Agreement.
 - Where approvals are finalised, evidence of those approvals should be provided.
 - Where approvals have been requested, but not yet provided or agreed, letters of intent or which otherwise confirm that approvals will be in place to ensure that construction will commence within six months of signing the Funding Agreement should be provided. Such letters should be from the organisation which provides each of the relevant approvals.

5.10. What economic infrastructure is eligible and not eligible for funding from the RDAF?

- Economic infrastructure applies broadly to the facilities of a community that make business activity possible, including provision of basic communication networks, transportation, and distribution networks.
- The economic infrastructure needs of communities are unique to that community and region. Projects should meet the needs of their local communities.

- In instances where it can be demonstrated that an element of a community's economic infrastructure is acting as a bottleneck to economic development, and this is identified as a priority in the RDA committee's Regional Plan, RDAF may support projects which address those bottlenecks, for example:
 - the standard of a bridge is inadequate for large trucks to carry local produce to markets;
 - an unsealed road is acting as a deterrent to attracting tourists to an area expanding into tourism;
 - a rural area is transitioning from primary production into secondary industries (value adding) and the existing community waste water treatment facility is inadequate to meet the community's changing needs.
- RDAF will not be available to projects that would normally be funded directly through other Australian Government programs and initiatives.

5.11. What is community infrastructure?

- Community infrastructure supports the liveability and social fabric of a local town or region. It should build social capital and support inclusiveness across communities. Projects might include:
 - child care centres;
 - housing;
 - amenities or buildings to support community groups; or
 - museums or buildings which have a cultural and/or historical value.

5.12. Does RDAF fund 'soft' infrastructure as a stand-alone project?

- No, the RDAF does not fund 'soft' infrastructure as a stand-alone project. RDAF provides funding for projects that are predominantly capital in nature. 'Soft' infrastructure, if assessed as eligible for funding, would need to be a part of a more significant capital works project.
- 'Soft' infrastructure refers to all of the infrastructure needed to maintain the economic, health, cultural and social standards of a community, such as the financial system, the education system, or the system of government and law enforcement.

5.13. Why does the application form request so much information?

- To assess projects, the Department of Regional Australia, Regional Development and Local Government (the Department) needs to make reasonable enquiries to ensure the proposed expenditure is an efficient and effective use of public money and is in accordance with Commonwealth policies.

6. FUNDING AND PAYMENTS

6.1. What is the minimum amount I can apply for?

- \$500,000. Applications for amounts below this threshold are not eligible for funding.

6.2. How much funding can I apply for?

- An applicant can apply for a grant of between \$500,000 and \$25 million (GST exclusive).
- Partner funding will be expected from sources other than the Australian Government for all project grants, except where extenuating circumstances prevent co-funding. RDAF funding contributions of more than \$5 million are required to be matched on at least a dollar-for-dollar basis.
- There is no prescribed ratio for matching funding for projects under \$5 million, however priority will be given to those projects which maximise leverage from external sources.
- The matching contribution can be funded by a number of sources, including the private sector, state and territory governments and local governments and some in-kind contributions.

6.3. Can I apply for funding across several years?

- Yes, applicants can apply for single or multi-year funding up to 2014-15.
- The contracted service, such as construction of a building must be completed by 30 June 2015.

6.4. When do applications close?

- Applications for Round One of the RDAF will close on Friday, 13 May 2011.
- Up to \$100 million is available in Round One.
- A second round is expected before the end of 2011. Details will be available on the Department's website at www.regional.gov.au.

6.5. Is co-funding required?

- Yes, grants of more than \$5 million are required to be matched on at least a dollar-for-dollar basis.
- Co-funding is required for grants of less than \$5 million, although there is no prescribed ratio for the level of co-funding. Priority will be given to those projects which maximise leverage from external sources.

6.6. Can In-kind partner contributions count towards co-funding?

- Yes, items such as land and buildings can be counted towards co-funding.

6.7. When will I get funding?

- It is anticipated that successful projects for Round One will be announced in July 2011. Contracts for those projects would be negotiated and agreed within 16 weeks of the Minister's decision.
- The initial payment will be made in advance, with remaining payments made on achievement of agreed milestones.

6.8. How do I get funding from the RDAF?

- Interested organisations should read the *Regional Development Australia Fund Guidelines* to gain a detailed understanding of the program, and the eligibility and assessment process.
- In summary, the process for applications is:
 - an application form which provides all of the required information needs to be completed. Incomplete applications will not be accepted;
 - projects which meet the eligibility criteria will be considered by the Advisory Panel, which will make recommendations to the Minister;
 - applicants will be advised of the Minister's decision;
 - where an application for funding is successful, a Funding Agreement is prepared and both parties sign the agreement; and
 - funding is delivered to recipients in line with conditions stipulated in the Funding Agreement.

6.9. What payment arrangements are in place?

- The initial payment will be made in advance, with remaining payments made on achievement of agreed milestones. Before the second and subsequent payments can be made, funding recipients will be required to provide:
 - evidence of meeting the milestone through provision of a progress report, photographs and other documentation as requested;
 - evidence of meeting the obligations of the Funding Agreement;
 - evidence that all payments made by the Department under the RDAF for the project have been expended or committed; and
 - a tax invoice, which meets the requirements of the Australian Taxation Office, for the amount of the payment.
- Payments will only be made after the Department is satisfied that milestones and the associated obligations specified in the Funding Agreement have been met.
- Departmental Officers may from time to time visit the site during the life of the project to validate progress.

6.10. Will I get feedback if I don't fully meet one of the eligibility criteria?

- Feedback will be provided to those applicants who did not meet the eligibility criteria. This will give those applicants the capacity to revise and resubmit their application in subsequent funding rounds.

6.11. What happens if I have already started the project?

- Eligible projects must be 'investment ready', that is ready to proceed within six months of signing the Funding Agreement. To be "investment ready", applicants must demonstrate that all planning, zoning, environmental and/or native title approvals are or will be in place to ensure that construction commences within six months of signing the Funding Agreement.
- Funding may be available for a project which is underway, however it must be a new stage of the project. For example, a convention centre may be already under construction and funding may be provided for a new adjoining public library if it can commence within six months.

6.12. Am I going to receive GST adjustments as part of my grant?

- Different arrangements for GST may apply to each grant recipient:
 - Local governments will not receive additional funding to cover GST.
 - Incorporated not-for-profit organisations receive additional funding to cover GST if they are registered for GST.

6.13. Do I need to pay GST on the RDAF?

- The Department does not provide advice on whether or how organisations pay GST. All applicants are advised to seek advice from a qualified professional.

7. APPLICATIONS

7.1. How many applications can we submit?

- Applicants can lodge more than one application in any single round.
- Where an applicant lodges multiple applications, they must rank their applications in order of their priority for funding, including any proposal where they are a member of a consortium.
- Failure to prioritise multiple applications will render all applications ineligible.

7.2. How do we submit an application for RDAF?

- Applications are to be submitted through the internet on an electronic application (SMART) form that can be accessed from www.regional.gov.au. This will be available shortly.

7.3. Our internet access is slow and difficult is there any other way to apply?

- In certain circumstances, the Department may accept a hard copy, mailed application (Section 7 of the Guidelines).

7.4. Can an application be withdrawn to include additional information?

- Applicants can withdraw and resubmit an application at any time before the closing date of the funding round.

7.5. Can we start our project once the application is submitted?

- ✦ Do not assume that an application will be successful.
- ✦ Applicants should not make financial commitments based on the lodgement of an application or notification of funding approval from the Australian Government. The final step in the approval process is execution of the Funding Agreement.

8. ASSESSMENT OF PROPOSALS

8.1. How will my application be assessed?

- ✦ The Department will assess projects for compliance with the mandatory eligibility criteria set out in the RDAF program guidelines.
- ✦ Following the Department's confirmation of an application's eligibility, efficient and effective use of resources, alignment with RDA Regional Plans and endorsement by RDA committees and completion of a risk assessment, applications will be presented to the RDAF Advisory Panel for consideration.
- ✦ The RDAF Advisory Panel will recommend projects for funding to the Minister, who will make decisions on projects to be funded.

8.2. Will my previous performance as a grant recipient be taken into account in the assessment process?

- ✦ Yes, the Advisory Panel will take historical performance with regard to previous grant funding into consideration. This will include the completion of outcomes in the agreed time frame and/or capacity to communicate changes to stakeholders.
- ✦ Organisations that do not have a history of grant funding with this Department will need to demonstrate the successful and timely delivery of projects in their portfolio.

8.3. What is an Independent Viability Assessment?

- ✦ The Department will use the information provided by applicants and separate enquiry to undertake a risk analysis of all applications. Where a risk has been identified with the project and/or applicant organisation, and depending on the size and complexity of the project or quantum of funding to be provided, an Independent Viability Assessment (IVA) may be undertaken. This will ensure the risks associated with the applicant and or project is managed. There is no cost to the applicant for the IVA.
- ✦ The IVA will be undertaken by an appropriately qualified external consultant engaged by the Department and the findings of the IVA will be included in the project analysis. All information provided in an application may be subject to an IVA.

8.4. How long will the assessment process take?

- ✦ Applications close on 13 May and a decision is expected to be made in early July 2011 for Round 1.

9. PROJECT MANAGEMENT

9.1. How do I report to the Government?

- Reporting templates will be provided with the Funding Agreement.
- A nominated Commonwealth Officer will act as the Project Officer for approved projects. This Officer will be your single point of contact in the Department for all issues relating to your project and Funding Agreement.

9.2. How does the Department want me to manage the project?

- Once funding is confirmed, the funding recipient will be required to actively manage the project. The project's progress against the Funding Agreement will be monitored via the funding recipient providing progress reports. Site visits may be conducted by the Department.

9.3. What are the acquittal requirements?

- Funding recipients are required to provide the Department with financial acquittals, and audited statements upon completion of the project, that demonstrate that they have spent the Australian Government funding on the purposes agreed upon in the Funding Agreement. For large projects, audited statements may be required as part of milestone reports.
- Once this report has been accepted by the Department, the final grant payment will be made (where provided for in the Funding Agreement).

9.4. What should I do if I have some confidentiality issues?

- Funding recipients must identify any information contained within their project proposal which they consider should be treated as confidential and provide reasons for the request.
- The Australian Government reserves the right to accept or refuse a request to treat information as confidential.

9.5. Who will own any of the assets purchased using RDAF funds?

- Notwithstanding the requirement to retain assets for 5 years, assets belong to the funding recipient.

9.6. Can RDAF be used to purchase capital items?

- Applications will be considered on a case by case basis. Departmental considerations include value for money, value to the community and the proportion of the cost of the capital items relative to the total RDAF grant.

ATTACHMENT 3





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Minister's Foreword

This is a new era in the history of regional development in Australia. Under the Gillard Government, the opportunity to unlock the potential of our regions has never been greater or more important.

As Australia's regions come to realise their full potential, through building on diversity and lifting productivity, so too will living standards rise and prosperity increase.

Unlike the fixed boundaries that subdivide the Australian continent into six states and two territories, the boundaries of Australia's regions are not fixed. Instead, regions are defined by a shared sense of place and a common purpose or destiny.

Australia's regions are diverse which means that a top-down, one-size-fits-all approach to sustainable regional development cannot succeed. Our regions range from remote regions, to growing coastal sea-change and tree-change regions. They include the non-metropolitan urban centres in rural Australia and the fringes of our major capital cities that are absorbing our growing population.

In recognition of this diversity, Australia's regions and their communities within them, must be able to take the central role in shaping their future, building on their capability and potential.

To support this role we will actively engage with Australia's regions.

We will also increase the resources available to Australia's regions. The challenge we face is to channel these resources in such a way that Australia's regions are able to harness the contributions from all levels of government, and the contributions from within their communities and businesses, to make a difference.



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As the Minister with responsibility for Regional Australia, Regional Development and Local Government, I will be working to ensure that the Australian Government effectively targets investments in regions and across regions, particularly in the areas of health, education, skills, communications, infrastructure, water and climate change.

Through our network of Regional Development Australia (RDA) organisations we are supporting the coming together of key stakeholders in Australia's regions to determine how best they can work together to strengthen their region. The resulting Regional Plans and Roadmaps prepared with stakeholders by the RDAs are critical to ensuring the regional investments we make today will have a lasting impact into the future.

The task ahead is made more difficult in those regions that, over the summer, have been impacted by the floods - the biggest natural disaster in our history, followed by the devastating impact of Cyclone Yasi and bushfires in the West. Lives have been lost. Destruction inflicted on communities.

While I have been struck by the terrible damage in the regions I have visited around Australia, I have been inspired by the resilience of local communities and the determination to rebuild.

The involvement of RDAs is central to the natural disaster recovery and reconstruction task, including rebuilding to a higher standard and reforming planning regimes. Both these actions will improve our preparedness to meet future disasters and improve the resilience of the infrastructure in our regions.

Through the RDAs and national partnerships, we will involve all levels of government, the private sector including the insurance industry, small business and primary producers. This is how we will build the resilience in our regions - a legacy from this tragedy.

The Australian Government's new Regional Development Australia Fund (RDAF) will inject close to \$1 billion in funds (with some of the funds subject to the passage of the Minerals Resource Rent Tax), over and above substantial funding being directed to disaster-declared regions under national partnership arrangements.

This flagship program will support regional infrastructure projects which will significantly improve economic and social outcomes and build on unique regional capabilities, capacity and potential.

Infrastructure projects could include economic, social or community infrastructure which will expand the development and growth of regional economies.

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To be considered for funding projects will need to leverage investment in local and regional communities and could facilitate the construction of community supported infrastructure. Further, projects could sustain and increase the economic output of local and regional economies, increase social capital, amenity or liveability of the community and assist communities to respond to change.

Sustained, collaborative effort is needed to support regional productivity and to strengthen and empower Australia's regional communities into the future.

It requires not only the resources of government, but the determination, creativity and innovation from regions themselves to achieve their regional vision.

These Guidelines detail how the Government plans to manage the RDAF to ensure this program best meets its objective of sustaining and growing regions.

I look forward to working with Australia's regions in this endeavour and in securing and developing their potential.

Simon Crean

Minister for Regional Australia,
Regional Development and Local Government



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1 Executive Summary

The Regional Development Australia Fund (RDAF) is a national program to support Australia's regions and enhance the economic development and livability of their communities. The program is administered by the Department of Regional Australia, Regional Development and Local Government (the Department). It is designed to ensure that new investments are targeted to reflect the characteristics, and to address the opportunities and challenges, of our diverse regions.

The program aims to support localism, and to leverage and better coordinate state, commonwealth, local government and private (including not-for-profit) investments for the long term benefit of communities.

These Guidelines outline the:

- aim of the RDAF;
- eligibility requirements and selection processes;
- role of the Regional Development Australia Fund (RDAF) Advisory Panel;
- roles and responsibilities of the Department and funding recipients;
- funding arrangements;
- reporting arrangements; and
- management and program governance arrangements set out in the Funding Agreement.

The RDAF will operate from 1 July 2011.

The first funding round will open for applications when these Guidelines are released. The first round will look to contribute up to \$100 million of Commonwealth funding to approved projects. Applications will be received up to COB on Friday, 13 May 2011.

Proposals that are not ready or applications which cannot be completed by 13 May 2011 can be lodged in Round 2, which is expected to take place in late 2011. Advice on when Round 2 will open and close will be provided through Regional Development Australia committees and on the Department's website: www.regional.gov.au.

Funding of between \$500,000 and \$25 million per project will be available.



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Partner funding will be expected from sources other than the Australian Government for all project grants, except where extenuating circumstances prevent co-funding. Project grants over \$5 million will be required to be matched on at least a dollar for dollar basis (excluding funding from other Australian Government sources).

The Department will assess funding applications for projects for compliance with the eligibility criteria, and to determine value for money and the risk associated with the project. The Minister for Regional Australia, Regional Development and Local Government will make decisions on the projects to be funded, based on the recommendations of the RDAF Advisory Panel.

The Guidelines should be read in conjunction with the Department's Funding Agreement, which is available from www.regional.gov.au.

The Department will review and update the Guidelines from time to time. The Department reserves the right to amend the Guidelines as appropriate to meet the policy objectives of the Government, and will provide reasonable notice of these amendments to all funding recipients. If the Department alters the application arrangements, at least one months notice prior to changes coming into effect will be provided.

2 Introduction

2.1 Program background

As part of the Commitment to Regional Australia component of the Agreement, around \$1 billion will be allocated to a Regional Development Australia Fund (RDAF). The RDAF is an umbrella program which comprises \$450 million from the Priority Regional Infrastructure Program and \$573 million from the Regional Infrastructure Fund, which is subject to the passage of the Mineral Resource Rent Tax.

The RDAF will provide financial grants to support the infrastructure needs and economic growth of Australia's regions. It is based on the principle that regions and their communities are best placed to identify the key development opportunities that will support sustainable economic and community growth and to ensure that investments are targeted at projects of lasting benefit. Projects proposed for support under the RDAF could be identified by local communities.



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Regional Development Australia (RDA) committees will play a major role in drawing together local, state and territory governments, as well as private and community stakeholders within and across regions, to identify and encourage proposals which are consistent with their Regional Plans. It is anticipated that the priorities identified in Regional Plans are of the greatest importance to regional communities and have local support. Projects put forward for funding under the RDAF must be endorsed by Regional Development Australia committees.

RDA committees will not be applicants for funding from the program.

2.2 The Regional Development Australia Fund (RDAF) Advisory Panel

The RDAF Advisory Panel will play an important role in the delivery of the program by providing independent advice and recommendations on the allocation of funds from the RDAF to the Minister for Regional Australia, Regional Development and Local Government.

The Chair and members of the Advisory Panel will be appointed by the Minister for a period of up to three years. The governance and operating procedures for the Advisory Panel will be included as a schedule to these Guidelines. The Advisory Panel will meet as required by the Minister but at least six monthly for the duration of the program. Variations to the schedule of governance and operating procedures, including frequency of meetings, will be published as amendments to the Guidelines.

Following the Department's determination of the proposal's eligibility, efficient and effective use of resources, alignment with RDA Regional Plans and risk assessment, proposals will be presented to the Advisory Panel for consideration. The Advisory Panel will prioritise and make recommendations to the Minister on projects to be funded. In making its recommendations, the Advisory Panel may:

- notify the proponent of additional identified project risks that must be addressed before the Advisory Panel can make a recommendation for funding;
- recommend a different level of funding than requested for the project;
- vary the scope of the project that it recommends to the Minister to be funded; and/or
- request proponents of a proposal to address the Advisory Panel.

The Advisory Panel will categorise all projects as:

- 'Recommended for Funding';
- 'Suitable for Funding'; or
- 'Not Recommended for Funding'.

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Where a project is considered 'Suitable for Funding' by the Advisory Panel and that recommendation is accepted by the Minister, the application may be resubmitted and considered at subsequent meetings of the Advisory Panel. The Advisory Panel may classify the application as 'Recommended for Funding'.

The Advisory Panel will review all eligible proposals and rank all proposals rated as 'Recommended for Funding' and "Suitable for Funding" in order of merit.

The Advisory Panel reserves the right to consider the distribution of funding in its recommendations to the Minister, including by:

- population by state;
- each state and territories' GDP; and
- the Australian Government's commitment to support recovery and reconstruction of disaster affected areas in regional Australia (see section 4.5 for eligibility of projects in these areas).

2.3 Program objectives and outcomes

The objective of the RDAF is to fund projects that support the infrastructure needs and economic and community growth of Australia's regions. The program funds will maximise outcomes through effective partnerships across all levels of government, and the business and non-profit sectors. The program will build synergies and increase the scale of investment by ensuring that projects have a broad regional impact and support communities within those regions.

Funding should only be requested for projects that are "investment ready".

Outcomes of the program will include:

- identification of regional priorities by local communities and investment in those priorities;
- support for regional economic development by assisting regions to develop and implement projects with broad based local support and which have identified potential to deliver lasting economic and community benefits;
- sustained increases to the economic output of local and regional economies;
- increased social capital, amenity and/or liveability within the community;
- communities which achieve sustainable growth;

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- integrated Australian, state and local government programs, activities and investment;
- new opportunities for private sector participation and partnerships;
- removal of barriers and/or a direct incentive for business investment in regional locations; and
- addressing specific areas of disadvantage faced by regional Australia.

It is desirable that projects funded through RDAF achieve these outcomes by maximising the opportunities generated by other regional programs and investments across the Commonwealth and other levels of government. Projects should also seek to integrate a range of activities and investments such as broadband, health, education and social inclusion, and demonstrate innovation and incentive for new investments in Australia's regions.

2.4 Commonwealth priorities

Projects must support at least one of the following national priorities:

- skilling Australia;
- lifting productivity;
- maximising the opportunity of broadband;
- sustaining our environment;
- social inclusion; and
- water and energy efficiency.

3 Funding and Applications

3.1 Applications

Applications can be lodged at any time during an open round of the program. Applicants can lodge more than one application for separate projects. Where an applicant lodges multiple applications, they must rank their applications in order of their priority for funding, including any proposal where they are a member of a consortium. Failure to prioritise multiple applications will render all applications ineligible.

Applicants can withdraw an application at any time to provide additional information. Revised or updated applications can be resubmitted by the applicant and will be assessed for eligibility in order of resubmission.

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Each application will be assessed on its individual merits. Applicants can apply for single or multi-year funding up to 2014-15.

Applicants should seek independent advice on taxation treatment of the grant and should protect their own legal interests in any consortium arrangements.

An applicant can apply for funds of between \$500,000 and \$25 million (GST exclusive).

Partner funding will be expected from sources other than the Australian Government for all project grants, except where extenuating circumstances prevent co-funding. RDAF funding contributions of more than \$5 million are required to be matched on at least a dollar-for-dollar basis. There is no prescribed ratio for matching funding for projects under \$5 million, however priority will be given to those projects which maximise leverage from external sources. The matching contribution can be funded by a number of sources, including the private sector, state and territory governments and local governments.

Payment of funds will be linked to the achievement of physical milestones agreed in project plans (see section 9).

4 Eligibility

4.1 Who is eligible to apply for funding?

The following organisations are eligible to apply for funding:

- local government bodies; and
- incorporated not-for-profit organisations.

These organisations can apply in their own right or as a member of a consortium. For-profit organisations can participate in applications for funding where they are a member of a consortium.

4.2 Activities which will be eligible for funding

The RDAF will fund priority infrastructure projects identified by local communities in regional Australia that include economic and community infrastructure projects.



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Funding is available for projects which are predominantly capital in nature, such as new infrastructure and upgrades to existing infrastructure, are important to regional and local communities, align with Commonwealth priorities and meet the objectives of the program. Examples of projects could include new bridges, community or child care centres and sporting facilities, and economic infrastructure projects that support local regional economies, including sustaining and supporting growth in local tourism and other small businesses.

Projects must be "investment ready", that is ready to proceed within six months of signing the Funding Agreement. To be investment ready, it is expected that all planning, rezoning, environmental and/or native title approvals are in place.

Applications must be in respect of one project, although one project may comprise a smaller number of integrated or cohesive elements. Part projects will be eligible for funding, noting that funding for one component does not guarantee funding for subsequent components.

4.3 Arrangements for consortia

While supporting local outcomes, projects are also expected to have broader regional significance and may involve groups or consortia of applicants, with a lead organisation responsible for contracting with the Department.

For the purposes of this program, a consortium is a temporary joint venture by two or more parties, which is created for the purpose of submitting an application and completing the proposed project under the RDAF. An eligible organisation must be a member of the consortium and be the lead organisation to submit the application on behalf of the consortia.

Consortia need to be supported by appropriate legal arrangements. Such arrangements need to be in place prior to a Funding Agreement with the Department being signed.

4.4 Value for money

Proponents must promote the use of resources in an efficient, effective and ethical manner and projects must be undertaken in an accountable and transparent manner. The project documentation will enable the proper identification, assessment and comparison of the costs and benefits, and risks.

Applications should outline the proposed method for delivering the project. Generally, value for money requires that the project can be delivered at a reasonable whole-of-life cost which may involve open tendering in procurement or mechanisms to ensure competitive delivery with project delivery arrangements.



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Project costs must compare favourably with available benchmarks for the activities being undertaken. Assessment of value for money may include consideration of factors such as:

- fit for purpose;
- the performance history of the proponent;
- the risks;
- the flexibility to adapt to possible change of the project according to risks;
- the evaluation of risk mitigation options; and
- projected community benefits and/or use.

4.5 What will not be funded?

Funding will not be available for projects that:

- are delivered or supported through other Australian Government programs and initiatives;
- are designed to support or replace existing administrative costs of applicants (e.g. operational costs, wages, vehicle leasing and maintenance, upgrade of offices);
- are likely to have ongoing project operational costs where demonstration of funding to support those ongoing operational costs is not provided;
- the provision of services and ongoing support activities;
- have been funded under the National Disaster Relief and Recovery Arrangements (NDRRA) in the calendar year of lodgement of the application or are eligible under the NDRRA; and/or
- larger projects requiring a contribution of more than \$25 million from the Australian Government will not be funded under the RDAF.

4.6 Community commitment and benefit

Under the RDAF program, preference will be given to projects that have significant community support and can demonstrate long-term benefits and outcomes for the community. For example, an increase in employment, improved community services, expansion of infrastructure to service a larger proportion of the community, upgrades to community facilities that result in community enrichment or support the continued economic development and growth of the community.

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All project applications must demonstrate a clear, direct and measurable benefit to local communities through documents such as business cases, a cost-benefit analysis, feasibility studies and project plans, and must include relevant supporting material.

To be considered for funding, projects must demonstrate that they align with the Regional Plans developed by Regional Development Australia committees. These Regional Plans will play a key role in setting priorities for the RDAF program.

4.7 Mandatory eligibility criteria

Applications for the RDAF program will be assessed using a competitive process. Applicants should ensure they have addressed all eligibility and selection criteria. To be eligible for consideration for funding by the RDAF Advisory Panel, project proponents must submit a completed application. Applications for projects must:

- be submitted by an eligible applicant;
- request between \$500,000 and \$25 million (GST exclusive);
- include co-funding from sources other than the Australian Government for all project grants, except in extenuating circumstances;
- leverage dollar for dollar funding for funding requests from the RDAF valued at over \$5 million from sources other than the Australia Government;
- commence and complete construction of the component funded by the Australian Government in the period between 2011-12 and 2013-14;
- include a written endorsement from the Regional Development Australia committee or committees in whose areas the project will be located or have a significant impact, and confirm how the project aligns to the Regional Plans of Regional Development Australia committees;
- include a priority ranking, where multiple applications are submitted;
- be submitted by applicants that are financially viable;
- demonstrate that the asset will be retained in original condition for a 5 year period;
- contribute to progress in one or more of the Australian Government's national priority areas (see Section 2.4);
- for applications over \$5 million, demonstrate broader regional benefit and support of other regional stakeholders;
- be supported by a business case incorporating the scope and outputs of the project; and

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- be supported by a:
 - project plan that includes evidence of planning approvals, community consultations, timelines, costing and budget, resource allocations;
 - risk management plan;
 - project quality plan (including identification of appropriately qualified personnel and project management skills); and
 - procurement management plan.

4.8 Selection criteria

Applications which meet the eligibility criteria will be assessed using a competitive process. As such, applicants should ensure they have addressed all of the following selection criteria.

➤ Criterion 1

Extent to which the project leverages funding from a variety of sources

This criterion relates to partnerships and collaboration. Evidence of partnership funding and the sources of that funding will be required from applicants. Priority will be given to projects that demonstrate funding from a variety of private and community sources, and that have contributions from other governments. Greater percentages of external or alternate funding from other sources may be afforded a higher priority in the assessment of proposals.

Applicants seeking more than \$5 million in grant funding will need to provide evidence of partnership funding and the sources of that funding. A minimum matching contribution of 50 per cent is required for all projects requesting more than \$5 million in funding from the RDAF. For these projects, funding from all Australian Government agencies, programs and sources cannot exceed 50 per cent of the total project cost.

Project applicants seeking less than \$5 million are required to have matching funding, and priority will be given to those projects which maximise leverage from external funding sources.

➤ Criterion 2

Applicants must address either Criterion 2A and/or Criterion 2B. Applicants may be able to address both criteria, depending on the nature of the project.



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➤ **Criterion 2A**

Extent to which the project will contribute to and sustain regional economic growth

This criterion will look at productivity improvements, including contribution to regional outputs, the number of jobs created in the region and the period of employment. This criterion may also be demonstrated by sustaining existing growth or mitigating the impacts of declining industry or agricultural outputs through structural adjustment.

It will consider the extent to which the project will contribute to new investment in the region or will diversify the region's industry base.

Priority will be given to projects which deliver benefits to communities in regional Australia. Benefits will need to be explained and quantified. An articulation of the costs versus benefits should be provided to demonstrate the positive impact of the project on the regional economy.

AND/OR

➤ **Criterion 2B**

Extent to which the project will provide community benefit

This criterion will consider the number of people that will utilise the approved project, the contribution that the project will make to community amenities and social capital, and the level of local support.

Priority will be given to projects that have significant community support and can demonstrate long-term benefits and outcomes for communities in regional Australia, including improved community services, expansion of infrastructure to service a larger proportion of the community or upgrades to community facilities that result in community enrichment. Benefits to the community should be described and, where possible, quantified with supporting evidence.

Community support can be demonstrated through letters of support and evidence of endorsement (through consultation).



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➤ **Criterion 3**

Sustainability and ongoing viability

This criterion will assess the duration and value of benefit to be provided by the proposal and the investment. Projects should contribute to the longer term sustainability of local communities, their economic base and social inclusion.

Projects must be viable in the long term and applicants must demonstrate their capacity to fund ongoing support costs, such as by budget arrangements, ownership of the project, revenue delivered by the completed project or donations from stakeholders. The applicant's viability to complete and effectively run the project must also be demonstrated.

Business Plans and cash flow projections may be used to demonstrate viability.

Priority will be given to proposals that offer a long term sustainable contribution to employment, productivity and community amenity.

➤ **Criterion 4**

Demonstrated capacity to implement and maintain the project

This criterion will assess the applicant's experience or capacity to deliver the project on time, within budget and according to the agreed outcomes.

Where available, historical performance with regard to previous grant funding will be taken into consideration. This will include the completion of outcomes in the agreed time frame and/or capacity to communicate changes to stakeholders. Organisations that do not have a history of grant funding with this Department will need to demonstrate the successful and timely delivery of projects in their portfolio.

➤ **Criterion 5 (Not-for-profit organisations only)**

Extent to which the project supports services to regional communities

This criterion will assess the applications from not-for-profit organisations and will focus on infrastructure to support enhanced or innovative delivery of services to regional communities. This could include the construction or extension of facilities which support the provision of services to local families, such as child care centres or community housing. A collaborative approach to the delivery of services, in partnership with other organisations, will receive priority in the assessment process.

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5 Assessment

5.1 Department's assessment

The Department will assess the eligibility of projects according to the eligibility criteria set out in section 4.7. The Department will also assess the efficient and effective use of resources, alignment with RDA Regional Plans and risk assessment, and provide information on these issues to the RDAF Advisory Panel. The RDAF Advisory Panel will consider the relative merits of projects based on the information provided by the Department and the criteria set out in section 4.8 to ensure proper usage of public monies and the organisation's ability to manage the project during delivery and after completion, based on:

- the outcomes that will be achieved;
- the project's viability;
- the applicant's viability;
- the project's sustainability;
- the project's value for money; and
- historical performance with regard to previous grant funding.

5.2 Independent financial viability assessments

The Department will undertake a risk analysis of the application and, where it is considered that the project or applicant organisation could be of significant risk, additional checks will be undertaken.

An Independent Viability Assessment (IVA) may be undertaken based on the size and complexity of the overall project and/or the amount of funding to be provided. This will ensure the risks associated with the viability of the applicant and project are managed.

The IVA will be undertaken by an appropriately qualified external consultant engaged by the Department and the findings of the IVA will be included in the project analysis. All information provided in an application may be subject to an IVA.

5.3 Advice from state, territory and local governments and other bodies

Where appropriate, the Department will seek advice on the proposed projects, extent of community support, funding contributions, viability and impact on the region from the appropriate state or territory or local government, and other relevant bodies, such as the Regional Organisations of Councils, Regional Development Commissions and Regional Development Trusts.

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6 Probity

The Australian Government is committed to ensuring that the process for providing funding under programs is fair and in accordance with published Guidelines, as may be varied by the Australian Government from time to time. Amendments to the Guidelines will be published on the Department's website.

6.1 Conflict of interest

Where an applicant identifies that a conflict of interest exists or might arise in relation to projects, the applicant must identify the actual, apparent or potential conflict of interest and inform the Australian Government immediately.

A conflict of interest may exist, for example, if the applicant, or any of its personnel:

- has a relationship (whether professional, commercial or personal) with a party who is able to influence the project assessment process; or
- has a relationship with, or an interest in, an organisation which is likely to interfere with or restrict the applicant in carrying out the proposed activities fairly and independently.

Each applicant will be required to make a legal declaration as part of its application. Applicants should ensure that any conflict of interest on the part of any member of an RDA committee is declared.

7 Application Process

Only fully completed applications which address both the eligibility and selection criteria, and include all required supporting documentation (sections 4.7 and 4.8) will be accepted. If not fully completed, applications will not meet the eligibility test and will not progress to the RDAF Advisory Panel for consideration.

7.1 Lodging an application for this Program

Applicants may obtain an application form from the Department's website at www.regional.gov.au.

Applications are to be submitted online using the SMART form process, through the Department's website. For more information on how to complete this process go to www.regional.gov.au.



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In certain circumstances, the Department may accept a hard copy, mailed application by prior agreement. Applications will be accepted at any time within the program operational period, and the Department will acknowledge receipt of all applications within 5 working days. Applications which do not use the SMART form should be mailed to:

Branch Manager
Program Development and Design Branch
Department of Regional Australia, Regional Development and Local Government
GPO Box 803
CANBERRA CITY ACT 2601

Applications submitted by mail must be dated stamped as having been mailed by COB on 13 May 2011. Late applications will not be accepted, and may be submitted for consideration in subsequent rounds of the RDAF program.

8 Approval of Funding

Following assessment and confirmation by the Department that the application, proposed project and applicant organisation meets the eligibility criteria, suitable projects will be considered by the RDAF Advisory Panel, and recommendations made for approval by the Minister for Regional Australia, Regional Development and Local Government, or his delegate, for the release of RDAF funds.

On the basis of the advice from the Advisory Panel, the Minister will consider the recommended and ranked projects and make a decision whether each project will make efficient, effective and ethical use of public money as required by Commonwealth legislation and whether any risk management strategies will need to be imposed as a condition of funding based on the assessment and risk analysis undertaken.

Approved projects will be subject to the following arrangements:

- before any funding can be paid the applicant will need to enter into contractual arrangements with the Australian Government that sets out the terms and conditions under which the funding is provided. Applicants should not make financial commitments based on approval of funding until the Funding Agreement has been executed; and



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- requests for additional funding from the Australian Government will not be considered. Requests to change the scope of the project or to partnership arrangements that do not involve the provision of additional funding by the Australian Government will be considered as long as the revised project meets the intent of the Program.

8.1 Advice to applicants

Applicants will be formally advised of the outcome of their application. Notifications sent to successful applicants will contain details of any specific conditions attached to the funding. Funding approvals will also be listed on the Department's website.

8.2 Complaint handling

Any enquires relating to funding decisions for this program should be directed to:

Corporate Services Branch
Department of Regional Australia, Regional Development and Local Government
GPO Box 803
CANBERRA CITY ACT 2601
www.Regional.gov.au

9 Contracting and Funding

9.1 Funding agreement

Successful applicants should enter into a Funding Agreement within 16 weeks of the project being approved by the Minister. The offer of funding may be withdrawn if the applicant cannot meet the timeframe, has not obtained agreement from the Department to obtain an extension to this timeframe, or if there are significant reasons as to why the project cannot commence.

The Funding Agreement is a legally enforceable document which clearly defines the obligations of both parties. It will describe the purpose for which the Australian Government funding must be used, will provide a description of how, when and where the project will be delivered, and will set out any requirements or conditions that must be met prior to the release of funds. The Funding Agreement will also set out agreed milestones and project outcomes that must be achieved prior to the release of payments.

A template of the standard agreement is available on the Department's website at www.regional.gov.au.



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If there are any conditions or risk treatments identified by the Department or the RDAF Advisory Panel which need to be satisfied, evidence must be provided to, and accepted by, the Government that these conditions have been met prior to grant payments being made. Conditions and risk treatments will be managed through milestones specified in the Funding Agreement.

If a condition relates to the securing of partnership funding, applicants will be required to secure that funding within an agreed period of securing Australian Government approval. Where it relates to obtaining statutory, insurance or licence approvals, applicants will be required to obtain all necessary approvals within a period as detailed in their application at the time of approval by the Australian Government.

Action may be taken to terminate Funding Agreements where its requirements are not met.

The Funding Agreement aims to:

- protect the Government's interests and ensure the effective and efficient use of public money;
- set out arrangements covering treatments of any cost savings;
- ensure the achievement of the agreed outputs of the project; and
- ensure appropriate recognition of Australian Government funds.

9.2 Payment arrangements

The initial payment will be made in advance, with remaining payments made on achievement of agreed milestones. Before the second and subsequent payments can be made, funding recipients will be required to provide:

- evidence of meeting the milestone through provision of a progress report, photographs and other documentation as requested;
- evidence of meeting the obligations of the Funding Agreement;
- evidence that all payments made by the Department under the RDAF for the project have been expended or committed; and
- a tax invoice, which meets the requirements of the Australian Taxation Office, for the amount of the payment.

Payments will only be made after the Department is satisfied that milestones and the associated obligations specified in the Funding Agreement have been met.



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9.3 Managing the project

Once funding is confirmed, the applicant will be required to actively manage the project. The project's progress against the Funding Agreement will be monitored by the applicant, which will provide progress reports to the Department.

The Department will monitor progress against the Funding Agreement through assessment of progress reports and by conducting site visits as necessary.

In some instances, based on project size, complexity and the amount of funding being provided, a Project Governance Board may need to be established with regular meetings and reports. The Department may be an observer at these meetings.

9.4 Reporting

Applicants must provide regular reports on their progress against the achievement of agreed milestones. Depending on the size and/or complexity of the projects, reporting will be quarterly or half yearly.

Whether reports are to be made quarterly or half yearly will be determined as part of the Funding Agreement negotiations and will be directly linked to the agreed milestones and risk assessments. Acquittal of expenditure will also be a key element of these reports.

Where progress payments are linked to the achievement of specific activities, these payments will only be made after the relevant progress report is accepted and it is agreed that the requirements for payment stated in the Funding Agreement have been met, including expenditure of the previous payment.

Additionally, if funding has been approved subject to meeting certain conditions, evidence that the conditions have been met must be presented to, and accepted by the Department.

9.5 Acquittals

Applicants are required to provide the Department with financial acquittals, and audited statements upon completion of the project, that demonstrate that they have spent the Australian Government funding on the purposes specified in the Funding Agreement. For large projects, audited statements may be required as part of milestone reports.

Applicants should familiarise themselves with the Funding Agreement to ensure they are able to comply with the acquittal requirements.



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When the project has been completed, applicants must complete:

- a 'Project Completion Report', to demonstrate that they have achieved all the agreed milestones; and
- a financial acquittal and audited statement by an independent auditor, of all expenditure of Australian Government funding and other funding sources, as set out in the Funding Agreement.

Once this report has been accepted by the Department, the final grant payment will be made.

9.6 Evaluation

To enable evaluation of the benefits of Government funding, each applicant is required to identify the project's key outputs and the manner in which they will be measured (performance measures). These outputs and performance measures will be included in the Funding Agreement. The Project Completion report will be important for documenting what was achieved with the funding provided for the project by the Australian Government.

Utilising this information, an evaluation by the Department will determine how the funding contributed to the overall objectives of the program.

9.7 Funding for projects relating to building and construction

Building work funded by the Australian Government is subject to all relevant state or territory health and safety laws. Special arrangements apply to projects relating to building and construction, and are set out at [Attachment B](#).

10 Confidential Information

Applicants must identify any information contained within their project application which they consider should be treated as confidential and provide reasons for the request. The Australian Government reserves the right to accept or refuse a request to treat information as confidential.

A request made under the *Freedom of Information Act 1982* for access to an application marked 'confidential' will be determined in accordance with that Act.

11 Branding and Recognition Requirements

Given the significant financial commitment from the Australian Government, successful applicants are expected to engage with the community during the project delivery process to ensure consistency with program objectives.

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Organisations must ensure that all advertisements, promotional activities (such as pamphlets, other publicity or fundraising events) and any other public relations matters are consistent with these Guidelines and Funding Agreement. As a minimum all publicity material should include the following words:

'Funded by the Australian Government under the

All project publicity should demonstrate truth, accuracy and good taste.

Applicants are not to publicise the approval of funding for their projects until they are announced by the Minister. Any written public comment about the project and/or funding program by the organisation or its sub-contractor must be consistent with the requirements of these Guidelines and the Funding Agreement.

Successful applicants must notify the Department at least 20 business days in advance of upcoming promotional events (e.g. launches, graduations and visits). The Minister must be invited to all such activities. The Minister has the option of accepting, declining or nominating a representative to attend on his behalf. The representative may be selected from the team of Ministers, Parliamentary Secretaries, RDA Chairs and local members supporting the Minister. Departmental staff may also attend.

It is not appropriate for organisations to invite a representative, such as a local Member of Parliament, to attend such a launch or function without prior agreement from the Minister's office. Such permission must be sought through the Department of Regional Australia, Regional Development and Local Government.

Funding for marketing and publicity activities (e.g. for the development of signage at project sites) may be approved in the project budget and should be clearly identified in the funding application.

Permanent fixtures such as plaques on restored buildings or framed certificates inside buildings should remain for as long as it is appropriate (e.g. a plaque in a childcare centre which has been built should remain affixed while the centre remains in use). Where it is considered inappropriate to display signage because of environmental, cultural or other reasons, organisations should advise the Department.

If a plaque is required for an opening, it may be funded out of the project budget.



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11.1 Roles and responsibilities

The Grant Program Process Flowchart at [Attachment C](#) outlines the roles and responsibilities of each party. The funding Approver for the RDAF program is the Minister for Regional Australia, Regional Development and Local Government.

11.2 Anticipated key dates

The following table outlines the anticipated timeline for the program.

Milestone	Anticipated Dates
Program announced	March 2011
Guidelines published	March 2011
Round 1 applications open	March 2011
Round 1 applications close	13 May 2011
First projects agreed and announced	July 2011
Contracts negotiated and agreed	Within 16 weeks of Minister's decision



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Glossary of Terms

Australian Business Number (ABN)

The ABN is the single business identifier that allows businesses to meet their regulatory obligations and access information and assistance through a single entry point to government.

Regional Development Australia committees

Regional Development Australia committees are playing a key role in identifying local projects, confirming alignment of projects with their Regional Plans and support projects. RDA committees can play a facilitation role by bringing stakeholders, local governments and other organisations together to identify suitable projects and sources of funding. Similarly, individuals who are members of RDA committees cannot apply for project funding.

Consortium

An association of two or more individuals, companies, organizations or governments (or any combination of these entities) with the objective of participating in a common activity or pooling their resources to achieve a common goal. A consortium is often formed to undertake a venture that would be beyond the resources of a single individual or company.

Department, DRA

Australian Government Department of Regional Australia, Regional Development and Local Government.

Infrastructure

The basic facilities, services, and installations needed for the functioning of a community.

In-kind contributions

In-kind contributions may be contributions of land, equipment, supplies, or other tangible resources, as distinguished from a monetary grant.

Investment Ready

Projects which are "investment ready" must be ready to proceed, including to commence construction, within six months of signing the Funding Agreement. It is expected that all planning, rezoning, environmental and/or native title approvals will be in place.

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Local Government

A *local governing body* is defined by the *Local Government (Financial Assistance) Act 1995* (Cwlth) as either:

- a) a local governing body established by or under a law of a State, other than a body whose sole or principal function is to provide a particular service, such as the supply of electricity or water; or
- b) a body declared by the Minister, on the advice of the relevant State Minister, by notice published in the *Gazette*, to be a local governing body for the purposes of this Act.

For the purposes of Commonwealth funding the Australian Capital Territory is considered to be a local governing body. Currently the ten declared local governing bodies are:

- Five Indigenous local governing bodies in South Australia (Anangu Pitjantjatjara, Maralinga, Gerard, Nepabunna, and Yalata);
- the Outback Communities Authority, formerly the Outback Areas Community Development Trust, in South Australia;
- the Trust Account in the Northern Territory;
- the Silverton and Tibooburra villages in New South Wales; and
- Lord Howe Island governed by New South Wales.

Incorporated non-profit or not-for-profit organisations

An organisation is non-profit if its activities are not carried on for the profit or gain of its individual members. The constitution or governing documents of the organisation should prohibit distribution of profits or gains to individual members.

Outcomes

The long term benefits that a project brings to a community, i.e. the result, impact or consequence of the project. For example, outcomes could include an increase in employment, increase in education opportunities or increase in community capacity. Projects should have a positive outcome.



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Partner contribution (or partnership funding)

A financial contribution to the project made by an individual or organisation (partner contributor) from a specific program or funding source. Contributions of tangible resources such as land should be included as contributions of in-kind support.

Project

A project is the entire endeavour undertaken to create a unique product, service, or result under the RDAF.

Region

A region is an area which is bordered by Regional Development Australia committee boundaries or is a Local Government Area.

Social Capital

Projects which build the social cohesion of a community, support or enhance social inclusion, build or strengthen social networks or address issues which are specific to minority groups. The outcome is more integrated communities.

Sustainability

The continuation of the project outcomes beyond the period of funding.



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Attachment A: Eligibility checklist

The following questions may assist applicants to determine if they are eligible to apply to the RDAF and the evidence that they will need to support their application.

Q1 Is your project eligible for funding?

Is your project:

- the responsibility of other government bodies;
- delivered or supported through other Australian Government programs and initiatives;
- going to support or replace existing administrative costs (e.g. operational costs, wages, vehicle leasing and maintenance, upgrade of offices);
- likely to have ongoing operational costs that you are unable to demonstrate funding to support on an ongoing basis; or
- being funded under the National Disaster Relief and Recovery Arrangements (NDRRA) in the calendar year of lodgement of the application or eligible under the NDRRA.

If you answered no to all of the above you may proceed to Question 2.

Q2 Does your application meet the following eligibility criteria?

Does your project:

- include preparation of an application for funding by an eligible applicant;
- request between \$500,000 and \$25 million (GST exclusive);
- include co-funding from sources other than the Australian Government for funding requests valued at up to \$5 million ;
- leverage at least dollar for dollar funding from other sources for funding requests valued at over \$5 million (excluding the Commonwealth);
- commence and complete construction of the component funded by the Australian Government in the period between 2011-12 and 2013-14;

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Australian Government
Department of Regional Australia,
Regional Development and Local Government

- include a written endorsement from the Regional Development Australia committee or committees in whose areas the project will be located or have a significant impact, and confirm how the project links to the Regional Plans of Regional Development Australia committees;
- include a priority ranking, where multiple applications are submitted;
- be submitted by applicants that are financially viable; demonstrate that the asset will be retained by the applicant for a 5 year period;
- contribute to progress in one or more of the Australian Government's national priority areas (see Section 2.4);
- for applications over \$5 million, demonstrates broader regional benefit and support of other regional stakeholders;
- be supported by a business case incorporating the scope and outputs of the project; and
- be supported by a:
 - project plan that includes evidence of planning approvals, community consultations, timelines, costing and budget, resource allocations;
 - risk management plan;
 - project quality plan (including identification of appropriately qualified personnel and project management skills); and
 - procurement management plan.

Q3 Can you address the selection criteria, as they apply to your project:

- Criterion 1: Extent to which the project leverages funding from a variety of sources.
- Criterion 2A: Extent to which the project will contribute to and sustain regional economic growth AND/OR Criterion 2B: Extent to which the project will provide community benefit.
- Criterion 3: Sustainability and ongoing viability
- Criterion 4: Demonstrated capacity to implement and maintain the project
- Criterion 5 (Not-for-profit organisations only): Extent to which the project supports services to regional communities.

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Attachment B: National Code of Practice for the Construction Industry and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry

The National Code of Practice for the Construction Industry (the Code) and the Australian Government Implementation Guidelines for the National Code of Practice for the Construction Industry, revised September 2005, reissued June 2006 (the Guidelines for the Code), set out the responsibilities of the parties involved in building and construction projects funded by the Australian Government. The principles expressed in the Code promote best practice workplace relations and standards of honesty and integrity in the construction industry. The Guidelines for the Code were developed to assist the interpretation and implementation of the Code.

The Code and Guidelines for the Code apply, subject to the specified threshold requirements in the Guidelines for the Code, to all directly and indirectly funded building and construction activities undertaken by Australian Government agencies and funding applicants.

Applicants of project funding specifically relating to building and construction activity, as defined in the Code and subject to any threshold requirement in the Guidelines for the Code, must comply with the Code and Guidelines for the Code. Funding applicants will also be obliged, among other things, to ensure that all contractors, subcontractors, suppliers, consultants and employers who perform work in relation to a project funded under the Program comply with the Code and Guidelines for the Code.

For copies of the Code and the Guidelines for the Code, applicants should refer to: www.workplace.gov.au/workplace/Organisation/Industry/BuildingConstruction/

Australian Government Building and Construction OHS Accreditation Scheme

The Australian Government is committed to improving occupational health and safety (OHS) outcomes in the building and construction industry. From 1 October 2007, only persons who are accredited under the Australian Government Building and Construction OHS Accreditation Scheme are able to contract for building work that is **indirectly** funded by the Australian Government where:

- the value of the Australian Government contribution (including the amount of any Contingency Payment) to the project is at least \$5 million and represents at least 50 per cent of the total construction project value; or



- the Australian Government contribution (including the amount of any Contingency Payment) to a project is \$10 million or more, irrespective of the proportion of Australian Government funding.

The Scheme is established by the *Building and Construction Industry Improvement Act 2005* and specified in the *Building and Construction Industry Improvement (Accreditation Scheme) Regulations 2005*.

Building work is considered **indirectly** funded where it is funded by the Australian Government or an Australian Government authority through grants and other programmes. This includes building projects where the Australian Government provides money through a funding agreement or grants to a person, for example, a state or territory government who then may contract with persons who will undertake the building work or persons who will arrange for the building work to be carried out.

Indirectly funded building work also includes building projects that the person, who receives Australian Government funding, facilitates by agreement (for example pre-commitment lease, Build Own Operate (BOO) and Build Own Operate Transfer (BOOT) arrangements).

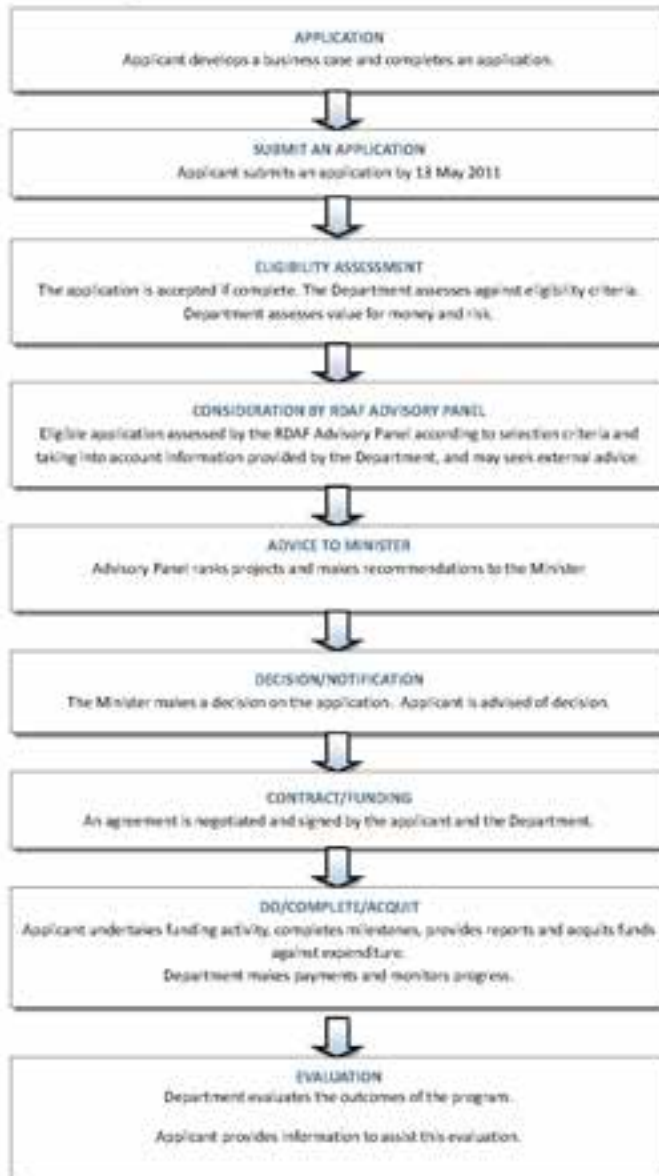
If a project meets the above threshold amounts, the requirement that accredited builders carry out the building work only applies to contracts for building work that are valued at \$3 million or more as defined in the *Building and Construction Industry Improvement (Accreditation Scheme) Regulations 2005*.

Further information on applying the Australian Government Building and Construction OHS Accreditation Scheme is available from the Office of the Federal Safety Commissioner at www.fsc.gov.au.

The Australian Government reserves the right to set other conditions especially where there may be a need to mitigate risks identified within the project.

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Attachment C: Grant Program Process Flowchart



NOTICES OF MOTION

NOTICE OF MOTION

ITEM NO. 1

FILE NO: A2004-0217

DEPARTMENT OF DEFENCE – TILLIGERRY CREEK

COUNCILLOR: NELL

THAT COUNCIL:

- 1) Write to the Department of Defence asking for:
 - a) an update on the timeframe for the implementation of lease agreements over its agricultural land in the Tilligerry Creek Catchment that will contain land best practice management requirements.
 - b) Support from the Department of Defence in the implementation of the Tilligerry Creek Management Plan by increased management and restoration activities on their land within the Tilligerry Creek Catchment.
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ORDINARY COUNCIL MEETING – 19 APRIL 2011

RESOLUTION:

147	Councillor John Nell Councillor Bruce MacKenzie	It was resolved that the Notice of Motion be adopted.
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REPORT OF: SALLY WHITELAW – ACTING ENVIRONMENTAL AND DEVELOPMENT PLANNING MANAGER

BACKGROUND

The Tilligerry Creek Management Plan was adopted in 2008 and aims to outline a strategy for the sustainable management of natural resources within the Tilligerry creek catchment.

A catchment management committee has been established and oversees the implementation of the plan including funding landholder works such as the fencing and revegetation of creek lines and drains. These works have been funded from state and federal grants totalling close to \$300,000.

A large area of the Tilligerry creek catchment is owned by the Department of Defence and although good outcomes have been achieved on private property a holistic approach throughout the catchment is needed if real improvements are to be achieved.

MINUTES FOR ORDINARY MEETING – 19 APRIL 2011

The Department of Defence lease their agricultural land to land holders for cattle grazing and the Department has advised the Tilligerry creek catchment committee that they intend on revising their lease agreements to incorporate land management activities. However this has yet to eventuate.

At the last Tilligerry creek catchment committee meeting concern was raised that the Department of Defence was not undertaking enough land management activities on their land to assist in the implementation of the Tilligerry Creek Management Plan.

CONFIDENTIAL ITEMS



In accordance with Section 10A, of the Local Government Act 1993, Council can close part of a meeting to the public to consider matters involving personnel, personal ratepayer hardship, commercial information, nature and location of a place or item of Aboriginal significance on community land, matters affecting the security of council, councillors, staff or council property and matters that could be prejudice to the maintenance of law.

Further information on any item that is listed for consideration as a confidential item can be sought by contacting Council.

148	Councillor Peter Kafer Councillor Bruce MacKenzie	It was resolved that Council move into Confidential Session.
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CONFIDENTIAL

ITEM NO. 1

FILE NO: T03-2011

**TENDER FOR THE SUPPLY OF TWO (2) 22.5 TONNE SINGLE CAB TRUCK/
CHASSIS (T03/2011)**

REPORT OF: DAMIEN JENKINS – FINANCIAL SERVICES MANAGER
GROUP: COMMERCIAL SERVICES

RECOMMENDATION IS THAT COUNCIL:

- 1) Accept the tender submitted by Gilbert & Roach for the supply of two (2) Isuzu Single Cab Truck Chassis at the tendered price of \$294,017.27 (exc. GST).
- 2) Accept the tender submitted by Gilbert & Roach for the trade price of \$70,909.09 for Council's existing plant items.
- 3) Accept the quotation from Capital Body Works (Council's preferred body builder) for the supply and fitting one (1) 10m³ gravel tipping body and one (1) 13,000 litre aluminium water tank at a combined cost of \$109,557.00.

**ORDINARY COUNCIL MEETING – 19 APRIL 2011
RESOLUTION:**

149	Councillor Peter Kafer Councillor Shirley O'Brien	It was resolved that this item be deferred to allow for further information to be provided to Councillors with respect to replacing the water cart.
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There being no further business the meeting closed at 9.08pm.

I certify that pages 1 to 156 of the Open Ordinary Minutes of Council 19 April 2011 and the pages 157 to 160 of the Confidential Ordinary Minutes of Council 19 April 2011 were confirmed by Council at its meeting held on 10 May 2011.

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**Cr Bob Westbury
MAYOR**