



SUPPLEMENTARY BUSINESS PAPER

**(Late Item Memo)
GENERAL MEETING**

**Wednesday 11 April 2018
at 6:30PM**



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SUPPLEMENTARY ITEMS

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ITEM 2 CS15/18 - Draft Community Strategic Plan 2018-2028, Delivery Program 2018-21 Including the Operational Plan and Budget, and Fees and Charges 2018/19 - Adoption of Documents for Public Exhibition

Additional information with CHANGE to Recommendation

Council's draft Community Strategic Plan 2018-2028 and Delivery Program 2018-21 including the Operational Plan and Budget are included in the business papers for discussion at the 11 April 2018 General Meeting. Since preparing the draft documents, two Councillors have submitted requests for amendments and for the inclusion of additional items into the documents. Those amendments and inclusions are documented in the tables below with an officer's recommendation for each item.

Note first column in table:

- CSP = Community Strategic Plan
- DPOP = Delivery Program including Operational Plan

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|---------------------------------------|---|--|--|
| CSP, p6 (and DPOP, p5) | About Hornsby Shire | Alter the paragraph order to better acknowledge traditional owners | Supported. | |
| CSP, p8 | Top 10 Emerging Trends | Remove: 'Mobile lifestyle enabled through public transport and cars' | Not supported as this would be changing the consultant's report. | McCrindle is a firm of social researchers with expertise in analysing findings and identifying strategic trends. The Top Emerging Trends on p8 are taken from a report commissioned by Council to define the trends shaping the Shire. |
| | Who is McCrindle? | Add: 'Increasing extreme weather events' | | |
| | Some trends have existed since 1960's | Reword: 'A home for families and the next generations' to 'Housing affordability' | | |
| CSP, | What the | Add: 'Increasing | Supported. The | What would make living |

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|---|---|--|---|
| p11 | <p>community said: What would make living here better</p> <p>Second most popular response after less development and less congestion</p> | protection and extent of tree canopy' | suggested wording better reflects the community's responses. | <p>here better: Improvements to traffic congestion and parking, higher quantity and quality of services and facilities, would make the area better.</p> <p>How would you like the Shire to be in 10 years' time: Many residents would like less development in general and a balance of better planning for developments with protection of the environment, bush and green spaces.</p> |
| CSP, p12 | <p>Challenges</p> <p>Text does not do justice to people's concerns and the challenges we know we face</p> | Add reference to: Climate change; lack of public transport derives; traffic congestion; community dissatisfaction with the nature and rate of development | Supported | <p>Add as extra paragraph on p12: Some of the major challenges ahead are:</p> <ul style="list-style-type: none"> • Climate change and its impact on our bushland shire • Traffic congestion and its impact on the ability to move around easily • The nature and rate of development and its impact on the sense of community valued by residents |
| CSP, p19 | <p>Sustainable – What the community can do to help make this happen</p> | Add: Reduce and compost food waste; Avoid single-use disposable plastic, Avoid car travel | Supported | <p>Reword: Reduce, re-use and recycle waste, including food waste</p> <p>Add: Avoid single use disposable plastic</p> <p>Add: Reduce car travel where possible</p> |
| CSP, p22 (and DPOP, | <p>Collaborative – Focus areas</p> | Add two more focus areas: Finding innovative and effective ways to | Supported | Combine suggested wording into existing: 'Being accountable to the community by finding |

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|---|---|----------------|--|
| p66) | | consult with the community; Sharing information quickly and clearly | | innovative and effective ways to consult with the community and sharing information quickly and clearly' |
| CSP, p23 | Collaborative – What the community can do to help make this happen | Add: Attend monthly Council meetings; Follow Hornsby Shire Council on Facebook, Instagram, Twitter; Email or call councillors about issues that matter to you | Supported | |
| DPOP, p15 (and CSP, p16) | Liveable - Focus areas for Council | Add: (1) 'Advocating with the state government for the infrastructure needs of the local area' Add: (2) 'Identifying, protecting and creating' in front of 'Places and spaces for people' Add: (3) 'Identify areas for future green space or open space acquisition and protection' in 1H service description | Supported | The focus areas generally provide a link to the Greater Sydney Commission's North District Plan. (1) Add as focus area and link to 1A, 1H, 2C and 3D (2) Expand wording of focus area (3) Add to 1H service description |
| DPOP, p28 | 1G. Service profile – Libraries | Add two service delivery indicators: Average items loaned per person per year; Number of residents who belong to the library | Supported | New indicator: Average items loaned per library member per year. New indicator: % of residents who belong to Council's libraries |
| DPOP, | 1G. Service | Add Key Initiative: | Not supported | Library facilities are |

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|---|--|--------------------------------|---|
| p29 | profile – Libraries | Investigate and plan for additional library facilities | | covered in Community and Cultural Facilities Strategic Plan August 2015. Follow-up work will be covered in Hornsby East Side masterplan |
| DPOP, p33 | 1i. Service profile – Aquatic and Leisure Centres | Add Ongoing Activity: Investigate energy efficiency opportunities for the HALC | Supported | Add Ongoing Activity: Investigate additional energy efficiency opportunities for the HALC |
| DPOP, p41 | 2C. Service profile – Conserve and enhance natural resources | Change 'Assess' to 'Create': Create an urban forest management plan. Change 'Implement' to 'Develop': Develop an ecological offset policy. | Supported Not supported | Reword to: Create an urban forest strategy. Already developed ecological offset policy – Green Offsets Policy. Suggest Council be provided with a Briefing. |
| DPOP, p49 | 2G. Service profile – Provide a domestic recycling and waste service | Add Key Initiative: Investigate eliminating single-use disposable plastic items from Council events, sponsored events and operations | Not supported | Policy position requiring whole of Council agreement. Suggest that Council develop a position via the waste management strategy |
| DPOP, p56 | 3C. Service profile – Strategic planning | Add: Lobby state government and agencies to ensure residents' concerns about overdevelopment and lack of infrastructure are addressed. Add: Lobby state government to ensure that SEPPs do not override local | Supported Supported | |

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|---|---|--|---|
| | | strategic planning. | | |
| DPOP, p57 | 3C. Service profile – Strategic planning | Add Ongoing activity: Continue to work on design excellence initiatives | Supported | |
| DPOP, p59 | 3D. Service profile – Manage traffic flows, parking etc. | Add Ongoing activity: Encourage and facilitate active transport such as cycling and walking | Supported | |
| DPOP, p61 | 3E. Service profile – Traffic enforcement | Add Ongoing activity: Prioritise EVs and car sharing. | Not supported (note alternative suggestion) | Policy position requiring whole of Council agreement. Suggest that Council position be considered through future report. |
| DPOP, p65 | 3G. Service profile – Commercial waste | Add Ongoing activity: Encourage diversion from landfill with strict targets | Not supported without formal consideration of the policy impacts for Council | Issue should be considered through the Waste Management Strategy. Commercial Waste responds to business needs. Landfill diversion is encouraged via preferential pricing – see draft Fees and Charges p76. |
| DPOP, p70 | 4B. Service profile – Procurement Council still has a sustainable procurement directive (not policy) from 2013 which is in need of review but still | Add three words to end of third dot point in Service Profile: recommending and implementing changes in procurement practices that result in corporate cost reductions/savings and process efficiencies and environmental sustainability | Sentiment is supported although not for inclusion into the DPOP. | Sustainable Procurement Determination is the responsibility of the ExCo management group and will be reviewed in 2018/19. |

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|--|---|--|--|
| | valid | | | |
| DPOP, p81 | <p>4G. Service profile – Support an engaged, productive and healthy workforce</p> <p>Is the movement of long term casuals into permanent positions an Ongoing Activity for Council? Believe that several people in the Waste teams have worked for very extended periods for Council as casuals</p> | Add Ongoing activity about the movement of long term casuals into permanent positions | Not supported for inclusion into DPOP. | Update of the Workforce Strategy will ensure alignment to Council strategic direction. |
| DPOP, p85 | <p>4i. Service profile – Increase Council's positive profile</p> | Change 'Increase' to 'Review': Review community recognition of Council activities | Supported | |
| DPOP, p85 | <p>4i. Service profile – Increase Council's positive profile</p> <p>They're the ones that residents most often interact with in person, for better or</p> | Add dot point: Support front-line customer service staff in libraries, cleansing and waste services | <p>The sentiment is supported. What is proposed to be included is the following statement</p> <p><i>Council continue to support all front line customer service staff.</i></p> | <p>Many other areas of Council have front facing customer service as part of their service delivery, e.g. Rates staff and the Customer Service Counter staff.</p> <p>The update of the Workforce Strategy will consider these issues in more detail.</p> |

| CLR HEYDE's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---------------------------------------|---|--|----------------|----------|
| | worse, and would like that role and responsibility acknowledged | | | |

| CLR TILBURY's REQUESTS – IP&R documents | | | RECOMMENDATION | COMMENTS |
|---|--|--|----------------|---|
| DPOP, p16 | 1A. Service profile – Provide a management and maintenance service for Council's assets | <p>Add Key Initiative: Identify key missing footpath links across the Shire</p> <p>Add Key Initiative: Identify funding opportunities to accelerate construction of key missing footpath links</p> | Supported | <p>Much of this work is underway already.</p> <p>An update of the Footpath Masterplan has been already flagged with Council</p> |

Exhibition of the documents

If the changes recommended in the tables above are supported by Council, the commencement of the exhibition period will need to be delayed by two business days to accommodate the inclusion of the changes in the documents, printing of altered documents for display at libraries and for uploading to Council's website. This would result in the documents being exhibited for 28 days from Monday 16 April to Monday 14 May 2018.

The documents can be viewed at Council libraries during normal opening hours and at Council's Administration Building between 8.30am and 5pm Monday to Friday, and on Council's website at hornsby.nsw.gov.au/onexhibition

RECOMMENDATION**THAT:**

1. Subject to the inclusion of the items recommended for support in Late Items Memo No LM5/18, Council adopt for public exhibition and make available for public comment from 16 April to 14 May 2018, the draft Community Strategic Plan 2018-2028, the draft Delivery Program 2018-21, including the draft Operational Plan 2018/19 which includes the draft Budget, Fees and Charges and Rating Structure for 2018/19.
2. Council note that the rating information contained in the Delivery Program 2018-21 including the draft Operational Plan 2018/19 is in line with the Independent Pricing and Regulatory Tribunal's rate increase approval for NSW councils (i.e. a 2.3% rate increase for 2018/19).
3. Following the public exhibition period, and before 30 June 2018, a further report be prepared which provides details of any submissions received and recommends the adoption of a final Delivery Program 2018-21 including the Operational Plan 2018/19, which contains the Budget, Fees and Charges and Rating Structure for that year.

GARY BENSLEY
Deputy General Manager - Corporate Support
Corporate Support Division

STEVEN HEAD
General Manager
General Manager Division

Attachments:

There are no attachments for this report.

File Reference: F2017/00322
Document Number: D07425264

ITEM 4 PL11/18 - South Dural Planning Proposal*Additional information with Change to Recommendation*

On 10 April 2018, Council received a letter (copy attached) from the Folkestone-Lyon Joint Venture, the proponent for the South Dural Planning Proposal, commenting on Group Manager's Report No. PL11/18.

Of note, the proponent identifies that the Infrastructure and Business Case submitted by the proponent is no longer relevant as it was predicated on the consolidation of land comprised of a combination of freehold holdings and option agreements, the latter which have now lapsed and as a consequence, the previous arrangements between the South Dural Residents and Ratepayers Group and proponent have come to an end.

Attachment 1 to Group Manager's Report identifies the reasons not to proceed with the South Dural Planning Proposal. Based on the proponent's advice, the Attachment should be revised to include a further reason not to proceed by amending Reason 2 as follows:

2. *The South Dural Infrastructure Strategy and Business Case prepared by APP dated 16 September 2016 and the Infrastructure Services Report prepared by Cardno dated August 2016:*
 - a. *Have not adequately demonstrated the "no additional cost to Government" principle of the Gateway Determination condition with respect to the required road and other infrastructure upgrades for South Dural; and*
 - b. *Are no longer relevant as they were predicated on the consolidation of land comprised of a combination of freehold holdings and option agreements, the latter which have now lapsed and as a consequence the previous arrangements between the South Dural Residents and Ratepayers Group and proponent (i.e. Folkestone-Lyon Joint Venture) have come to an end.*

The proponent continues to support the underlying strategic and commercial merit of the South Dural Planning Proposal as it would have brought together the opportunity for the release of new housing of varying types and densities in exchange for private enterprise to part finance the required upgrade of State owned roads and infrastructure. However, the proponent also recognises that the delivery of such a proposal is not possible based on the "guaranteed cost recovery from the development" principle asserted by the Department of Planning and Environment.

Accordingly, the proponent requests the immediate return of the Bank Guarantee provided to Council for the purposes of payment of Council's costs in the preparation of the Planning Proposal. The proponent identifies that it will not consent to the ongoing use of the Bank Guarantee for any

additional work, however will honour its commitment to the funding agreement with Council by meeting the cost of any of Council's outstanding invoices.

Recommendation Number 3 of the Report specifies that the bank guarantee will be released upon payment of all Council's outstanding invoices. Accordingly, no amendment is required.

RECOMMENDATION**THAT:**

1. Council request the Greater Sydney Commission not proceed with the South Dural Planning Proposal and Dural Service Centre Planning Proposal for the reasons in Attachment 1 of Late Item Memo No. LM3/18 pursuant to Section 3.35(4) of the *Environmental Planning and Assessment Act 1979*.
2. Council advise the South Dural Residents and Ratepayers Group that Council does not support its request for an extension of the Gateway deadline for the Planning Proposal.
3. Upon payment of all Council's outstanding invoices by Statewide Property Ventures Pty Ltd, Council release the Bank Guarantee dated 3 December 2015 for payment of the cost of the Peer Review and Council resources to progress evaluation of the Planning Proposal.
4. Council notify the proponent and submitters on the Planning Proposal of Council's resolution.

JAMES FARRINGTON
Group Manager Planning
Planning Division

Attachments:

1. [Letter from Folkestone- Lyon Group](#)
2. [Attachment 1 - Reasons not to proceed](#)

File Reference: PP/1/2013
Document Number: D07424760



Mr Jason Rawlin
Acting Manager
Strategic Planning Branch
Hornsby Shire Council
296 Pacific Highway
Hornsby NSW 2077

Dear Jason

We refer to your letter dated 3 April 2018 regarding the Group Manager's Report No. PL11/18 ("Report") on the South Dural Planning Proposal.

Folkestone-Lyon, as the Developer Proponent ("Proponent") for the South Dural Planning Proposal, wish to make the following comments in respect of the Report:

1. The Infrastructure and Business case submitted by the Proponent is now no longer relevant as it was predicated on the aggregation of land under a combination of freehold holdings and Option Agreements – a fact made clear to all stakeholders. Option Agreements have now lapsed and as a consequence, the previous arrangements between the South Dural Residents and Ratepayers Group and the Joint Venture arrangements between Folkestone Limited and Lyon Group Australia are at an end;
2. Whilst Folkestone-Lyon strongly support the underlying strategic and commercial merit of the Proposal to re-zoning of South Dural, we advise that this is not possible under the intent of the endorsed process as set out in the Group Managers Report No. PL 117/13. **We therefore seek the immediate return of the Bank Guarantee;**
3. Folkestone-Lyon do not consent to the ongoing use of the Bank Guarantee for any other future purpose nor for further studies by Council or for work requested by the South Dural Residents and Ratepayers Group. Folkestone-Lyon will however, consistent with the intent, meet the cost of any of Council's outstanding invoices under the previously endorsed process;



4. Folkestone-Lyon consider the assessment of the Planning Proposal for South Dural to have been procedurally inadequate. Furthermore, we submit that the outcomes recommended by the NSW Department of Planning & Environment (DOPE) in respect of State Road infrastructure unfairly treat the Proponent and residents of South Dural; particularly in respect of the requirement for a "guaranteed cost recovery from the development".

This is inconsistent with the precedent which has previously been applied by the DOPE on infrastructure and the overall Business Case for the release of rural land at Box Hill North;

5. Folkestone-Lyon further submits that a material proportion of the traffic and congestion now in and around South Dural is as a direct consequence of land release by DOPE in the surrounding areas of South Dural (including the recent Box Hill North).

Folkestone-Lyon's traffic analysis (undertaken by leading consultants WSP Australia Pty Limited) confirms that, **regardless of the release of residential land in South Dural, upgrades to New Line and Old Northern Road would be still be required.**

The Proponent and residents of South Dural therefore seek to understand the justification for the departure from previous policy. Rejection by DOPE of the Folkestone-Lyon Proposal will now require the Government to entirely fund the required Infrastructure for the Precinct and further delay its delivery to the frustration of local residents;

6. Folkestone-Lyon asserts that the main summary of the Peer Review was that the technical gaps of the Planning Proposal could be overcome and do not prejudice the consideration of a revised Planning Proposal. **Furthermore, the Peer Review supports the fact that, if funding arrangements for the required infrastructure can be resolved, then a revised Planning Proposal could proceed.**

7. Folkestone-Lyon also submits that the South Dural Proposal illustrates that Council and the DOPE are obliged to immediately reform policy in respect of the dealing on submissions received on Planning Proposals to the betterment of the NSW Planning system.

The form and substance of submissions received against the Proposal established that 93% were of a pro-forma nature and, in many cases submitted from the same email/household albeit by different people and predominantly relating to the impact on already failing roads and congestion – a matter substantially addressed under the Proposal.

We are concerned that in the absence of adequate transparent policy and governance, the need for urgent and major strategic decisions may be undermined by an orchestrated minority at the consequence of a greater net benefit to the broader community.



We remain resolute that the Folkestone-Lyon Proposal for South Dural was a unique opportunity for private enterprise to commence and substantially finance critical upgrades to failing State-owned roads and infrastructure in and around South Dural and to deliver new and diverse housing types, a range of densities around public open space and to preserve and celebrate the unique natural bush land.

We are disappointed that this opportunity has been unsuccessful and overlooked.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ben Dodwell'.

Ben Dodwell
Head of Real Estate
Folkestone Limited

A handwritten signature in black ink, appearing to read 'Mike Milliken'.

Mike Milliken
Director
Lyon Group Australia Pty Ltd

Attachment 1 – Reasons not to proceed with South Dural Planning Proposal

1. The Planning Proposal is inconsistent with the following Actions under Priority N18 – Better managing rural areas of the 'North District Plan':
 69. *Maintain or enhance the values of the Metropolitan Rural Area using place-based planning to deliver targeted environmental, social and economic outcomes, including rural residential development.*
 70. *Limit urban development to within the Urban Area.*
2. The South Dural Infrastructure Strategy and Business Case prepared by APP dated 16 September 2016 and the Infrastructure Services Report prepared by Cardno dated August 2016:
 - a. Have not adequately demonstrated the "no additional cost to Government" principle of the Gateway Determination condition with respect to the required road and other infrastructure upgrades for South Dural; and
 - b. Are no longer relevant as they were predicated on the consolidation of land comprised of a combination of freehold holdings and option agreements, the latter which have now lapsed and as a consequence the previous arrangements between the South Dural Residents and Ratepayers Group and proponent (i.e. Folkestone-Lyon Joint Venture) have come to an end.
3. The Department of Planning and Environment no longer supports the Planning Proposal due to the "absence of guaranteed cost recovery from the development".
4. The outstanding matters in the Planning Proposal, technical studies and draft structure plan outlined in Section 5 (pages 16-21) of the GLN Peer Review Report attached to Group Manager's Report No. PL11/18.