



BUSINESS PAPER

GENERAL MEETING

**Wednesday 20 February 2019
at 6:30PM**



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AGENDA AND SUMMARY OF RECOMMENDATIONS

PRESENT

NATIONAL ANTHEM

OPENING PRAYER/S

Pastor David Nathan of The Hive Church, Hornsby will open tonight's meeting in prayer.

ACKNOWLEDGEMENT OF RELIGIOUS DIVERSITY

Statement by the Chairperson:

"We recognise our Shire's rich cultural and religious diversity and we acknowledge and pay respect to the beliefs of all members of our community, regardless of creed or faith."

ABORIGINAL RECOGNITION

Statement by the Chairperson:

"We acknowledge we are on the traditional lands of the Darug and Guringai Peoples. We pay our respects to elders past and present."

VIDEO AND AUDIO RECORDING OF COUNCIL MEETING

Statement by the Chairperson:

"I advise all present that tonight's meeting is being video streamed live via Council's website and also audio recorded for the purposes of providing a record of public comment at the meeting, supporting the democratic process, broadening knowledge and participation in community affairs, and demonstrating Council's commitment to openness and accountability. The audio and video recordings of the non-confidential parts of the meeting will be made available on Council's website once the Minutes have been finalised. All speakers are requested to ensure their comments are relevant to the issue at hand and to refrain from making personal comments or criticisms. No other persons are permitted to record the Meeting, unless specifically authorised by Council to do so."

APOLOGIES / LEAVE OF ABSENCE

POLITICAL DONATIONS DISCLOSURE

Statement by the Chairperson:

"In accordance with Section 147 of the Environmental Planning and Assessment Act 1979, any person or organisation who has made a relevant planning application or a submission in respect of a relevant planning application which is on tonight's agenda, and who has made a reportable political donation or gift to a Councillor or employee of the Council, must make a Political Donations Disclosure Statement."

If a Councillor or employee has received a reportable political donation or gift from a person or organisation who has made a relevant planning application or a submission in respect of a relevant planning application which is on tonight's agenda, they must declare a non-pecuniary conflict of interests to the meeting, disclose the nature of the interest and manage the conflict of interests in accordance with Council's Code of Conduct."

DECLARATIONS OF INTEREST

Clause 52 of Council's Code of Meeting Practice (Section 451 of the Local Government Act, 1993) requires that a councillor or a member of a Council committee who has a pecuniary interest in a matter which is before the Council or committee and who is present at a meeting of the Council or committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable. The disclosure is also to be submitted in writing (on the form titled "Declaration of Interest").

The Councillor or member of a Council committee must not be present at, or in sight of, the meeting of the Council or committee:

- (a) at any time during which the matter is being considered or discussed by the Council or committee.*
- (b) at any time during which the Council or committee is voting on any question in relation to the matter.*

Clause 51A of Council's Code of Meeting Practice provides that a Councillor, Council officer, or a member of a Council committee who has a non pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable. The disclosure is also to be submitted in writing (on the form titled "Declaration of Interest").

If the non-pecuniary interest is significant, the Councillor must:

- a) remove the source of conflict, by relinquishing or divesting the interest that creates the conflict, or reallocating the conflicting duties to another Council official.*

OR

- b) have no involvement in the matter by absenting themselves from and not taking part in any debate or voting on the issue as if the provisions of Section 451(2) of the Act apply.*

If the non-pecuniary interest is less than significant, the Councillor must provide an explanation of why they consider that the interest does not require further action in the circumstances.

CONFIRMATION OF MINUTES

THAT the Minutes of the General Meeting held on 13 February, 2019 be confirmed; a copy having been distributed to all Councillors.

PETITIONS

PRESENTATIONS**RESCISSION MOTIONS****MAYORAL MINUTES****ITEMS PASSED BY EXCEPTION / CALL FOR SPEAKERS ON AGENDA ITEMS**Note:

Persons wishing to address Council on matters which are on the Agenda are permitted to speak, prior to the item being discussed, and their names will be recorded in the Minutes in respect of that particular item.

*Persons wishing to address Council on **non agenda matters**, are permitted to speak after all items on the agenda in respect of which there is a speaker from the public have been finalised by Council. Their names will be recorded in the Minutes under the heading "Public Forum for Non Agenda Items".*

GENERAL BUSINESS

- *Items for which there is a Public Forum Speaker*
- *Public Forum for non agenda items*
- *Balance of General Business items*

OFFICE OF THE GENERAL MANAGER**Page Number 1**

Item 1 GM1/19 PERFORMANCE REPORT DECEMBER 2018 - DELIVERY PROGRAM 2018-21 AND QUARTERLY BUDGET REVIEW STATEMENT

RECOMMENDATION

THAT:

1. The December 2018 Performance Report showing progress of the Delivery Program 2018-21 including the 2018/19 Operational Plan and Budget be received and noted.
2. The Quarterly Budget Review Statement for the period ending December 2018 be received and noted.

CORPORATE SUPPORT DIVISION**Page Number 7**

Item 2 CS1/19 ADMINISTRATION OF COUNCIL'S 2020 LOCAL GOVERNMENT ELECTION

RECOMMENDATION

THAT:

1. In principle support be given to the following:
 - a) Pursuant to Section 296(2) and (3) of the Local Government Act, Hornsby Shire Council enter into an election arrangement contract for the Electoral Commissioner to administer all elections of Council.
 - b) Pursuant to Section 296(2) and (3) of the Local Government Act, as applied and modified by Section 18 of the Act, Hornsby Shire Council enter into a council poll arrangement contract for the Electoral Commissioner to administer all council polls of Council.
 - c) Pursuant to Section 296(2) and (3) of the Local Government Act, as applied and modified by Section 18 of the Act, Hornsby Shire Council enter into a constitutional referendum arrangement contract for the Electoral Commissioner to administer all constitutional referenda of Council.
2. Following receipt and evaluation of cost estimates from the NSW Electoral Commission, the General Manager be delegated authority to enter into a contract with the NSW Electoral Commission in accordance with the above, providing that such estimated costs are generally in line with those outlined in Deputy General Manager's Report No. CS1/19.
3. Should the cost estimates from the NSW Electoral Commission indicate a significant increase above the expectations outlined in Deputy General Manager's Report No. CS1/19, a further report be submitted for Council's consideration.

Page Number 14**Item 3 CS2/19 INVESTMENTS AND BORROWINGS FOR 2018-19 - STATUS FOR PERIODS ENDING 30 NOVEMBER 2018 AND 31 DECEMBER 2018****RECOMMENDATION**

THAT the contents of Deputy General Manager's Report No. CS2/19 be received and noted.

ENVIRONMENT AND HUMAN SERVICES DIVISION

Nil

PLANNING DIVISION**Page Number 17****Item 4 PL1/19 REPORTING VARIATIONS TO DEVELOPMENT STANDARDS****RECOMMENDATION**

THAT the contents of Group Manager's Report No. PL1/19 be received and noted.

INFRASTRUCTURE AND RECREATION DIVISION

Nil

PUBLIC FORUM – NON AGENDA ITEMS

QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN

MAYOR'S NOTES

Page Number 20

Item 5 MN1/19 MAYOR'S NOTES FROM 1 DECEMBER 2018 TO 31 JANUARY 2019

NOTICES OF MOTION

Page Number 22

Item 6 NOM1/19 DRAINAGE AND OTHER IMPROVEMENTS AT BEROWRA

COUNCILLOR TILBURY TO MOVE

That Council:

1. Take immediate steps to resolve the drainage issues from Council's drainage system that have occurred through the crown land downstream of the Berowra RSL and adjoining shopping area and that the damage that has occurred as a result be immediately repaired.
2. Urgently request the NSW State Government to facilitate a co-ordinated response to the management of this Crown Land including the provision of funds for necessary improvements to ensure that this area is safe and accessible for the many commuters, shoppers and school children that need to use the area.

SUPPLEMENTARY AGENDA

MATTERS OF URGENCY

QUESTIONS WITHOUT NOTICE

1 PERFORMANCE REPORT DECEMBER 2018 - DELIVERY PROGRAM 2018-21 AND QUARTERLY BUDGET REVIEW STATEMENT

EXECUTIVE SUMMARY

- Council is required to review its budget each quarter. At the same time the Local Government Act 1993 states that half yearly progress reports should be provided to Council on the principal activities detailed in its Delivery Program.
- In this regard, the December 2018 Performance Report showing progress of the Delivery Program 2018-21 including the 2018/19 Operational Plan and Budget is attached for Council's consideration.
- The 2018/19 Original Budget forecast a surplus at 30 June 2019 of \$15K. The September 2018 Review improved the surplus by \$171K whilst this December 2018 Review has no net budget changes. As a result, the budget forecast at 30 June 2019 Budget is a surplus of \$186K.
- Progress against the adopted Delivery Program including the 2018/19 Operational Plan and Budget, and the operational performance of the organisation has been in line with the service delivery standards adopted by Council.

RECOMMENDATION

THAT:

1. The December 2018 Performance Report showing progress of the Delivery Program 2018-21 including the 2018/19 Operational Plan and Budget be received and noted.
2. The Quarterly Budget Review Statement for the period ending December 2018 be received and noted.

PURPOSE

The purpose of this Report is to present for Council's consideration the December 2018 Performance Report showing progress of the Delivery Program 2018-21 including the 2018/19 Operational Plan and Budget, as required under s404 (5) of the Local Government Act 1993. Details within the Performance Report cover the six month period 1 July to 31 December 2018.

The Performance Report includes Council's Consolidated Budget Summary as at December 2018.

BACKGROUND

Due to legal action by Ku-ring-gai Council opposing the NSW Government's intention to amalgamate Hornsby and Ku-ring-gai Councils, the term of office for the former Council was extended to five years with the election delayed until September 2017 for a three year term of office (see Circular No. 16-44 dated 18 November 2016 from the Office of Local Government).

On 13 June 2018, Council adopted a three year Delivery Program 2018-21 including the Operational Plan and Budget 2018/19. The Delivery Program and Operational Plan set out the manner in which Council intends to deliver services and measure performance.

In line with Office of Local Government requirements, a Quarterly Budget Review Statement (QBRs) must be submitted for Council's consideration at the end of each quarter. The Statement must be based on key financial indicators and the estimate of income and expenditure set out in Council's Operational Plan for the relevant year. In order to streamline reporting the QBRs will be linked to the half yearly performance report for each December and June period.

DISCUSSION

Operational Comment

Operational performance during the first six months of 2018/19 has been satisfactory. Some of the highlights achieved during the period include:

- City of Parramatta and Hornsby Shire Councils settled an ongoing legal matter regarding remaining rates and levies from Epping residents and businesses and outstanding Section 94 contributions, which arose after new Local Government boundaries were put into place in May 2016. The Councils have also agreed to maintain the current boundaries as established by the NSW Government in May 2016.
- Council responded to the aftermath of major storms in December by immediately despatching emergency crews and equipment to assist with the damage and ensure major roads were reopened the same day. A free clean-up service for tree and plant debris was offered in the worst affected areas of Cherrybrook, Beecroft, West Pennant Hills, Castle Hill, Galston and Dural. Some facts and figures about the storm clean-up efforts:
 - Council received approximately 600 direct requests for assistance from residents.
 - Approximately 300 truckloads of green waste were taken to Westleigh for processing.
 - Council removed around 4,500 cubic metres of chipped green waste material.
 - The final cost of the December storm clean-up will be around \$800,000.
 - Clean-up efforts are not entirely over, with some dead and damaged trees needing further attention in the months ahead.

- Council's commitment to plant 25,000 new trees by September 2020 is taking shape. To date, 2,459 trees and 10,730 other plants (e.g. shrubs) have been planted across 189 planting locations.
- Council has taken action to solve the problem of abandoned trolleys, collecting more than 620 trolleys from the streets of Hornsby in a campaign in December 2018. The collection campaign is continuing.
- Council's Community Recycling Centre celebrated its first birthday in December 2018.

Capital projects completed from July to December 2018:

- Footpaths
 - Shepherds Drive, Cherrybrook - south side - Rosemary Place to Kenburn Avenue
 - Sherbrook Road, Hornsby - west side - Belair Close to King Road
 - Oakhill Drive, Castle Hill - west side - Tawmii Place to Willowbrook Place
- Local road
 - Cowan Road, Mount Colah Stage 2 - Gray Street to Belmont Parade
- Parks and Ovals
 - Lessing Park, Hornsby – playground renewal
 - Waitara Park, Waitara - synthetic cricket practise nets
 - Beecroft Station Gardens and Beecroft Community Centre car park
 - Dame Mary Gilmore Park, West Pennant Hills - flagpole renewal
- Drainage
 - Brooklyn Road, Brooklyn - No. 37 to Old Dairy Site (No. 11)
 - Cowan Road, Mount Colah Stages 2 and 3 - Gray Street to Belmont Parade
- Foreshore
 - Dinghy Storage Facility, Parsley Bay.

Other highlights are contained in the Attachment to this Report.

Budget Comment

This Review includes the second quarter results for 2018/19, comparing actual expenditure, income and funding sources for the second quarter against the Budget. The Net Operating and Capital Result after internal funding movements showed a positive variance of \$5.3 million or approximately 14%. This positive variance is largely the result of timing differences associated with project related works, labour vacancies, additional investment revenue and the initial phasing of the 2018/19 Budget.

The 2018/19 Original Budget forecasted a surplus at 30 June 2019 of \$15K. The September 2018 Review resulted in favourable net budget changes of \$171K. The Budget forecast at 30 June 2018 is, therefore a surplus of \$186K.

While the 2018/19 December Budget Review recommends no net budget changes, there are a number of material budget changes and offsets that are listed below:

- \$110K – Increase in electricity pricing for Council facilities
- \$117K – Increase in electricity pricing for street lighting
- (\$227K) – Increased rates revenue
- \$550K – Increased contractor expenses for remedial works at Hornsby Library
- (\$250K) – Grant funding towards Library works
- (\$300K) – Allocation from the Asset Management Plans Restricted Asset towards remedial works at Hornsby Library

It is noted that material budget changes have been required for electricity increases covering the balance of this financial year and will also require consideration in the development 2019/20 annual budget.

In August 2018 Local Government Procurement (LGP) wrote to Council advising that amidst the uncertainty in the energy market, market prices have been volatile and are rising. Running an electricity tender process in the current market environment has the potential to severely affect Council by locking into a multiple year agreement(s) at higher rates. As a consequence LGP recommended that Council extend our current electricity supply agreements expiring at the end of 2018 for a further twelve (12) month period, in the expectation of more stable market conditions in 2019.

In early December Council entered into a twelve (12) month extension with Origin Energy for our large sites and street lighting. With the highly fluid market LGP obtained a reasonable outcome due to the aggregated approach, as opposed to Council going out to market individually. Although a reasonable outcome was reached there was a significant (220%) increase in the unit price per kWh from the previous contract. Council's acceptance of the Accelerated Street Lighting Replacement Program which replaces existing street lights with LED lighting has negated further cost increases. This will however impact on savings that were anticipated from this Program prior to recent contract changes.

Major Projects Update

Updates in respect to the progress of projects of significant dollar value or of community interest are noted below:

- Hornsby Park – From Quarry to Park – this project involves the redevelopment of the abandoned Hornsby Quarry and adjacent Old Mans Valley on the western side of Hornsby into open space for recreation purposes. Over the past 12 months, Council has been preparing an Environmental Impact Statement for the Park which will be on public exhibition in early 2019. Since March 2017 excavated fill material has been transported from the North Connex road project to the Hornsby Quarry. This stage was completed in January 2019.

The total expenditure to 31 December 2018 on this project is \$1.722 million out of a budget of \$50 million. The funding of \$50 million for this project was provided in June 2018 from the NSW Government's Stronger Communities Fund.

- Westleigh Park Development – concept designs are nearing completion which will provide the basis for development of a park masterplan and subsequent dedicated plan of management for Westleigh Park. Detailed options will be developed in consultation with the community.

The total project expenditure to 31 December 2018 (including the acquisition costs) on this project is \$21.458 million out of a budget of \$61.140 million. Funding of \$40 million for this project was provided in June 2018 from the NSW Government's Stronger Communities Fund.

- Storey Park – a new facility will be built on the existing Asquith Community Centre site. Plans include multi-purpose rooms that will be ideal for a wide range of events and activities and park facilities. The total expenditure to 31 December 2018 on this project is \$979K out of a budget of \$6.308 million. In addition contract commitments of \$4.295 million have been raised for this project.
- Orara Park, Waitara – is a new expanded local community park in Waitara located between Romsey Street and Waitara Avenue extending across Orara Street. The western half of Orara Park in Waitara is complete and now open to the public. New playground equipment and rubber softfall has been placed in the playground and new concrete paths finished, providing a pedestrian link between Orara Street and Romsey Street. Furniture and lights have been installed. The project commenced in May 2018, and has been allocated an expenditure budget of \$1.32 million. The amount that has been spent as at 31 December 2018 is \$1 million. Contract commitments of \$442K have been raised for this project.
- Waitara Park Embellishment - including drainage and inclusive playground – the total spend to 31 December 2018 on this project is \$13.205 million out of a budget of \$15.173 million. Contract commitments of \$1.229 million have been raised for this project. To date this project has completed the construction of 6 new tennis courts and an amenities building, a contribution to the PCYC facility, new fencing and sightscreens at Mark Taylor Oval and significant drainage improvements along Park Avenue.
- 25,000 Trees by 2020 – Council is committed to planting 25,000 new trees by September 2020 to invest in the environment for future generations. The expenditure incurred to 31 December 2018 was \$132K. As at 31 December there has been 2,459 trees planted at 189 planting locations and 577 volunteers registered. A further 10,370 other plants have been planted (e.g. shrubs)
- Beecroft Station Gardens – Upgrade of Beecroft Station Gardens alongside the railway station and construction of a new carpark at the Beecroft Community Centre within Beecroft Village Green to the south. The site was officially opened on 20 October 2018. Total expenditure including commitments for this project is \$1.514 million out of a budget of \$1.875 million.

BUDGET

This Report provides the December 2018 Performance Report on the Delivery Program 2018-21, and the quarterly budget review which will achieve a forecast surplus at 30 June 2019 of \$186K. The predicted Budget result at 30 June 2019 is satisfactory in maintaining financial benchmark indicators in respect to liquidity

POLICY

There are no policy implications associated with this Report.

CONCLUSION

Council's consideration of this Report ensures that relevant statutory requirements have been met. The December 2018 Performance Report and quarterly budget review demonstrate that Council remains in a strong position to deliver local services and facilities in a financially responsible manner.

RESPONSIBLE OFFICER

The officers responsible for the preparation of this Report are the Manager, Strategy and Place – Louise Gee - and the Acting Deputy General Manager, Corporate Support – Glen Magus. They can be contacted on 9847 6531 and 9847 6635 respectively.

GLEN MAGUS
Acting Deputy General Manager - Corporate
Support
Corporate Support Division

STEVEN HEAD
General Manager
Office of the General Manager

Attachments:

1. [⇒](#) Performance Report on the Delivery Program 2018-21 - December 2018
2. [⇒](#) Quarterly Budget Review Statement - December 2018

File Reference: F2017/00322
Document Number: D07591866

2 ADMINISTRATION OF COUNCIL'S 2020 LOCAL GOVERNMENT ELECTION

- Section 296 of the Local Government Act provides that a decision about who will administer the election of a council is required to be made at least 18 months prior to the election. In respect of Council's 2020 election, a decision is required to be made by 11 March 2019.
- Council engaged the NSW Electoral Commission (NSWEC) to administer its 2012 and 2017 elections and those elections were run successfully and without incident.
- It is recommended that the NSWEC be engaged to administer Council's 2020 election for the following reasons – it will allow Council to remain at arms' length from the election process; it will ensure that the NSWEC is responsible for all risks associated with the management of the election; it avoids resourcing issues which would otherwise be associated with conducting the election; and there does not appear to be significant savings available to Council by administering its own election.

RECOMMENDATION

THAT:

1. In principle support be given to the following:
 - a) Pursuant to Section 296(2) and (3) of the Local Government Act, Hornsby Shire Council enter into an election arrangement contract for the Electoral Commissioner to administer all elections of Council.
 - b) Pursuant to Section 296(2) and (3) of the Local Government Act, as applied and modified by Section 18 of the Act, Hornsby Shire Council enter into a council poll arrangement contract for the Electoral Commissioner to administer all council polls of Council.
 - c) Pursuant to Section 296(2) and (3) of the Local Government Act, as applied and modified by Section 18 of the Act, Hornsby Shire Council enter into a constitutional referendum arrangement contract for the Electoral Commissioner to administer all constitutional referenda of Council.
2. Following receipt and evaluation of cost estimates from the NSW Electoral Commission, the General Manager be delegated authority to enter into a contract with the NSW Electoral Commission in accordance with the above, providing that such estimated costs are generally in line with those outlined in Deputy General Manager's Report No. CS1/19.
3. Should the cost estimates from the NSW Electoral Commission indicate a significant increase above the expectations outlined in Deputy General Manager's Report No. CS1/19, a further report be submitted for Council's consideration.

PURPOSE

The purpose of this Report is to provide Council with information which will enable it to make a decision in respect of who will conduct its 12 September 2020 election.

BACKGROUND

Section 296 of the Local Government Act provides that council elections are to be administered by the general manager of the council. Councils do, however, have an option to enter into a contract or make arrangements with the NSWEC to administer the council elections. In line with Section 55(3)(p) of the Act, a council does not need to invite tenders before entering into such a contract with the NSWEC.

Where a council decides to conduct its own elections, the general manager has full responsibility. In this regard, the general manager may choose to engage the services of an external provider to manage and/or assist in running the election. Where specific costs of engaging such a provider are expected to exceed \$150,000, tenders must be called for the required service in line with the tendering requirements of the Local Government Act. The responsibilities of a general manager in administering a council election are comprehensive and broad-ranging. They include tasks such as:

- Ensuring compliance with all relevant legislation
- Management of all election costs
- Appointing a suitably qualified independent returning officer and a substitute returning officer
- Determining the fees payable to those officers and other electoral officials
- Determining the polling places
- Managing candidate information
- Developing and printing all forms
- Preparing rolls for non-resident owners and occupiers/rate-paying lessees
- Managing postal voting and pre-poll voting
- Ensuring results and all relevant information is included on Council's website
- Determining non-voters and providing a list to the NSWEC within 14 days of the election
- Preparing a detailed report to the Minister for Local Government on the conduct of the election, ensuring disclosure of a number of things required by legislation including full and transparent costs.

Following consideration of Executive Manager's Report No. CC69/11 (prepared in respect of the 2012 election) and Deputy General Manager's Report No. CS49/14 (prepared in respect of the 2017 election), Council engaged the NSWEC to administer its 2012 and 2017 elections. No major issues arose in respect of either election and the service provided by the NSWEC was efficient and the necessary work was undertaken by knowledgeable and experienced staff. (N.B. The final cost for each election was less than the initial estimate provided by the NSWEC).

A decision about who is to conduct Council's 12 September 2020 election is required by legislation to be made at least 18 months prior to the election i.e. by 11 March 2019. As such, Council will need to resolve the matter at this Meeting.

DISCUSSION

Local Government Elections – 2016 and 2017

A total of 128 councils across NSW were required to hold elections in 2016 and 2017. Based on the NSWEC's Reports on those elections, 122 of the councils (i.e. 95.3% of the total) chose to have their election administered by the NSWEC whilst six councils (Fairfield, Gunnedah, Kempsey, Lake Macquarie, Maitland and Penrith) conducted their own elections. Whilst the six councils would undoubtedly claim that they saved money by conducting their own elections, a reliable cost comparison with the elections conducted by the NSWEC (for Hornsby and the remaining councils) is difficult to achieve.

There are many variable aspects to consider in a comparison, and without the benefit of a detailed cost sheet from each of the councils in the same format as provided by the NSWEC, it would not be clear whether equitable cost elements were included. For example, the method of voting impacts on election costs as does whether the election included a popularly-elected mayor, how many councillors were elected across how many wards, etc. There would also be difficulties in ensuring that the full resourcing costs of council staff to manage aspects of the elections and/or any costs of backfilling the positions for the election period were included.

Council's 2017 Election – Conducted by the NSWEC

The level of service provided by the NSWEC in administering Council's 2017 election was generally very good and saw relevant Council staff working well with the Returning Officer appointed by the NSWEC. The Returning Officer was knowledgeable, experienced and efficient, and although key staff had regular update meetings with the Returning Officer, there was little other impact on the staff's time which left them available to carry out their usual Council duties.

From an administrative perspective, Council noted some improvements and efficiencies that the NSWEC had implemented since the 2012 elections e.g. their greater involvement in sourcing and selecting appropriate Returning Officer's accommodation and improvements to their on line system for lodgement of non-residential roll applications. This ensured that the involvement of Council staff was minimal but effective.

The election itself ran smoothly, with no major issues being experienced. Following the election, notification of results by the NSWEC was efficient and timely. During the whole pre-election, election, and post-election process, any issues, concerns, and questions from the public were dealt with by the Returning Officer and/or her staff.

The total cost to Council of the 2017 election (exclusive of GST) was \$684,684 which equated to approximately \$6.90 per elector for each of the 99,160 registered electors. This compared to the \$637,009 expended by Council on the 2012 election and represents an increase of approximately 7.5%.

Administration of Council's 12 September 2020 Election

In determining who should be recommended to conduct Council's 2020 election, staff have given consideration to the following points.

- A decision to appoint the NSWEC would be consistent with that of approximately 95% of councils across NSW and should ensure an efficiency of approach in respect of all required elections.
- The NSWEC has successfully administered Council's 2012 and 2017 elections under a contract with Council. They also administered previous Council elections in line with State Government requirements at the time.

- It is prudent that Council remain at arms' length from the election process, ensuring openness and accountability. By engaging the NSWEC and not being directly involved in the running of its own election, such openness and accountability is clearly demonstrated to the community.
- If the NSWEC are contracted, they would be responsible for all the risks associated with running and managing the full election process. If Council runs its own election, it is accountable under the Local Government Act.
- If engaged, the NSWEC would manage all interfaces with the public. Their appointed staff would be responsible for responding to questions and enquiries from the public, ensuring all relevant information is loaded to our website, etc. leaving Council staff free to carry on with their usual duties.
- With the engagement of the NSWEC, any problems and issues would be handled by them, with back up able to be provided readily by their head office if required.
- The NSWEC have effectively adopted an "all or nothing" approach. In other words, if councils choose not to engage the NSWEC, the NSWEC is not responsible for providing any advice, assistance or materials whatsoever in relation to the election. The only thing provided through the NSWEC is the electoral roll, which is a legislative requirement.
- Should Council choose to run its own election it would be vital to engage an experienced and reliable returning officer as well as senior election personnel, either independently or through another election services provider. Such personnel are in limited supply and can be difficult to identify and locate, and there may be no assurances of their capability. Even if the personnel were able to be resourced, there would still need to be considerable involvement of Council staff, none of whom are experienced in the detailed process of actually running an election.
- Involvement of Council staff would continue beyond the finalisation of the election as it would be necessary to prepare a detailed report about the election for submission to the Minister for Local Government.
- Based on previous election costs, comparisons and assuming a similar increase for the 2020 elections, there does not appear to be significant savings that Council could achieve by choosing to conduct its own election in 2020.

Cost Estimate and Timing

As previously noted, in usual circumstances, and in accordance with Section 296AA of the Act, a decision about who is to conduct Council's 12 September 2020 election is required to be made at least 18 months prior to the election i.e. by 11 March 2019.

In order that councils could make an informed decision in respect of the above requirement, the NSWEC had committed to provide cost estimates for each council by mid to late January 2019, such that the information could be considered at councils' February meetings, and the above timeline could be met. As Hornsby Shire Council had not received their estimate at the time of writing this Report, contact was made with the NSWEC and Council was advised that the NSWEC would not be providing estimates "*pending a decision by DPC*" (Department of Premier and Cabinet). No further explanation or anticipated date for provision of the cost estimate was provided.

In light of this advice, Council officers contacted the Office of Local Government (OLG) for further information. The OLG indicated they were aware of this issue but were unable to provide further

details. Having regard to the non-provision of cost estimates, and consequently the inability for Council to make an informed decision about the administration and associated costs of running the election, it seemed that the legislative requirements would not be able to be met. However, it is important to clarify that the relevant section of the Act states that Council must resolve that an arrangement *is to be entered into* 18 months prior to the election, and the arrangement *actually be entered into* 15 months prior to the election.

Section 296 (3) of the Act relevantly provides:

- (3) *An election arrangement for the Electoral Commissioner to administer all elections of a council can be entered into if:*
- (a) *the council resolves at least 18 months before the next ordinary election of councillors that such an arrangement is to be entered into, and*
 - (b) *the arrangement is entered into no later than 15 months before the next ordinary election of councillors.*

Having regard to the above, it is proposed that Council resolve to enter into an election arrangement with the NSWEC, and the General Manager be granted delegation to enter into the arrangement pending provision of the cost estimates. This would allow a further three months in which Council could receive and review the cost estimates and subsequently enter into the arrangement.

Should the cost estimates indicate a significant increase in costs, Council would have the option of not proceeding to enter into the arrangement with the NSWEC.

In the event that consideration of the cost estimates cannot be undertaken with 15 months of the election, Council may still be able to enter into an arrangement with the NSWEC in accordance with Section 296 (5) of the Act, which states:

- (5) *An election arrangement for the Electoral Commissioner to administer an ordinary election of councillors can be entered into less than 15 months before the election if:*
- (a) *the council has resolved that an election arrangement for the election is to be entered into, and*
 - (b) *the Electoral Commissioner is satisfied that there are exceptional circumstances that make it necessary or desirable for the election to be administered by the Electoral Commissioner.*

Discussions with the OLG indicate that the non-provision of election cost estimates from the NSWEC would satisfy the requirement of exceptional circumstances, so this section of the Act could be utilised if necessary.

If Council is supportive of the staff's view that it is appropriate to engage the NSWEC to administer Council's 2020 election (and other associated by-elections and referendums which may be necessary), the OLG has previously provided a model resolution to assist councils to engage the NSWEC. The relevant part of the recommendation to this Report is consistent with the model resolution provided by the OLG.

Council's Ward Boundaries

In line with the requirements of the Local Government Act, Council is required to keep its ward boundaries under review to ensure that there is not more than a 10% variation in the number of

electors per ward. The latest elector numbers as at 22 December 2018 for A, B and C Wards are shown below:

A Ward	33,223 electors
B Ward	32,885 electors
C Ward	32,981 electors
Total	99,089 electors

As there are currently variations of less than 10% between the number of electors in each Ward, no action is required by Council because the Ward boundaries are still appropriate.

BUDGET

Although no official estimate of costs has yet been received from the NSWEC, having reviewed the 2012 and 2017 election costs, it is anticipated that a comparative increase for the 2020 elections would be applicable. Based on those figures it is considered that a total increase in costs for the 2020 elections in the vicinity of 7-8% from the 2017 election costs would be reasonable. Such an increase and resulting overall cost of approximately \$750,000 (exclusive of GST) for the 2020 elections would therefore fall within the provisions of Council's Long Term Financial Plan for the 2020/21 financial year. It should also be noted that for both the 2012 and 2017 elections, the actual costs incurred have been less than the estimate provided by the NSWEC.

POLICY

There are no policy implications associated with this Report.

CONCLUSION

Having regard to the information contained in this Report, staff believe it is appropriate that the NSWEC be engaged to administer Council's 2020 election. The main reasons for such a recommendation are that the NSWEC has successfully administered Council's 2012 and 2017 elections under a contract with Council; it will allow Council to remain at arms' length from the election process; it will ensure that the NSWEC will be responsible for all risks associated with the management of the election; it will avoid resourcing issues which would otherwise be associated with conducting the election; and based on previous election costs, comparisons and anticipated estimates, there would not appear to be significant savings that Council could achieve by choosing to conduct its own election in 2020.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Manager, Governance and Customer Service – Robyn Abicair, who can be contacted on 9847 6608.

ROBYN ABICAIR
Manager - Governance and Customer Service
Corporate Support Division

GLEN MAGUS
Acting Deputy General Manager - Corporate
Support
Corporate Support Division

Attachments:

There are no attachments for this report.

File Reference: F2019/00008

Document Number: D07589491

ITEM 2

3 INVESTMENTS AND BORROWINGS FOR 2018-19 - STATUS FOR PERIODS ENDING 30 NOVEMBER 2018 AND 31 DECEMBER 2018

EXECUTIVE SUMMARY

- This Report provides details of Council's investment performance for the period ending 30 November 2018 and 31 December 2018 as well as the extent of its borrowings at the end of the same periods.
- Council invests funds that are not, for the time being, required for any other purpose. The investments must be in accordance with relevant legislative requirements and Council's policies and the Chief Financial Officer must report monthly to Council on the details of funds invested.
- All of Council's investments have been made in accordance with the Local Government Act, the Local Government (General) Regulation and Council's Investment of Surplus Funds Policy and Investment Strategy.
- In respect of Council's cash and term deposit investments, the portfolio achieved an annualised return of 2.37% for November 2018 and 2.32% for December 2018 and year to date 2.29%.

RECOMMENDATION

THAT the contents of Deputy General Manager's Report No. CS2/19 be received and noted.

PURPOSE

The purpose of this Report is to advise Council of funds invested in accordance with Section 625 of the Local Government Act; to provide details as required by Clause 212(1) of the Local Government (General) Regulation and Council's Investment of Surplus Funds Policy; and to advise on the extent of Council's current borrowings.

BACKGROUND

A report is required to be submitted for Council's consideration each month detailing Council's investments and borrowings and highlighting the monthly and year to date performance of the investments. Initial investments and reallocation of funds are made, where appropriate, after consultation with Council's financial investment adviser and fund managers.

DISCUSSION

Council invests funds which are not, for the time being, required for any other purpose. Such investment must be in accordance with relevant legislative requirements and Council Policies, and the Chief Financial Officer must report monthly to Council on the details of the funds invested. Council's investment performance for the months ending 30 November 2018 and 31 December 2018 is detailed in the attached document. In summary, the portfolio achieved an annualised return of 2.37% for November 2018 and 2.32% for December 2018 and year to date 2.29%.

In respect of Council borrowings, the weighted average interest rate payable on outstanding loans taken out from June 2009 to date, based on the principal balances outstanding is 6.76%. The Borrowings Schedules as at 30 November 2018 and 31 December 2018 are also attached for Council's information.

It is noted that the T-Corp investment funds which represents approximately 5% of the total investment portfolio, derived a negative yield of 7.5% calculated on an annualised basis. This negative yield reported at 31 December 2018 has largely recovered from positive growth during the month of January 2019.

Higher investment returns come with taking on a certain level of risk during periods of financial market volatility. TCorp constructs portfolios with a focus on long term investment outcomes. This is achieved by focusing on investing in quality, long-term growth assets and to diversify the funds in terms of both asset class and investment style, whilst working to mitigate risks. Over the past 10 years the TCorp Medium Term Growth Fund has returned 5.81% per annum (after fees) which included during this period of time a global financial crisis.

BUDGET

Budgeted investment income for 2018/19 is \$3,679,500 with an average budgeted monthly income of \$306,625. Year to date investment income ended 31 December 2018 was \$3,467,800 which includes unrealised gains or losses from managed funds. Approximately 26% of the investment income received by Council relates to externally restricted funds (e.g. Section 711 development contribution funds) and is required to be allocated to those funds. All investments have been made in accordance with the Local Government Act, the Local Government (General) Regulation and Council's Investment of Surplus Funds Policy and Investment Strategy.

CONSULTATION

Appropriate consultation has occurred with Council's investment advisor in the preparation of this Report.

CONCLUSION

The investment of Council funds and the extent of its borrowings as at 30 November 2018 and 31 December 2018 are detailed in the documents attached to this Report. Council's consideration of the Report and its attachments ensures that the relevant legislative requirements and Council protocols have been met in respect of those investments and borrowings.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Acting Chief Financial Officer – Pam Cook - who can be contacted on 9847 6834.

PAMELA COOK
Operations Accounting Manager - Financial
Operations
Corporate Support Division

GLEN MAGUS
Acting Deputy General Manager -
Corporate Support
Corporate Support Division

Attachments:

1. [⇒](#) HSC Investment Summary Report November 2018
2. [⇒](#) HSC Investment Summary Report December 2018
3. [⇒](#) HSC Borrowings Schedule 30 November 2018
4. [⇒](#) HSC Borrowings Schedule 31 December 2018

File Reference: F2004/06987-02
Document Number: D07591704

4 REPORTING VARIATIONS TO DEVELOPMENT STANDARDS

EXECUTIVE SUMMARY

- In accordance with Department of Planning and Environment's *Planning Circular PS 08-14*, Council is required to report variations to development standards for development applications approved under delegated authority, which relied upon *State Environmental Planning Policy No. 1 – Development Standards (SEPP 1)* or Clause 4.6 of the *Hornsby Local Environmental Plan - 2013 (HLEP)*.
- Council's consideration of this report ensures Council's obligation to monitor variations to development standards is complied with.

RECOMMENDATION

THAT the contents of Group Manager's Report No. PL1/19 be received and noted.

PURPOSE

The purpose of this report is to advise Council of determined development applications under delegated authority involving a *SEPP 1* or *Clause 4.6* variation to a development standard for the period 1 October 2018 to 31 December 2018.

DISCUSSION

Department of Planning and Environment's *Circular B1*, issued in March 1989, requested that councils monitor the use of the Secretary's assumed concurrence under *SEPP 1* on a quarterly basis. This reporting requirement remains effective.

Monitoring of variations to development standards is important to provide the Department and councils with an overview of the manner in which established development standards are being varied and whether the assumed concurrence is being used as intended. This enables Council and the Department to determine whether development standards are appropriate, or whether changes are required.

The Department issued *Circular PS 08-014* on 14 November 2008. The purpose of the Circular was to remind councils of their responsibilities to monitor the use of the Secretary's assumed concurrence under *SEPP 1*. Councils were reminded of the need to keep accurate records of the use of *SEPP 1* and to report on a quarterly basis.

The *Circular* also provides that councils are required to adopt the following four measures:

1. Establish a register of development applications determined with variations in standards under *SEPP 1*.
2. Require all development applications where there has been a variation greater than 10% in standards under *SEPP 1* to be determined by full council (rather than General Manager or nominated staff member).
3. Provide a report to Council on the development applications determined where there had been a variation in standards under *SEPP 1*.
4. Make the register of development applications determined with variations in standards under *SEPP 1* available to the public on the council's website.

In accordance with Point 3 of Department Circular, attached is a list of development applications determined between 1 October 2018 to 31 December 2018.

A copy of the attachment to this report is also reproduced on Council's website.

BUDGET

There are no budget implications.

POLICY

This report addresses Council's reporting obligations for development applications determined where there has been a variation in standards under *SEPP 1*. Under the HLEP 2013, the application of the provisions of *SEPP 1* has been replaced by *Clause 4.6* (exceptions to development standards). The Department of Planning and Environment has advised that the current reporting practice for variation to development standards continues to apply for applications involving a submission pursuant to *Clause 4.6* of the HLEP 2013.

CONCLUSION

Council is required to monitor the manner in which development standards are being varied. This assists in determining whether changes are required to relevant standards. This report provides advice to Council on standards varied under delegated authority which relied upon SEPP 1 or Clause 4.6 of the HLEP during the reporting period from 1 October 2018 to 31 December 2018.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this report is the Group Manager Planning Division – James Farrington, who can be contacted on 9847 6750.

JAMES FARRINGTON
Group Manager Planning
Planning Division

Attachments:

1. [↔](#) Clause 4.6 Returns - 1 October 2018 to 31 December 2018

File Reference: F2004/07599-02
Document Number: D07594179

5 MAYOR'S NOTES FROM 1 DECEMBER 2018 TO 31 JANUARY 2019

Note: These are the functions that the Mayor, or his representative, has attended in addition to the normal Council Meetings, Workshops, Mayoral Interviews and other Council Committee Meetings.

Saturday 1st December 2018 – The Mayor attended an Informal Retirement Morning Tea for Gwen Bitti and Nan Horne at Gumnut Community Centre in Cherrybrook.

Saturday 1st December 2018 – On behalf of the Mayor, Councillor Robert Browne attended the 2018 Bushcare Christmas Party at Magpies Waitara in Waitara.

Saturday 1st December 2018 – On behalf of the Mayor, Councillor Nathan Tilbury attend the Brooklyn Community Association AGM and Christmas Celebrations at Brooklyn Community Centre, Brooklyn.

Monday 3rd December 2018 – The Mayor attended the Official Welcome to the Event – Activate Inclusion Sports Day hosted by Sports NSW at Hornsby Kuring Gai PCYC in Waitara.

Monday 3rd December 2018 – The Mayor attended International Day of People with Disabilities (Family Advocacy – Stand By Me) in Hornsby Mall, Hornsby.

Wednesday 4th December 2018 – On behalf of the Mayor, Councillor Warren Waddell attended Galston High School Annual Presentation Evening held at Galston High School, Galston.

Thursday 6th December 2018 – The Mayor attended and was part of the Official Party for the Cheltenham Girls High School Annual Presentation Day held in the Concert Hall at Sydney Opera House, Sydney.

Thursday 6th December 2018 – The Mayor hosted the Mayors Christmas Function in the Forecourt of Hornsby Shire Council, Peats Ferry Road, Hornsby.

Friday 7th December 2018 – On behalf of the Mayor Councillor Nathan Tilbury attended Asquith Girls High School 2018 Annual Presentation Day held in the Showroom of Hornsby RSL, Hornsby.

Friday 7th December 2018 – On behalf of the Mayor, Deputy Mayor; Councillor Vince Del Gallego attended Warrah Christmas Celebrations at Warrah in Dural.

Friday 7th December 2018 – On behalf of the Mayor, Councillor Robert Browne attended the Hornsby Ku-Ring-Gai Community College Christmas Function held in Hornsby.

Saturday 8th December 2018 – The Mayor attended the Joint Hornsby SEC and Berowra FEC Christmas Party (Matt Kean MP and Julian Leeser MP) held in Pennant Hills.

Sunday 9th December 2018 – On behalf of the Mayor, Councillor Nathan Tilbury attended a Thanksgiving Service for the SRE Teachers at St Luke's Church, Hornsby Heights.

Sunday 9th December 2018 – The Mayor attended and officially opened the Concert of the Jindance Ballet School in the Showroom at Hornsby RSL, Hornsby.

Sunday 9th December 2018 – The Mayor attended Carols at Asquith Oval in Asquith.

Monday 10th December 2018 – The Mayor attended Councils Community Recycling Centres 1st Birthday Morning Tea held at the CCRC in Thornleigh.

Tuesday 11th December 2018 – The Mayor attended The Hills Grammar School 36th Annual Presentation Awards held at The Darling Theatre, International Convention Centre, Darling Harbour in Sydney.

Tuesday 11th December 2018 – On behalf of the Mayor, Councillor Robert Browne attended the End of Year BBQ and Christmas Celebrations of the 1st Cherrybrook Scout Group held in Cherrybrook.

Tuesday 11th December 2018 – On behalf of the Mayor, Deputy Mayor; Councillor Vince Del Gallego attended the End of Year Dinner of the Lions Club of Hornsby held in Turramurra.

Tuesday 11th December 2018 – The Mayor attend Pennant Hills High School Presentation Evening held at Pennant Hills High School in Pennant Hills.

Wednesday 12th December 2018 – The Mayor attended the Berowra Public School Presentation Day held at Berowra Public School, Berowra.

Thursday 13th December 2018 – The Mayor attended the Clarke Road School Annual Presentation Day held at Clarke Road School, Hornsby.

Thursday 13th December 2018 – On behalf of the Mayor, Deputy Mayor; Councillor Vince Del Gallego attended Normanhurst Public School Annual Presentation Day held at Normanhurst Public School in Normanhurst.

Thursday 13th December 2018 – On behalf of the Mayor, Councillor Warren Waddell attended the Asquith Public Primary School Presentation Assembly held at Asquith Public School, Asquith.

Sunday 16th December 2018 – The Mayor attended Christmas Carols held at St George Maronite Catholic Church in Thornleigh.

Monday 17th December 2018 – On behalf of the Mayor, Councillor Nathan Tilbury attended Hornsby Girls High School Annual Speech Day and Presentation held at Sydney Town Hall, Sydney.

Monday 17th December 2018 – The Mayor attended Asquith Boys High School 58th Annual Presentation Evening held at Asquith Boys High School.

Tuesday 18th December 2018 – The Mayor attended Normanhurst Boys High School Presentation Evening held in the Showroom of Hornsby RSL, Hornsby.

Saturday 26th January 2019 – The Mayor hosted a Citizenship Ceremony on Australia Day 2019.

Saturday 26th January 2019 – The Mayor attended and gave a speech at the Australia Day Celebrations in Hornsby Mall, Hornsby.

Monday 28th January 2019 – The Mayor attended the Rotary Club of Pennant Hills Australia Day Award held at Beecroft Bowling Club in Beecroft.

File Reference: F2004/07053

Document Number: D07598881

6 DRAINAGE AND OTHER IMPROVEMENTS AT BEROWRA

ITEM 6

COUNCILLOR TILBURY TO MOVE

That Council:

1. Take immediate steps to resolve the drainage issues from Council's drainage system that have occurred through the crown land downstream of the Berowra RSL and adjoining shopping area and that the damage that has occurred as a result be immediately repaired.
2. Urgently request the NSW State Government to facilitate a co-ordinated response to the management of this Crown Land including the provision of funds for necessary improvements to ensure that this area is safe and accessible for the many commuters, shoppers and school children that need to use the area.

Attachments:

There are no attachments for this report.

File Reference: F2014/00505

Document Number: D07607114