



# **BUSINESS PAPER**

## **GENERAL MEETING**

**Wednesday 11 May 2022  
at 6:30PM**



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## **AGENDA AND SUMMARY OF RECOMMENDATIONS**

### **PRESENT**

### **NATIONAL ANTHEM**

### **OPENING PRAYER/S**

Father Stephen Wayoyi, of St. Agathas Catholic Church, Pennant Hills will open the 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."*

### **ACKNOWLEDGEMENT OF COUNTRY**

Statement by the Chairperson:

*"Council recognises the Traditional Owners of the lands of Hornsby Shire, the Darug and GuriNgai peoples, and pays respect to their Ancestors and Elders past and present and to their Heritage. We acknowledge and uphold their intrinsic connections and continuing relationships to Country."*

### **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 10.4 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*

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*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 4.16 and 4.17 of Council's Code of Conduct for Councillors 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").*

*4.16 A councillor who has a 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.*

*4.17 The councillor 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, or*
- b) at any time during which the council or committee is voting on any question in relation to the matter.*

*Clause 5.10 and 5.11 of Council's Code of Conduct for Councillors requires that a councillor or a member of a Council committee who has a non 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").*

*5.10 Significant non-pecuniary conflict of interests must be managed in one of two ways:*

- a) by not participating in consideration of, or decision making in relation to, the matter in which you have the significant non-pecuniary conflict of interest and the matter being allocated to another person for consideration or determination, or*
- b) if the significant non-pecuniary conflict of interest arises in relation to a matter under consideration at a council or committee meeting, by managing the conflict of interest as if you had a pecuniary interest in the matter by complying with clauses 4.16 and 4.17.*

*5.11 If you determine that you have a non-pecuniary conflict of interest in a matter that is not significant and does not require further action, when disclosing the interest you must also explain in writing why you consider that the non-pecuniary conflict of interest is not significant and does not require further action in the circumstances.*

**CONFIRMATION OF MINUTES**

THAT the Minutes of the General Meeting held on 13 April, 2022 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**

Nil

**CORPORATE SUPPORT DIVISION****Page Number 1**

**Item 1 CS4/22 REVIEW OF POLICIES AND CODES - GENERAL MANAGER'S AND CORPORATE SUPPORT DIVISIONS**

**RECOMMENDATION**

THAT Council adopt the recommendations contained in the table in Director Corporate Support Report No. CS4/22 in respect of each of the current policies under the jurisdiction of the General Manager's and Corporate Support Divisions.

**Page Number 12****Item 2 CS26/22 INVESTMENTS AND BORROWINGS FOR 2021/2022 - STATUS FOR PERIOD ENDING 31 MARCH 2022****RECOMMENDATION**

That the contents of Director's Report No. CS26/22 be received and noted.

**Page Number 15****Item 3 CS29/22 2021/22 BUDGET - MARCH 2022 QUARTER REVIEW****RECOMMENDATION**

THAT the March 2022 Quarter Review of the Operational Plan (Budget) for 2021/22 be received and noted.

**Page Number 23****Item 4 CS31/22 REALIGNMENT OF THE SUBURB BOUNDARY BETWEEN MIDDLE DURAL AND GLENORIE****RECOMMENDATION**

THAT:

1. Council endorse the proposal to change the Southern boundary of Glenorie to Wylds Road, thereby incorporating the affected properties into Middle Dural.
2. A submission be made to the Geographical Names Board to review and consider the change.

**Page Number 27****Item 5 CS33/22 DRAFT 2022/23 RESOURCING STRATEGY (WORKFORCE PLAN, ASSET MANAGEMENT STRATEGY AND LONG TERM FINANCIAL PLAN) - ADOPTION FOR PUBLIC EXHIBITION****RECOMMENDATION**

THAT:

1. Council adopt the draft 2022/23 – 2031/32 Long Term Financial Plan attached to Director's Report No. CS33/22 and place the document on public exhibition from 12 May to 9 June 2022.
2. Following the public exhibition, and before 31 July 2022, a further report be prepared for Council's consideration which outlines and responds to any submissions received during the exhibition period and recommends the adoption of Council's 2022/23 – 2031/32 Long Term Financial Plan.

3. The updates of Council's Asset Management Strategy and Workforce Plan attached to Director's Report No. CS33/22 be received and noted.

#### **COMMUNITY AND ENVIRONMENT DIVISION**

Nil

#### **PLANNING AND COMPLIANCE DIVISION**

##### **Page Number 33**

##### **Item 6 PC7/22 DRAFT BYLES CREEK PLANNING STUDY - REPORT ON SUBMISSIONS**

#### **RECOMMENDATION**

THAT:

1. Council endorse the Byles Creek Planning Study and associated Implementation Plan attached to Director's Report No. PC7/22.
2. Restricted asset funds from the sale of 179 Beecroft Road, Cheltenham be used to fund the progression of the recommendations, including preparation of a Planning Proposal, Development Control Plan amendments and community awareness program.
3. Submitters be advised of Council's decision.

##### **Page Number 45**

##### **Item 7 PC9/22 ON-SITE SEWAGE MANAGEMENT SYSTEM POLICY**

#### **RECOMMENDATION**

THAT:

1. The draft Hornsby Shire Council On-Site Sewage Management System Policy attached to Director's Report No. PC9/22 be placed on public exhibition for a period of 28 days in accordance with the Communication and Engagement Strategy outlined in the report and attached Frequently Asked Questions.
2. Following the exhibition, a report on submissions be presented to Council for its consideration.

##### **Page Number 55**

##### **Item 8 PC10/22 REPORTING VARIATIONS TO DEVELOPMENT STANDARDS**

#### **RECOMMENDATION**

THAT the contents of Director's Report No. PC10/22 be received and noted.



**INFRASTRUCTURE AND MAJOR PROJECTS DIVISION**

Nil

**CONFIDENTIAL ITEMS****Item 9 CE8/22 ORGANICS WASTE PROCESSING SERVICES TENDER**

*This report should be dealt with in confidential session, under Section 10A (2) (d) of the Local Government Act, 1993. This report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the council; or (iii) reveal a trade secret. (This Report is considered confidential under Section 10A(2)(d)(i) of the Local Government Act as it contains information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it. Discussion of the matter in an open Meeting would, on balance, be contrary to the public interest because the Report contains information provided by tenderers which includes sensitive information about their business operations, methodologies and costs. The publication of such information could result in the withholding of similar information by potential tenderers in future, therefore limiting Council's ability to make an informed decision about future tenders. )*

**Item 10 CS36/22 PURCHASE OF LAND FOR ROAD WIDENING AT HORNSBY**

*This report should be dealt with in confidential session, under Section 10A (2) (c) of the Local Government Act, 1993. This report contains information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*

**Item 11 CS37/22 PROPOSAL TO CREATE A DRAINAGE EASEMENT OVER COMMUNITY LAND AT PENNANT HILLS**

*This report should be dealt with in confidential session, under Section 10A (2) (c) of the Local Government Act, 1993. This report contains information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*

**PUBLIC FORUM – NON AGENDA ITEMS****QUESTIONS WITH NOTICE****MAYOR'S NOTES****Page Number 58**

**Item 12 MN3/22 MAYOR'S NOTES FROM 01 APRIL 2022 TO 30 APRIL 2022**

**NOTICES OF MOTION**

**SUPPLEMENTARY AGENDA**

**MATTERS OF URGENCY**

**1 REVIEW OF POLICIES AND CODES - GENERAL MANAGER'S AND CORPORATE SUPPORT DIVISIONS**

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**EXECUTIVE SUMMARY**

- Council's Policy – "Review, Adoption and Alteration of Council Policies" – states that each Division of Council has a two-month period in the first and third year of each term of Council to review all policies under their control and recommend any changes to Council.
- The current policies pertaining to the General Manager's and the Corporate Support Divisions have now been reviewed and recommendations have been made for each policy based on current service needs and legislative changes.

**RECOMMENDATION**

THAT Council adopt the recommendations contained in the table in Director Corporate Support Report No. CS4/22 in respect of each of the current policies under the jurisdiction of the General Manager's and Corporate Support Divisions.

## PURPOSE

The purpose of this Report is to present to Council the outcomes of the review of policies under the jurisdiction of the General Manager's and Corporate Support Divisions, and to seek Council's endorsement of the recommended actions in response to the review of those policies.

## BACKGROUND

Council's Policy – "Review, Adoption and Alteration of Council Policies" – states that each Division of Council has a two-month period in the first and third year of each term of Council to review all policies under their control and recommend any changes to Council.

The policies under the jurisdiction of the General Manager's Division and Corporate Support Division were last reviewed at the Ordinary Meeting of Council on 8 August 2018 via Deputy General Manager's Report No. CS33/18.

As the Local Government Elections were deferred from September 2020 to December 2021 due to COVID-19, the ordinary review policy cycle has been held-over. As the current term of Council is now shortened, it is proposed that the next policy review be undertaken in the first year of the next term of Council.

## DISCUSSION

### General Manager's Division Policies and Codes

A review of the current policies under the jurisdiction of the General Manager's Division has been undertaken and a listing, together with a summary of proposed amendments, is contained below. The policies, incorporating amendments where they are proposed, are attached. Deletions are shown in the attachments by ~~strikethrough~~ and additions by underlining.

Current Policy Title	Comment and Recommendation
Code of Conduct for Council Staff POL00140	Although this Policy was last amended on 9 September 2020 (Report GM24/20) the OLG has subsequently published a Model Social Media Policy as part of a suite of best practice governance policies. Council already has a Social Media Policy which closely aligns with the OLG Model Policy (as outlined further in this report). However, it is recommended that Part 4 of the Model Social Media Policy be incorporated into our Codes of Conduct as it closely aligns with the objectives of the Code and enhances the existing section on Use of Social Media.  <b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.
Code of Conduct for Councillors POL00465	Although this Policy was last amended on 9 September 2020 (Report GM24/20) the OLG has subsequently published a Model Social Media Policy as part of a suite of best practice governance policies. Council already has a Social Media Policy which closely aligns with the OLG Model Policy (as outlined further in this report). However, it is recommended that Part 4 of

Current Policy Title	Comment and Recommendation
	<p>the Model Social Media Policy be incorporated into our Codes of Conduct as it closely aligns with the objectives of the Code and enhances the existing section on Use of Social Media.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
<p>Code of Conduct for Council Committee Members, Delegates of Council and Council Advisers</p> <p>POL00465</p>	<p>Although this Policy was last amended on 9 September 2020 (Report GM24/20) the OLG has subsequently published a Model Social Media Policy as part of a suite of best practice governance policies. Council already has a Social Media Policy which closely aligns with the OLG Model Policy (as outlined further in this report). However, it is recommended that Part 4 of the Model Social Media Policy be incorporated into our Codes of Conduct as it closely aligns with the objectives of the Code and enhances the existing section on Use of Social Media.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
<p>Code of Conduct for Contractors</p> <p>POL00475</p>	<p>Although this Policy was last amended on 9 September 2020 (Report GM24/20) the OLG has subsequently published a Model Social Media Policy as part of a suite of best practice governance policies. Council already has a Social Media Policy which closely aligns with the OLG Model Policy (as outlined further in this report). However, it is recommended that Part 4 of the Model Social Media Policy be incorporated into our Codes of Conduct as it closely aligns with the objectives of the Code and enhances the existing section on Use of Social Media.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
<p>Code of Conduct for Advisory Committee Members</p> <p>POL00477</p>	<p>Although this Policy was last amended on 9 September 2020 (Report GM24/20) the OLG has subsequently published a Model Social Media Policy as part of a suite of best practice governance policies. Council already has a Social Media Policy which closely aligns with the OLG Model Policy (as outlined further in this report). However, it is recommended that Part 4 of the Model Social Media Policy be incorporated into our Codes of Conduct as it closely aligns with the objectives of the Code and</p>

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Current Policy Title	Comment and Recommendation
	<p>enhances the existing section on Use of Social Media.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
<p>Procedures for the Administration of the Code of Conduct</p> <p>POL00471</p>	<p>No changes are proposed for this Policy. Council last amended this document on 9 September 2020 (Report GM24/20) following the publication of new Model Procedures from the OLG.</p> <p><b>Recommendation</b> – That this Policy be retained as is.</p>
<p>Elections – Caretaker Period</p> <p>POL00285</p>	<p>The Policy has been updated to reflect new content set out in the <i>Pre-election Guide for Councillors 2021</i> from the Office of Local Government. In particular, the Policy has been amended to recognise that there is both a Regulated Period, being 40 days before election day, and a Caretaker Period, being 28 days before election day.</p> <p>The name of the Policy is recommended to be changed to <i>Elections – Regulated and Caretaker Period</i>.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
<p>Complaints Handling</p> <p>POL00097</p>	<p>No changes are proposed for this Policy at the present time. A Customer Experience (CX) Strategy is currently under review and a new Complaints Handling Policy will be developed following the adoption of the strategy.</p> <p><b>Recommendation</b> – That this Policy be retained as is.</p>
<p>Reporting of Corruption, Maladministration, Substantial Waste, Government Information Contravention and Other Wrongdoing</p> <p>POL00090</p>	<p>No changes are proposed for this Policy.</p> <p><b>Recommendation</b> – That this Policy be retained as is.</p>

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Current Policy Title	Comment and Recommendation
Review, Adoption and Alteration of Council Policies POL00089	No changes are proposed for this Policy. Only minor clerical updates have been included.  <b>Recommendation</b> – That this Policy be retained as is.
Councillors Employees and Volunteers – Legal Assistance and Insurance Protection POL00039	No changes are proposed for this Policy.  <b>Recommendation</b> – That this Policy be retained as is.
Social Media Policy for Councillors POL00484	On 7 April 2022, OLG released the finalised <i>Model Social Media Policy</i> . The content of this Policy was reviewed in against Council’s Social Media Policy for Councillors.  Council’s Policy was considered to cover the same requirements, with the exception of Records Management, which is already covered by Council’s Code of Conduct for Councillors (POL00465)  <i>The content of Part 4 – Standards of Conduct on Social Media</i> in the finalised OLG Policy is a proposed amendment to the Council’s Code of Conduct as previously outlined in this report.  <b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.
Public and Community Input POL00236	No changes are proposed for this Policy.  <b>Recommendation</b> – That the contents of this Policy be incorporated into Council’s Community Engagement Plan when it is reviewed this year (due December 2022), and that this Policy is then removed from Council’s Policy register.
Community Engagement POL00498	No changes are proposed for this Policy. This Policy is implemented through Council’s Engagement Plan, which will be reviewed this year to address a resolution of Council from the 14 July 2021 General Meeting, namely:  Item 2 GM30/21 Draft Community Engagement Policy and Plan (F2018/00308) - The Engagement Policy and Plan be referred to

**ITEM 1**

Current Policy Title	Comment and Recommendation
	<p>the new Council for consideration to ensure that our policies publicly state our exhibition, engagement and consultation mechanisms and minimum standards not just in regard to planning matters, but for all matters that affect our community such as major projects, strategies and plans.</p> <p>The Community Engagement Plan will also be reviewed to:</p> <ul style="list-style-type: none"> <li>• Address new legislative requirements for Integrated Planning &amp; Reporting community participation (due by December 2022)</li> <li>• Methods of reaching and involving certain sectors of our community such as the CALD community, people with a disability and young people</li> <li>• The best ways to hear from a more representative, cross section of our community</li> <li>• Establishing a more consistent approach to the planning and delivery of community engagement across Council</li> <li>• The Community Participation Plan for planning matters.</li> </ul> <p><b>Recommendation</b> – That this Policy be retained as is. Any amendments to the Policy resulting from the review of the Community Engagement Plan will be reported to Council with the Community Engagement Plan later this year.</p>
<p>Community Representation POL00189</p>	<p>No changes are proposed for this Policy.</p> <p><b>Recommendation</b> – That this Policy be retained as is.</p>
<p>Media Policy POL00482</p>	<p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
<p>Electric Vehicle (EV) Charging Stations on Public Land POL00492</p>	<p>This Policy has been updated to clarify the processes available for selecting EV charging station providers, so that proposals from charging station providers can be assessed on their merits and public benefits. The requirement for wayfinding signage has also been removed due to concerns about signage clutter. Other minor amendments have been made to reduce repetition.</p>



Current Policy Title	Comment and Recommendation
	<b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.
Car Share Parking POL00494	<p>Minor amendments have been made to this Policy to improve clarity and remove the requirement to publish car share usage details which are considered commercial in confidence, and remove the need for all car-share spaces in the LGA to be dedicated bays (on-street fixed spaces), as the current car share trial has shown that both dedicated and floating bays can be implemented.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
Sustainable Policy for Council Assets POL00167	<p>This Policy has been updated to reflect broader sustainability outcomes covered by the Sustainable Hornsby 2040 strategies including Council's target of net zero emissions by 2050, supporting the circular economy, increasing resource recovery and transitioning to a water sensitive city.</p> <p><b>Recommendation</b> – That this Policy be amended with the amendments shown in the copy attached to this Report.</p>

### Corporate Support Division's Policies and Codes

A review of the current policies under the jurisdiction of the Corporate Support Division has been undertaken and a listing, together with a summary of proposed amendments, is contained below. The policies, incorporating amendments where they are proposed, are attached. Deletions are shown in the attachments by ~~strike through~~ and additions by underlining.

It is noted that a newly created policy, Restricted Asset Account – Waste Reserve has been developed to confirm the purpose for this existing reserve and set parameters around the level of funds required to be held. This reserve is funded from domestic waste annual charges that Council maintains in accordance with the Local Government Act 1993.

Policy	Comment and Recommendation
<b>Financial Services Branch</b>	
Restricted Asset Accounts – Internal POL00062	<p>No changes are proposed for this Policy.</p> <p><b>Recommendation</b> – That this Policy be retained as is.</p>
Restricted Asset Account – Capital	No changes are proposed for this Policy.

Policy	Comment and Recommendation
Projects – Debt Retirement POL00059	<b>Recommendation</b> – That this Policy be retained as is.
Rates Relief – Hardship POL00058	No changes are proposed for this Policy.  <b>Recommendation</b> – That this Policy be retained as is.
Loan Borrowings POL00054	No changes are proposed for this Policy.  <b>Recommendation</b> – That this Policy be retained as is.
Lease Financing POL00052	Minor amendments are proposed to reflect the latest Australian Accounting Standards.  <b>Recommendation</b> – That this Policy be amended as outlined above and as shown in the copy attached to this Report.
Investment of Surplus Funds POL00049	No changes are proposed for this Policy.  <b>Recommendation</b> – That this Policy be retained as is.
Asset Management POL00287	The Policy has been updated to remove background information that was duplicated within the Policy and Council's revised Asset Management Strategy and revised Asset Management Plans. Terminology has also been updated so it is consistent across all of Council's revised Asset Management documents.  The substance of the policy remains the same as in the previous version.  <b>Recommendation</b> – That this Policy be amended as outlined above and as shown in the copy attached to this Report.
Restricted Asset Account – Waste Reserve	The Policy is new and has been developed to confirm the purpose for this existing reserve and set parameters around the level of funds required to be held.

**ITEM 1**

Policy	Comment and Recommendation
New Policy	<p><b>Recommendation</b> – That this Policy is adopted as shown in the copy attached to this Report.</p>
<b>Governance and Customer Service Branch</b>	
Statutory – Councillors – Expenses and Facilities POL00135	<p>An extensive review of this Policy was undertaken in 2018 having regard to the Councillor Expenses and Facilities Policy Better Practice Template issued by the OLG (Circular No. 17-17). Allowance amounts have been updated to show the current maximums (rounded to the nearest \$50). The allowance for Christmas or festive cards increased to reflect actual costs.</p> <p><b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
Statutory – Privacy Management Plan POL00134	<p>Council's current Privacy Management Plan is based on a model published by the OLG and the Privacy Code of Practice for Local Government – revised by the Privacy Commissioner in December 2019.</p> <p>Following comments received from the Information and Privacy Commission (IPC), references to Council's Closed Circuit Television (CCTV) Determination and Information Security Management Plan have been included at relevant sections within the Plan. Minor amendments to reflect current practice and new terminology are proposed for this Policy.</p> <p><b>Recommendation</b> – That this Policy be amended as outlined above and as shown in the copy attached to this Report.</p>
Statutory – Code of Meeting Practice POL00133	<p>Council considered Director's Report No. CS1/22 – Review of Council's Code of Meeting Practice, at the 23 February 2022 Workshop Meeting and resolved that the draft Code be adopted for the purpose of public exhibition. A further report is to be submitted for Council's consideration which details any submissions received and propose the adoption of a final Code of Meeting Practice</p> <p><b>Recommendation</b> – That this Policy be retained as is subject to a</p>

**ITEM 1**

<b>Policy</b>	<b>Comment and Recommendation</b>
	further report detailing any submissions received following the public exhibition at the June 2022 Council Meeting.
Customer Service POL00100	No changes are proposed for this Policy.  <b>Recommendation</b> – That this Policy be retained as is.
<b>Technology and Transformation Branch</b>	
Technology and Transformation POL00047	Minor amendments are proposed to reflect the new name of the former Information Communications and Technology branch (now Technology and Transformation). In addition, a new section has been included referred to as Policy Implementation to reflect the role of the T&T Strategy document.  <b>Recommendation</b> – That this Policy be amended as outlined above and as shown in the copy attached to this Report.
<b>Land and Property Services Branch</b>	
Disposal of Land POL00128	Minor amendments to reflect a change in staff position title.  <b>Recommendation</b> – That this Policy be amended as outlined above and as shown in the copy attached to this Report.
Land – Lease/Licence by Council POL00050	Minor amendments to reflect a change in staff position title.  <b>Recommendation</b> – That this Policy be amended with the minor amendments shown in the copy attached to this Report.

**ITEM 1****BUDGET**

There are no budgetary implications associated with this Report.

**POLICY**

Details of the review of each current Policy that has been undertaken across the two Divisions is summarised within this Report.

**CONCLUSION**

The review of policies by the General Manager's and Corporate Support Divisions is the first of a series of reports that Council will be asked to consider this year. Each of the other Divisions will submit their reports in the coming months. The major aims of the review is to only retain documents as policies if they add value to Council's operations and to ensure that policies are not simply a restatement of legislation, standards, etc that Council is otherwise expected to follow.



#### **RESPONSIBLE OFFICER**

The officers responsible for the preparation of this Report are the Risk and Audit Manager – Scott Allen, who can be contacted on 9847 6609; Branch Managers and the Director of Corporate Support Division – Glen Magus, who can be contacted on 9847 6635.

GLEN MAGUS  
Director - Corporate Support  
Corporate Support Division

STEVEN HEAD  
General Manager  
Office of the General Manager

#### **Attachments:**

1.  General Manager Division Policies and Codes Updates
2.  Corporate Support Division Policies Updates

File Reference: F2022/00007  
Document Number: D08324055

**2 INVESTMENTS AND BORROWINGS FOR 2021/2022 - STATUS FOR PERIOD ENDING 31 MARCH 2022**

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**EXECUTIVE SUMMARY**

- This Report provides details of Council's investment performance for the period ending 31 March 2022 as well as the extent of its borrowings at the end of the same period.
- Council invests funds that are not, for the time being, required for any other purpose. The investments must be made 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 requirements of 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 a negative annualised return for March 2022 of -1.90% which includes a yield of -15.33% from TCorp Managed Funds. On a financial year to date basis the portfolio achieved an annualised return of 0.38% which includes a yield -2.44% from TCorp Managed Funds.

**RECOMMENDATION**

That the contents of Director's Report No. CS26/22 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**

Legislation requires that a report 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 month ending 31 March 2022 is detailed in the attached document. In summary, the portfolio achieved a negative annualised return for March 2022 of -1.90%. On a financial year to date basis the portfolio achieved an annualised return of 0.38% which includes a yield of -2.44% from TCorp Managed Funds.

It is noted that a recent merger between ME Bank and the Bank of Queensland has caused Council to exceed the investment policy limit for BBB+ investments by 1% with an exposure limit now at 16%. The merger could not have been anticipated by Council at the time of making these investment decisions. Council's independent investment adviser has considered that it would be appropriate to hold these investments until maturity before making the necessary decisions in respect to investment policy limits.

In respect of Council borrowings, the interest rate payable on the outstanding loan taken out in June 2013 (the last time that Council borrowed), based on the principal balances outstanding, is 5.89%. The Borrowings Schedule as of 31 March 2022 is also attached for Council's information.

**BUDGET**

Budgeted investment income for the year is \$3,855,180 with an average budgeted monthly income of \$321,265. The net investment loss for the month ended 31 March 2022 was \$70,399 which includes an unrealised loss of -\$314,006 from TCorp Managed Funds.

Budgeted investment income year to date as of 31 March 2022 was \$2,570,120. Total investment income year to date as 31 March 2022 is \$1,680,005 which includes a year-to-date net loss of \$412,342 from TCorp Managed Funds.

Approximately 54.65% of the investment income received by Council relates to externally restricted funds (e.g. Stronger Communities Grant funding and Section 7.11 and Section 7.12 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.

The returns from TCorp Managed Funds are presently experiencing significant market volatility due to uncertainty over the COVID-19 Pandemic on economic conditions. It is noted that this product has a 7-year investment horizon and will, therefore, reflect marked to market valuations monthly. Advice

provided by Council's independent investment advisor, Prudential Investment Services, is to hold this investment for the 7-year timeframe originally planned. This is due to the anticipated net positive performance returns that will be gained over the long term for this investment.

### **CONCLUSION**

The investment of Council funds and the extent of its borrowings as of 31 March 2022 is 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 Chief Financial Officer – Duncan Chell - who can be contacted on 9847 6822.

DUNCAN CHELL  
Chief Financial Officer  
Corporate Support Division

GLEN MAGUS  
Director - Corporate Support  
Corporate Support Division

### **Attachments:**

1.  HSC Investment Summary Report March 2022
2.  HSC Borrowings Schedule March 2022

File Reference: F2004/06987-02  
Document Number: D08386734



**3 2021/22 BUDGET - MARCH 2022 QUARTER REVIEW**

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**EXECUTIVE SUMMARY**

- Accountable organisations like Council review their budget and operational performance at least each quarter. In this regard, the March 2022 Quarter Review of the 2021/22 Operational Plan and Budget is attached.
- The 2021/22 Original Budget forecast a surplus at 30 June 2022 of \$1.397 million. The September 2021 Review reduced the surplus by \$693K to \$704K whilst the December 2021 Review had no net budget changes. This March 2022 Review recommends budget changes of \$700K that reduces the forecast budget surplus at 30 June 2022 to \$4K.
- The projected 2021/22 budget surplus is now below the operating capacity level generally provided on an annual basis to respond to budget shocks such as natural disasters, asset failures or unplanned cost increases.
- This Report also provides Council with an update about the latest status of major projects that are of significant dollar value or of community interest.

**RECOMMENDATION**

THAT the March 2022 Quarter Review of the Operational Plan (Budget) for 2021/22 be received and noted.

## PURPOSE

The purpose of this Report is to present for Council's consideration the March 2022 Quarter Review of the 2021/22 Operational Plan.

## BACKGROUND

On 9 June 2021, Council adopted its Delivery Program 2021-22 which includes the Operational Plan for 2021/22. The Fees and Charges for 2021/22 were also adopted by Council on 9 June 2021. 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.

## DISCUSSION

This Review includes the third quarter results for 2021/22, comparing actual expenditure, income and funding sources for the first quarter against the Budget. The Net Operating and Capital Result after internal funding movements showed a positive variance of \$4.2 million or approximately 3% of the consolidated year to date budget. This positive variance is largely the result of timing differences associated with project related works that are expected to be expended by 30 June 2022.

As noted in General Manager's Report GM3/22 - Performance Report December 2021 – 2021-2022 Delivery Program; and Budget 2021/22 – December Quarter Review (considered at the 23 February 2022 General Meeting), the capital projects at Hornsby Library, Myall Road Drainage and Wisemans Ferry were identified as containing financial risk. It was further outlined that it would be appropriate at the March 22 Quarter Budget Review to report on the financial impact on any of the above-mentioned project risks and the options to fund any costs escalations.

Details in respect to project risks and costs escalations for Hornsby Library and Wisemans Ferry are addressed in the Major Projects section of this Report. It should be noted that these projects have not been able to source external funding to offset against costs escalations and will require additional budget funding totalling \$4.050 million. As a consequence, the General Manager requested a review of each Division to determine potential expenditure items from services and projects that could be applied towards these increased costs. Details of these expenditure items that have been reduced are listed below:

### Increased Capital Contractor Expenses

- \$3.650M – Wisemans Ferry Boat Ramp, Pontoon and Carpark Project
- \$500K – Myall Road Drainage (offset by external funding options)
- \$400K – Hornsby Library

### Budget Reductions

#### General Manager's Division

- (\$250K) – Identified savings within Council's Strategy & Place Unit from temporarily vacant positions and associated operating budgets.
- (\$50K) – Identified savings in the budget for Council's Audit and Risk Improvement Committee due to meetings commencing later in the year than first expected.

#### Corporate Support Division

- (\$550K) – Reduction in annual contribution to employee leave restricted asset, which is used to fund forecast future payments of accrued annual and long service leave.
- (\$120K) – Delayed recruitment of vacant positions within the Technology & Transformation branch. The budget reduction will cause a delay in the delivery of Council's Cyber Security Plan and a process review of the Geographical Information System.
- (\$30K) – Identified savings in the current year budget for Fringe Benefit Tax.
- (\$90K) – Salary savings within Council's Finance branch that were planned to fund additional temporary resources over financial year end.
- (\$150K) – Salary savings within Council's Governance & Customer Service branch from vacancies that were planned to fund additional temporary resources to complete certain projects.

#### Community & Environment Division

- (\$390K) – Reduction in street sweeping and cleansing services for 3 months to 30 June 2022 and delayed recruitment of vacancy Tree Officer roles. The budget reduction is expected to increase the processing time of tree assessments.

#### Infrastructure & Major Projects Division

- (\$1.440M) – Capital grant funding from the NSW State Government and Federal Government.
- (\$390K) – Savings identified within the budget allocation for the replacement of signage, and reductions in the budget for building maintenance and road safety initiatives.

#### Planning Division

- (\$390K) – Reduction in operational budgets achieved by reducing Council's compliance functions to focus resources on responding to priority service requests that have potential safety or environment risk.

The 2021/22 Original Budget forecast a surplus at 30 June 2022 of \$1.397 million. The September 2021 Review reduced the surplus by \$693K to \$704K whilst the December 2021 Review had no net budget changes. This March 2022 Review recommends budget changes of \$700K (as listed above) that reduces the forecast budget surplus at 30 June 2022 to \$4K.

The projected budget surplus is now below the operating capacity level generally provided on an annual basis to respond to budget shocks such as natural disasters, asset failures, statutory increases above CPI and/or unplanned cost increases.

#### **BUDGET - MAJOR PROJECTS**

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

As noted in Deputy General Manager's Report No. IM2/21 – Master Plan for Hornsby and Westleigh Parks (considered at the 14 April 2021 General Meeting), the financial capacity of Council to manage the operational, maintenance and renewal costs of facilities established for Hornsby Park and Westleigh Park based on the full scope of works identified in the draft master plans, would not be feasible based on Council's current financial capacity. Financial analysis by Council has indicated that

an annual expenditure budget of \$1.4 million could be allocated towards future recurrent maintenance based on existing financial capacity.

Because of these financial constraints Council resolved to progress the development of Hornsby Park with minimal development at Westleigh Park until a budget for recurrent costs can be identified for Westleigh Park.

- **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. The tender awarded to Ditchfield Contracting Pty Ltd for the bulk earthworks and site rehabilitation has commenced and is expected to cost about \$30 million. These works will create the final landform for the site and address stability issues with the northern slope. A notional amount of \$5 million dollars has been set aside for the rehabilitation and regeneration of the vegetation communities on the site. Master planning for the final park embellishments has been completed with a master plan adopted following community engagement at the July 2021 Council meeting. Design of the park embellishments in accordance with the adopted master plan has commenced. The total life to date expenditure on the project to 31 March 2022 is \$11.198 million. Year to date expenditure to 31 March 2022 is \$4.959 million compared to a year-to-date budget of \$13.5 million. The variance is due to the contractor for the bulk earthworks commencing later than anticipated. Significant delays have also been incurred because of wet weather conditions on site.

Currently \$50 million of funding is available from the NSW Government's Stronger Communities Fund provided in June 2018 and at this point about 85% of the grant has been spent or committed by way of tender. Further funding of \$28 million is available from development contributions subject to the priority allocated to projects in accordance with development contributions on hand. As noted in Deputy General Manager's Report No. IM2/21 – Master Plan for Hornsby and Westleigh Parks (considered at the 14 April 2021 General Meeting), the total estimated cost of the facilities canvassed in the Master Plan for the park is \$130 million. Therefore, a reduction in scope compared to the Master Plan or staging the project over an extended period will be required unless additional funding can be identified, including additional funding for recurrent maintenance costs.

- **Westleigh Park Development** – A final draft conceptual master plan for the Westleigh Park site has been completed based on the site having an active sport focus. Community engagement was undertaken on the conceptual master plan from April to June 2021. Council resolved at its July Council meeting to undertake further engagement on a range of matters prior to further considering the draft conceptual master plan. This engagement has commenced and is due for completion around the middle of 2022. The total life to date expenditure to 31 March 2022 on this project (excluding the acquisition costs of \$21 million funded by development contributions) is \$1.991 million. Financial year to date expenditure at 31 March 2022 is \$521K compared to a year to date budget of \$2.25 million. The variance is due to the impact associated with deferral of the adoption of the Master Plan, which has required a reconsideration of the approval process.

Currently \$40 million of funding is available, provided in June 2018 from the NSW Government's Stronger Communities Fund and expenditure to date (spent or committed via contract) approximates 8.5% of the grant. Further funding is available from development contributions subject to the priority allocated to projects in accordance with development contributions on hand. As noted in Deputy General Manager's Report No. IM2/21 – Master

Plan for Hornsby and Westleigh Parks (considered at the 14 April 2021 General Meeting), the total estimated cost of the facilities canvassed in the Master Plan for the park is \$80 million. Therefore, a reduction in scope compared to the Master Plan or staging the project over an extended period will be required unless additional funding can be identified, including identifying a budget for recurrent operating, maintenance and renewal costs. Council's current position prioritises the delivery of Hornsby Park over Westleigh Park.

- **Public Domain** - Concept design options for Asquith to Mount Colah and Galston Road main street projects were prepared and presented to Council with preferred concept options adopted. The aim of the projects is to improve streetscape amenity through the planting of advanced trees, landscaped garden beds, footpaths, shared paths, seating, signage and improved parking arrangements.

The cost estimate for the Asquith to Mount Colah project from Hookhams Corner to Wattle Street is approximately \$9.3 million with funding being sourced from developer contributions. The Asquith to Mount Colah project was being undertaken by Talis Civil Pty Ltd, however, this contractor has gone into liquidation and ceased operating. Works were well advanced on the shared path construction, central landscaped median and pavement works and Council is in the process of engaging a new contractor to complete the project. The new contractor is expected to commence on site in mid May 2022 and the expectation is that the project will be completed in July 2022. It is proposed to commence Stage 2 of the Asquith to Mount Colah Public Domain project. Design works are underway which would provide an opportunity to provide some basic improvements (footpath and tree planting along the Pacific Highway and the construction of pedestrian refuge(s) at selected locations).

The total life to date expenditure to 31 March 2022 on this project is \$3.134 million out of a budget of \$9.3 million, funded from development contributions. Year to date expenditure at 31 December 2021 is \$1.688 million compared to a budget of \$1.875 million. The variance is due to the timing of expenditure noting that cost reductions have been achieved due to the decision to retain power poles and avoid the relocation of water mains.

- **Galston Aquatic Centre Refurbishment** - A tender for the refurbishment of the Galston Aquatic Centre was advertised in June 2021 and works commenced in November 2021.

Tendered costs for the refurbishment of this facility increased due to the impact of COVID-19 lockdown measures and cost increases largely arising from associated supply chain issues. Progressing with the original scope of work required an additional allocation to increase the current budget by \$1.5 million from \$5.6 million to \$7.1 million.

An informal briefing in October 2021 was provided to Councillors in respect to budget increases following the tender results. This included a range of options from project deferral, staging of works and funding the original scope of work and the associated impact on Council's budget. Councillors supported the original scope planned for this project with funding sources identified. Concurrently the September 2021/22 Quarterly Review included budget changes to increase the project cost by \$1.5 million that required the use of internally restricted assets, deferment of maintenance, reallocation of grants funds and the partial use of the Original 2021/22 Budget surplus to fund increased capital costs. Council was also successful in obtaining a grant from the NSW State Government to cover part of the increased cost.

The total life to date expenditure to 31 March 2022 on this project is \$1.048 million out of a budget of \$7.1 million.

- **Hornsby Library** - The Library refurbishment works are being undertaken by Built Pty Limited. Works commenced in February 2021 and construction is now complete.

Council officers are currently working with the contractor to address several defects requiring rectification. The associated costs of rectification have caused a further increase in cost of \$400K that is included within this March 2021/22 Quarterly Review.

The life to date expenditure incurred to 31 March 2022 is \$4.813 million out of a current budget of \$5.2 million funded from development contributions, external grants and from savings within Council's Community and Environment Division. The budget was increased from \$4.7 million to \$5.2 million from savings within Council's Community and Environment Division at 30 June 2021 and this review recommends a further increase of \$400K that will increase the total budget to \$5.6 million.

- **Wisemans Ferry** – Construction is being managed by Council and includes a new three-lane boat ramp and 150 spaces for trailer and vehicle parking, as well as intersection upgrades and other ancillary works. The original budget for the project was \$3.85 million and was to be funded from a contribution from The Hills Shire Council and an external grant from the NSW State Government.

The project was impacted by the flooding of the Hawkesbury River in March 2021 and the September 2021/22 Quarterly Review included budget changes to increase the budget by \$3.75 million from \$3.85 million to \$7.6 million. Council Officers sought funding from NSW Public Works Advisory, the Environmental Protection Authority and other government agencies to cover the cost increase and the outcome of these applications are currently pending.

The December 2021/22 Quarterly Review noted that at least a further \$1.7 million in funding was required to complete the project following a claim from the contractor for additional money under the NSW Building and Construction Security of Payment Act, 2021. The review identified a risk to the total project budget that would be confirmed by a revised cost estimate being calculated at the time.

During the quarter ended 31 March 2022 the project was impacted by a second flood event that caused further damage to the site and some of the works undertaken to date. Council Officers have estimated that to complete the project a further budget change of \$3.65 million is required to increase the current budget from \$7.6 million to \$11.25 million. The life to date expenditure incurred to 31 March 2022 is \$8.267 million.

It is noted that the General Manager has requested that an external review be undertaken for this project examining the construction and financial challenges that have occurred following the flooding of the Hawkesbury.

The majority of the works associated with the facility are now scheduled to be completed in July 2022. Other works including the installation of a toilet block and a groyne structure have been deferred and will be reconsidered next financial year. Works associated with paid parking at the site are the subject of a separate tender and are separately funded. The actual costs of the works associated with the paid parking scheme will be included in the next quarter review.

### Asbestos Treatment – Council Administration Building

Works commenced in the prior year to remediate Council's Administration Building in accordance with the resolution from Confidential Deputy General Manager's Report IM8/20. The work is divided into two stages:

#### **Stage One:**

- Removal of all asbestos from Ground Floor North and First Floor North.
- Removal of Synthetic Mineral Fibre ceiling panels (and suitable replacement) from 2<sup>nd</sup> Floor North and 3<sup>rd</sup> Floor North. This has been included as a precautionary measure and will incur a minimal cost of about \$30,000.

#### **Stage Two:**

- Solutions to enable re-occupation of the Administration Building or consider other more viable options are currently being assessed and will be reported at the appropriate time in a quarterly review.

Stage one was completed in the year ended 30 June 2021 with a total cost of \$1.533 million funded from an external grant. Councillors are soon to be briefed on studies that have been undertaken to review future central office options.

### Reimbursement for Storm Expenditure

Council incurred costs during a series of severe storms in February 2020. As these storms were declared a natural disaster by the NSW Government, Council submitted a claim for \$708K to recoup costs incurred during the clean-up after the storms. Within the quarter ended 31 December 2021 Council received payment for 75% of the amount claimed and payment of the final 25% is contingent upon the completion of a detailed assessment of Council's claim.

### **BUDGET**

This Report provides the March 2022 Quarter Review of the 2021/22 Operational Plan (Budget), which, if adopted, will achieve a forecast surplus at 30 June 2022 of \$4K. The predicted Budget result at 30 June 2022 is satisfactory in maintaining financial benchmark indicators in respect to liquidity. However, it is noted that the annual budget surplus is below annual levels previously determined to enable an adequate response to budget shocks that may occur.

### **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 March 2022 Quarter Review has required significant budget reductions across the organisation towards funding cost escalations for the Wisemans Ferry and Galston Aquatic Centre projects.

### **RESPONSIBLE OFFICER**


The officer responsible for the preparation of this Report is the Chief Financial Officer – Duncan Chell – who can be contacted on 9847 6822.

GLEN MAGUS  
Director - Corporate Support  
Corporate Support Division

STEVEN HEAD  
General Manager  
Office of the General Manager

**ITEM 3**

**Attachments:**

1.  31 March 2022 Quarterly Budget Review Statement

File Reference: F2020/00348

Document Number: D08387832



#### **4 REALIGNMENT OF THE SUBURB BOUNDARY BETWEEN MIDDLE DURAL AND GLENORIE**

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##### **EXECUTIVE SUMMARY**

- Members of the community contacted Council in February 2021 regarding emergency service delays and issues in identifying properties correctly due to inconsistent, ambiguous and unclear addressing of properties in the Southern section of Glenorie, due to inconsistency of the boundary between Middle Dural and Glenorie on the Hornsby Shire side of Old Northern Road and The Hills Shire side.
- The community was invited to comment on this proposal, and Council has received overwhelmingly positive feedback with a general consensus to support the change.
- The proposed change aligns with the principles set out by the Geographical Names Board (GNB) in relation to address locality boundaries, and the GNB has provided preliminary advice that they would consider the reasons outlined in the proposal to be an acceptable reason to amend the suburb border, should Council submit a formal application

##### **RECOMMENDATION**

THAT:

1. Council endorse the proposal to change the Southern boundary of Glenorie to Wylds Road, thereby incorporating the affected properties into Middle Dural.
2. A submission be made to the Geographical Names Board to review and consider the change.

## PURPOSE

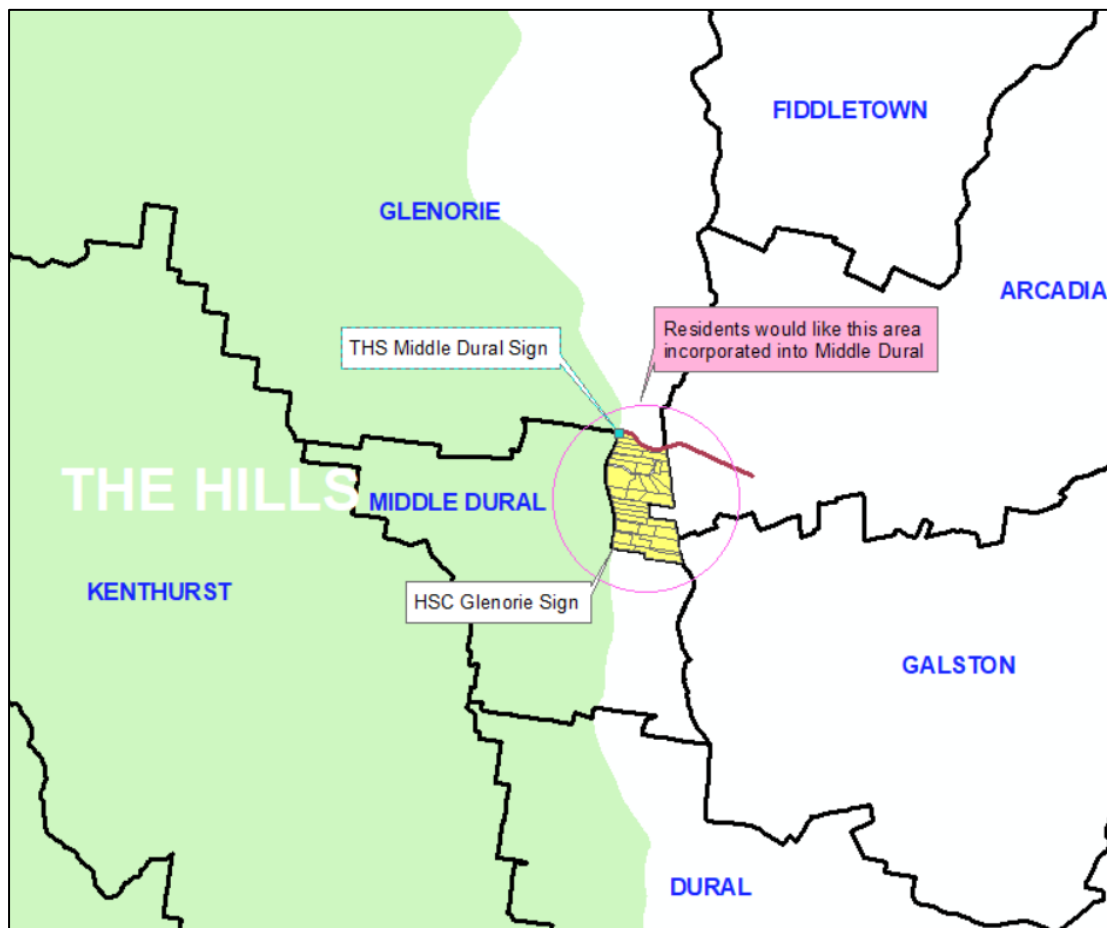
The purpose of this Report is to inform Council of the work undertaken to review the suburb boundary between Glenorie and Middle Dural and to seek Council support to propose a boundary change to the Geographical Names Board (GNB).

## BACKGROUND

The Glenorie-Middle Dural suburb boundary review was initiated in response to resident requests, outlining their concerns regarding inconsistency of the South-Eastern boundary of the suburb of Glenorie between Hornsby Shire Council and The Hills Shire Council.

Residents assert that the present boundary causes confusion for persons attempting to locate properties, particularly those along Old Northern Road. Despite both suburbs straddling Old Northern Road, the boundary on the Western side (within The Hills Shire) is 1km north of the boundary to the East (within Hornsby Shire). This is further complicated by The Hills Shire Council placement of the suburb boundary sign, with a Middle Dural sign at Wylds Road heading South.

This is illustrated in the map, below. Impacted properties are highlighted in yellow. Hornsby Shire is



shown in white, while The Hills Shire is in green. The Council boundary follows Old Northern Road.

Residents report that the confusing, ambiguous addressing has created issues for emergency service vehicles, postal and courier services. While our enquiries with Australia Post and NSW Ambulance failed to uncover any concerns on their part, the anecdotal and physical evidence provided by impacted residents appears to be strong.

## DISCUSSION

The Geographical Names Board (GNB) provides a set of principles for Address Locality Boundaries. The NSW Address Policy and User Manual (the Policy) states: “an address locality is a named geographical area with defined boundaries which represents a community... Without clearly defined address localities there can be uncertainty in an address. To achieve comprehensive addressing objectives, it is vital that address locality names and boundaries are clear and unambiguous.” The Policy further states that address locality boundaries should be easy to identify and readily interpreted by the community.

It would appear that the current boundary does not fulfil these principles. While the boundary may appear sensible if we are only looking at the Hornsby Shire part of the affected suburbs (shown in white on the above map), the suburb boundaries of Middle Dural and Glenorie (denoted by the black outline) do not appear to be clear, unambiguous or representative of the communities.

If Council accepts the recommendation, the next step would be to make a formal submission to the GNB to consider the change. Because of the number of impacted properties, the GNB process is to formally advertise the proposal and invite public feedback. If no such feedback is received, the GNB may proceed to implement the change. However, if feedback is received, it will be referred back to us to consider and prepare a Final Submission for consideration.

## CONSULTATION

In the preparation of this Report we have consulted with the GNB, Australia Post, NSW Ambulance and affected residents.

The GNB provided preliminary advice that they would consider the reasons outlined in the residents' proposal to be an acceptable reason to amend the suburb border. Their recommendation was that Council should submit an application.

Initial enquiries made to Australia Post and NSW Ambulance found that no issues had been reported to them in relation to these addresses. However, residents supporting their views on the need for this boundary suburb realignment provided examples of mail that had been re-addressed by Australia Post.

A resident of a Middle Dural property within The Hills Shire (opposite the affected area) submitted both a customer request and a Councillor request in support of this proposal. The resident's concern was that the placement of the Hornsby Shire suburb boundary sign at the Southern end of Glenorie makes it appear that her property is in Glenorie. This submission demonstrated that the current boundary inconsistency creates issues for residents on both sides of Old Northern Road.

Impacted residents (totalling 30) from this proposal were notified by letter in March 2022 seeking their feedback to amend the suburb boundary between Glenorie and Middle Dural. In response to the notification letter, 10 of the 30 impacted households have responded in support of the proposal. No negative views have been received from residents in respect to this matter.

## BUDGET

There are no budgetary implications associated with this Report.

## POLICY

There are no policy implications associated with this Report.

**CONCLUSION**

The endorsement of the proposal to change the Southern boundary of Glenorie to Wylds Road, thereby incorporating the affected properties into Middle Dural, and aligning the boundary to start at the same point as it does in the Hills Shire, will enable easier and clearer identification of properties in the affected area.

This will align with NSW naming and addressing standards, policies and guidelines. It will also demonstrate Council's support to the community by responding to their concerns, and improving identification of the affected properties, particularly in emergency situations and when connecting to services.

**RESPONSIBLE OFFICER**

The officer responsible for the preparation of this Report is the Manager, Technology and Transformation – Sharon Bowman – who can be contacted on 9847 6983

SHARON BOWMAN  
Manager - Information, Communication and  
Technology  
Corporate Support Division

GLEN MAGUS  
Director - Corporate Support  
Corporate Support Division

**Attachments:**

There are no attachments for this report.

File Reference: F2008/00027#004  
Document Number: D08389639

**5 DRAFT 2022/23 RESOURCING STRATEGY (WORKFORCE PLAN, ASSET MANAGEMENT STRATEGY AND LONG TERM FINANCIAL PLAN) - ADOPTION FOR PUBLIC EXHIBITION**

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**EXECUTIVE SUMMARY**

- Under section 403 of the Local Government Act, councils are required to have a long-term Resourcing Strategy (Long Term Financial Plan, Asset Management Strategy and Workforce Plan) aligned to the integrated planning and reporting (IP&R) framework mandated by the Office of Local Government.
- The IP&R framework requires the Long Term Financial Plan to be placed on public exhibition and for submissions received by the council in that period to be accepted and considered before the final adoption by council and endorsement of the Asset Management Strategy and Workforce Plan.
- Updated Asset Management Plans have been developed by Council for each major asset category (buildings, drainage, open spaces and roads and transport assets). The Plans have been validated by an external assessment to determine the appropriate level of funding to maintain these assets to a satisfactory standard. It has been estimated that to achieve this standard will require a further \$3.2 million per annum of funding.
- The draft 2022/23 to 2031/32 Long Term Financial Plan indicates a decline in Council's financial capacity over the next 10 years. The Income Statement and Key Financial Indicators shown in the Plan are below acceptable industry benchmark levels.
- As a consequence of the forecast decline in Council's financial position, a range of actions are recommended to be progressed in an attempt to improve Council's future financial sustainability.

**RECOMMENDATION**

THAT:

1. Council adopt the draft 2022/23 – 2031/32 Long Term Financial Plan attached to Director's Report No. CS33/22 and place the document on public exhibition from 12 May to 9 June 2022.
2. Following the public exhibition, and before 31 July 2022, a further report be prepared for Council's consideration which outlines and responds to any submissions received during the exhibition period and recommends the adoption of Council's 2022/23 – 2031/32 Long Term Financial Plan.
3. The updates of Council's Asset Management Strategy and Workforce Plan attached to Director's Report No. CS33/22 be received and noted.

## PURPOSE

The purpose of this Report is to present for Council's adoption the draft 2022/23 to 2031/32 Long Term Financial Plan (LTFP) such that the document can be placed on public exhibition from Thursday 12 May 2022 to Thursday 9 June 2022 prior to being reconsidered for final adoption by Council in July 2022; and for Council to receive and note updates of the Asset Management Strategy for 2022/23 – 2031/32 and Workforce Plan for 2022/23 – 2025/26.

## BACKGROUND

Under section 403 of the Local Government Act, a council is required to have a long-term Resourcing Strategy (Long Term Financial Plan, Asset Management Strategy and Workforce Plan) aligned to the IP&R framework mandated by the Office of Local Government. The Resourcing Strategy is Council's explanation to the community of how it intends to perform all of its functions and is required to be updated in detail every four years – refer to the following documents attached to this Report for the latest update:

- **2022/23 – 2031/32 LTFP** – contains a set of financial projections and assumptions for the 10-year period and makes clear the financial direction of Council as well as the impact of that direction on achieving community priorities. The draft LTFP is required to be placed on public exhibition and any submissions received during the period must be accepted and considered before final adoption of the LTFP by Council.
- **2022/23 – 2031/32 Asset Management Strategy** – details the approach to managing Council's asset base as well as an assessment of the ongoing costs to ensure that the assets remain at a **standard** which meets the needs of our community. Although the Asset Management Strategy is not required to be publicly exhibited, it does need to be endorsed by Council.
- **2022/23 – 2025/26 Workforce Management Plan** – assists with planning with what is needed to attract and retain the workforce required to meet Council's strategic objectives. Like the Asset **Management** Strategy, the Workforce Management Plan is not required to be publicly exhibited but it does need to be endorsed by Council.

It is noted that a number of briefings were held with Councillors during 2022 to assist with an understanding of the outcomes identified in the draft LTFP, including the financial implications from the updated Asset Management Strategy, and various other strategic initiatives.

## DISCUSSION

### LTFP Summary

The review of the LTFP was undertaken using the draft 2022/23 Budget as a base, utilising a range of financial assumptions and by indexing income and expenditure to underpin the forecasts developed. The draft LTFP demonstrates a range of financial scenarios including:

- A continuance of service levels defined in the 2022/23 Annual Budget process and a rate increase in line with the Independent Pricing and Regulatory Tribunal's (IPART's) published rate peg of 0.7%.
- A continuance of service levels defined in the 2022/23 Annual Budget process and a rate increase of 2.28% as per Council's application to IPART for an ongoing additional special rate variation (refer Council's 13 April 2022 resolution emanating from its consideration of General

Manager's Report No. GM13/22 – Draft Delivery program Including the Operational Plan, Budget and Fees and Charges 2022/23 – Adoption for Public Exhibition).

- A continuance of service levels defined in the 2022/23 Annual Budget process, rate increases of 0.7% and 2.28% respectively and the inclusion of revised Asset Management Strategy expenditure forecasts.

The LTFP details a range of primary financial statements in line with the above scenarios together with KPI's covering the next 10 years. The primary financial statements and KPI's for all scenarios indicate a decline in financial position below acceptable levels against industry benchmarks over the term of the LTFP.

It is noted that the significant decline in Council's Income Statement Result (before Capital Items) and the Budget liquidity result under a normal continuance of service (inclusive of a 2.28% rate peg) does not provide the financial capacity to maintain assets at a standard which meets the needs of our community into the longer term.

Having regard to the above, Council will need to consider a range of actions to improve its future financial direction and they include:

- Continuing with Council's application to IPART for a 2.28% additional special rate variation for 2022/23 on an ongoing basis.
- Considering a special rate variation to rebalance Council's finances within acceptable levels over the long term. Priority should be given to meeting asset management requirements and ensuring there is sufficient funding for recurrent services. A special rate variation is recommended in the first instance because of the quantum of funds required to provide balanced budgets. Other funding initiatives such as the generation of additional income from increases to user fees and charges could, however, be explored to potentially reduce the size of a special rate variation required.
- Undertaking community consultation with regards to the unfunded initiatives identified within Council's recently adopted Strategic and Technical documents. The consultation should assess the appetite of the community for a rate rise to pay for initiatives and should establish priorities across each of the documents.
- Carefully assessing whether there is value in creating any further strategic documents given unfunded initiatives in existing documents require at least \$8.8 million of funding (based on preliminary costing for 50% of the actions identified only).
- Continuing with Council's previously agreed position of developing Hornsby Park ahead of Westleigh Park (and reinforcing this messaging with the community). To mitigate financial risk, works at Westleigh Park should not be undertaken until it is financially appropriate to commence. The development of Westleigh Park also requires a recurrent budget for operations and asset maintenance and renewal expenditure to be identified.
- Communicating to the community the scope of works that can realistically be completed at Hornsby Park in the early stages of the life of this park and how this may differ in regard to the full scope of the master plan.
- Carefully considering the acceptance of further external grants for capital purposes. There is insufficient capacity within the LTFP to fund the associated recurrent costs from any new capital that is not already included in the LTFP. It may be in Council's best financial interests

to decline capital grant funding depending on whether an evidence-based need for the project exists within Council's strategic documents and depending on the availability of budgets to fund recurrent costs.

- Reviewing other income streams such as fees and charges to ensure appropriate price setting and assessing whether price increases could be used to generate additional income.
- Continuing a freeze on Council's approved Full Time Equivalent headcount where appropriate; with no new positions to be created unless offset by an equivalent position elsewhere or specific new funding.
- Maintaining cost increases to modest levels in regard to non-labour related expenses each year.
- Continuing with financial improvement initiatives (the development of business improvement plans).
- Considering whether there is a case to rationalise underutilised assets to reduce ongoing cost requirements and/or provide one off capital funding from sale proceeds towards other capital investment decisions.

#### **Asset Management Strategy Summary**

Council has been continuing with the revision of Asset Management Planning (AMP) across the Shire, recently completing a ground-up assessment of the estimated long-term funding requirements for Open Space assets, Roads, Stormwater and Buildings asset classes. The funding requirements from these completed assessments has informed the LTFP with respect to:

- The required level of funding to maintain Council assets to appropriate service levels.
- Determining potential AMP funding gaps between existing and required budget levels.
- Discussing the generation of additional funding to cover financial gaps between existing and desired levels of service.

To assess the cost of maintaining our depreciable infrastructure asset base, the Asset Management Strategy separated Council's assets into four categories – buildings, drainage, open spaces and roads and transport. For each of these categories, data has been collated on the assets Council owns by engaging external contractors to assist in verifying the accuracy of our data and assessed condition.

Using this data, the expected costs to maintain Council assets to a satisfactory standard over the next 10 years has been calculated and compared to recurrent budget funding allocations. This has resulted in a funding gap across all four asset categories - with an average annual shortfall of \$3.2 million per year. The details in respect to covering this shortfall are covered in the actions to improve section of the LTFP. The consequences of inadequate funding being allocated are:

- Deteriorating quality of existing assets (e.g. reduction in road network condition).
- Inability to renew ageing assets.
- Inability to adequately maintain newly constructed assets.
- Not meeting desired service levels expected by our local community.

#### **Workforce Management Plan Summary**



The review of the Workforce Management Plan has been undertaken to ensure Council has the capacity and capability to deliver on its goals and objectives over the coming four years. The Plan takes into account the anticipated workload drivers over this timeframe including the delivery of a number of major works projects and the evolving nature of the work environment in response to the COVID-19 pandemic.

The Plan has considered external and internal trends and how Council might respond to these drivers of change in the future. The strategic objectives and corresponding actions and measures contained within the attachment clearly articulate what is desired to attract and retain the workforce requirements needed by Council over the next four years. It is noted that the actions detailed under each strategic objective will require further consideration in respect to the level of appropriate resourcing needed to deliver on the timeframes stated.

### **BUDGET**

Any budget implications have been included in the Discussion section of this Report.

### **POLICY**

There are no policy implications associated with this Report.

### **CONCLUSION**

Council's consideration of this Report enables an understanding of the future financial position over the next 10 years in respect to maintaining current service levels, the level of funding necessary to maintain assets to a satisfactory condition and the actions necessary to retain and attract human resources to progress strategic priorities.

The review of the LTFP demonstrates that the financial capacity of Council will decline over the next 10 years, specifically with regard to the Income Statement result and key financial indicators which fall below acceptable industry benchmarks. To correct this declining financial capacity, a series of actions have been recommended to improve long term financial sustainability.



### **RESPONSIBLE OFFICER**


The officer responsible for the preparation of this Report is the Director, Corporate Support – Glen Magus who can be contacted on 9847 6635.

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### **Attachments:**

1.  Draft 2022/23 Long Term Financial Plan
2.  Asset Management Strategy

3.  Workforce Management Plan

File Reference: F2022/00059

Document Number: D08392852

**ITEM 5**

## **6 DRAFT BYLES CREEK PLANNING STUDY - REPORT ON SUBMISSIONS**

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### **EXECUTIVE SUMMARY**

- The draft Byles Creek Planning Study was prepared to assess the suitability of current planning controls to minimise the impact of residential development on the Byles Creek corridor and provide planning recommendations to better protect the unique environmental, social and aesthetic qualities of the corridor.
- At its meeting on 11 August 2021, Council resolved to exhibit the draft Byles Creek Planning Study for a period of 60 days. The Study was exhibited from 1 September 2021 to 1 November 2021.
- During the exhibition, 168 submissions were received which are generally supportive of the draft Study and its recommendations.
- The key issues raised in submissions include financial impacts on property values, current planning controls, and the extent of the Study area boundary.
- Matters raised in submissions are addressed in this report and no changes are proposed to the Byles Creek Planning Study or its recommendations in response to submissions.
- It is recommended that Council endorse the Study attached to this report and allocate funding to progress the implementation of the recommendations.

### **RECOMMENDATION**

THAT:

1. Council endorse the Byles Creek Planning Study and associated Implementation Plan attached to Director's Report No. PC7/22.
2. Restricted asset funds from the sale of 179 Beecroft Road, Cheltenham be used to fund the progression of the recommendations, including preparation of a Planning Proposal, Development Control Plan amendments and community awareness program.
3. Submitters be advised of Council's decision.

## PURPOSE

The purpose of this Report is to address the matters raised in submissions to the exhibition of the draft Byles Creek Planning Study and seek endorsement of the final Study attached to this report.

## BACKGROUND

At its meeting on 9 December 2020, Council resolved to progress the Byles Creek Planning Study, subject to the project timeframe being amended so that staff use their best efforts to present the draft Study to the August 2021 Council Meeting.

In February 2021, Council engaged consultant Elton Consulting, with input from sub consultants Eco Logical Australia and AEC, to prepare the draft Byles Creek Planning Study. The draft Study assesses the suitability of current planning controls, identifies opportunities to minimise the impact of residential development on the adjoining Byles Creek corridor and provides planning recommendations to better protect the unique environmental, social and aesthetic qualities of the corridor.

The draft Report outlines five key recommendations for the Study Area as follows:

1. Rezone land within the Study Area currently zoned R2 Low Density Residential to E4 Environmental Living.
2. Increase the minimum lot size for land to be zoned E4 Environmental Living to 40 hectares.
3. Strengthen the wording of the objectives for Clause 4.1 (Minimum subdivision lots size) within the Hornsby Local Environment Plan (LEP) 2013 to protect and enhance existing bushland and significant native vegetation.
4. Insert a new Local Provision Clause – Riparian Land into the Hornsby LEP 2013 and provide supporting riparian corridor mapping.
5. Increase community engagement programs targeting the Study Area.

At its meeting on 11 August 2021, Council considered Director's Report No. PC12/21 presenting the draft Study and resolved that:

1. *The draft Byles Creek Planning Study attached to Director's Report No. PC12/21 be placed on public exhibition for a period of 60 days in accordance with the consultation strategy outlined in the Report.*
2. *Following the exhibition, a report on submissions be presented to Council for its consideration.*

In accordance with Council's resolution, the draft Study was exhibited from 1 September 2021 to 1 November 2021.

## DISCUSSION

This report addresses submissions received in response to the exhibition of the draft Study and recommendations.

Since the exhibition of the Planning Study, on 1 December 2021, the Department of Planning and Environment (DPE) renamed all 'environment zones' to 'conservation zones' under Clause 2.1 Land Use Zones of the *Standard Instrument – Principal Local Environmental Plans*. This change is in name only and any reference in council LEPs or studies to an environmental zone (E) is taken to mean the equivalent conservation zone (C).

## Submissions

Exhibition of the draft Study included advertisement on Council's website, advertisement in Council's eNewsletter and on Facebook, letters and emails to people who registered for updates on the progress of the Study, and letters to property owners within the Study area and community groups. A total of 168 submissions were received. The submissions were prepared by:

- Fifty property owners within the Study Area.
- Sixty residents within the broader Hornsby Shire.
- Three people from outside the Shire.
- Forty-seven people with no property address provided.
- Eight community groups including Byles Creek Valley Union, Beecroft Cheltenham Civic Trust, Pennant Hills District Civic Trust, Powerful Owl Coalition, Galston Area Residents Association, STEP Inc., Friends of Terry Creek and Ryde-Hunters Hill Flora and Fauna Preservation Society.

The submissions are generally supportive of the draft Study and recommendations. However, several submissions raise issues which are discussed below.

### 1. Financial impact on property values

Several submissions from property owners within the Study Area raise concerns that the proposed changes, particularly rezoning from R2 Low Density Residential to E4 Environmental Living and the minimum lot size increase from 600m<sup>2</sup> to 40ha, will unfairly impact the value of properties in the Study Area.

One submission suggests that the Study is not complete as the financial impacts of the recommendations have not been assessed by the Real Estate Institute of Australia or a Certified Practising Accountant.

#### Comment:

Australian Economic Consultants (AEC) were engaged, as part of a multi-disciplinary team led by Elton Consulting, to assess the potential economic implications of the recommendations of the Study and present the findings in an Economic Implications Analysis Report. AEC are well-respected, nationally recognised economic consultants with extensive experience within a broad range of markets areas, including local government and property analysis.

The Economic Implications Analysis Report presents a precinct level approach and employs property market research to determine the level of impact and potential economic implications of the Study recommendations. The findings consider residential allotment size, development and environmental constraints and property market analysis, and provides a comparative assessment based on a current planning scenario and future scenario assuming the Study recommendations are implemented.

With respect to the five key recommendations of the draft Study, the Economic Implication Analysis notes the following:

*Recommendation 1* (rezone all R2 zoned land within the Study area to E4) would unlikely have a significant impact on property values as the difference in permitted land uses between an R2 zoning and E4 zoning would not impact the primary residential use of the privately owned properties within the Study area.

*Recommendation 2* (increase the minimum lot size to 40ha for all proposed E4 zoned land) would have a limited impact on the Study Area as a whole, as the majority of the existing 433 lots have reached their subdivision potential under current planning controls. An audit of property lot size and existing constraints was undertaken on a site-by-site basis and identifies that five properties with subdivision potential may incur financial impacts.

*Recommendation 3* (amended wording of Clause 4.1 objectives in the Hornsby LEP) would unlikely have a direct impact on the land values of private properties in the Study Area. However, additional future environmental reports related to proposed developments may result in additional costs and time for property owners.

*Recommendation 4* (insertion of a new local provision and mapping for riparian lands) would unlikely have an impact on land values in the Study Area as the proposed riparian buffer zones and mapping serves to further enforce an existing provision in the Hornsby DCP that limits development on, or near, watercourses. Further, impacts would only occur on developable areas of mapped allotments, and not impact the zoning or land use permissibility of private properties.

*Recommendation 5* (community engagement programs) would have no perceived financial impact on the land values of properties in the Study Area and may result in a positive social outcome for the local community due to the increased awareness for Byles Creek.

In summary, although it is acknowledged that the draft Study recommendations may have an impact on the theoretical subdivision potential of a small number of allotments, it is arguable that there would be limited loss in land value as the proposed changes would reflect the existing environmental constraints on the land that currently limited future development potential.

**Recommendation:**

That no changes be made to the draft Study and recommendations in response to submissions commenting on impacts on land values.

**2. Current planning controls are sufficient**

Several submissions from property owners within and adjoining the Study Area comment that no changes to planning controls are necessary as the current controls for residential properties provide appropriate measures to protect the unique environmental qualities of the Byles Creek corridor.

Some submissions also note that changes to planning controls or additional planning provisions would further burden the development assessment process, reduce resident safety, increase insurance premiums for property owners, and ultimately have a negligible impact on the existing state of the environment within the Byles Creek corridor.

**Comment:**

The Byles Creek corridor and catchment has been the subject of several studies and reviews over the years, including the following:

- Byles Creek Corridor Environmental Study (1995).
- Byles Creek Development Control Plan (1998).
- Open Space Review (2006).
- Byles Creek Land Acquisition Strategy Review (2020).

All previous studies and reviews have noted the unique environmental, scenic, social and heritage values the land holds to the Beecroft community, and Hornsby Shire more broadly. The studies and

reviews have all recommended controls for the management and acquisition of open space zoned lands comprising the Byles Creek corridor.

The Byles Creek Planning Study (2021) involves a review of the planning controls currently applying to privately owned R2 zoned land within the Study Area and recommends improvements to controls to protect the environmental, social and aesthetic qualities of Byles Creek. Initial stakeholder consultation with land owners in the Study Area, community groups, and the broader Hornsby community indicated that current planning controls are not doing enough to protect the Byles Creek catchment.

Following an analysis of the environmental qualities of the area and review of best practice examples of planning controls, the draft Study identifies five recommendations to amend zoning, minimum lot size, planning objectives, riparian zones and community education for the Study Area to achieve a more appropriate balance between protection of the unique values of Byles Creek and residential development.

**Recommendation:**

That no changes be made to the draft Study and recommendations in response to submissions commenting on the adequacy of Council's current planning controls.

**3. Boundaries of the Study Area**

Several submissions from property owners within the Study Area raise concerns regarding the Study Area boundaries and the inclusion of specific properties. The submissions generally request that their properties should be removed due to the distance from the Byles Creek corridor.

Some submissions also note that the Study Area should be amended to include additional properties and streets due to the run-off from stormwater drainage flowing into Byles Creek either directly or through its connected tributaries.

**Comment:**

The extent of the boundaries for the Byles Creek Planning Study were selected as they are clearly defined by physical infrastructure and differing land uses to assist the orderly application of the recommendations.

To the north and east, the Study Area is bounded by the Lane Cove National Park (zoned C1 National Parks and Nature Reserves), vacant vegetated land zoned RE1 Public Recreation owned by NSW National Parks & Wildlife Services, and Azalea Grove. Azalea Grove provides a physical road border and encompasses private properties that are surrounded by RE1 zoned land that form the Byles Creek corridor. To the south, Malton Road provides a physical road border and encompasses properties that directly interface with the Byles Creek corridor. To the west, Sutherland Road provides a physical road border and is adjoined by the Northern Line railway owned and operated by NSW Trains.

The Study identifies Stormwater Management improvements as a potential opportunity to enhance and protect the Byles Creek corridor. It is acknowledged that Council's current stormwater management controls in the Hornsby DCP are adequate to address new residential development within the Study Area and do not need to include further properties or streets that direct stormwater to Byles Creek and its tributaries.

**Recommendation:**

That no changes be made to the draft Study and recommendations in response to submissions commenting on the boundaries of the Study Area.

#### 4. Funding of the Planning Study

Some submissions from property owners within and adjoining the Study Area raise concerns that the progression of the Study is not an appropriate use of resources and the restricted assets funds from the sale of 179 Beecroft Road, Cheltenham would be better used to fund other projects including leisure facilities in Beecroft and the improvement of the Byles Creek Walking Track.

##### **Comment:**

At its meeting on 1 December 2020, Council endorsed the progression of the Byles Creek Planning Study using the restricted asset funds from the sale of 179 Beecroft Road, Cheltenham to fund consultant input and the allocation of an additional temporary Strategic Planner for a period of 12 months.

The social, aesthetic and environmental importance of protecting Byles Creek was identified as a key community infrastructure and open space priority during community consultation with Beecroft and Cheltenham communities following the sale of 179 Beecroft Road, Cheltenham in 2015. The progression of the Study aligns with this key priority noted by the Beecroft/Cheltenham community.

##### **Recommendation:**

That no changes be made to the draft Study and recommendations in response to submissions commenting on funding.

#### 5. Updating terminology and legislative references

One submission from a resident outside the Shire raises concerns with application of certain ecological definitions outlined in the Report's Glossary and suggests they would be best aligned with Biodiversity Planning Guide for NSW Local Governments (NSW Parks and Wildlife Service 2001).

The submission also raises concerns with the application of the acronym EEC (Endangered Ecological Community) within the Report and suggests that terminology is outdated and since replaced been by TEC (Threatened Ecological Community) under the *Biodiversity Conservation Act 2016*.

##### **Comment:**

The definitions contained in the Glossary of the Study have been generally formulated using references from appropriate legislation, such as the *Biodiversity Conservation Act 2016* and *Environment Protection and Biodiversity Conservation Act 1999* and adapted to make terminology easier to comprehend for all. It is acknowledged that the *Biodiversity Planning Guide for NSW Local Governments (NSW Parks and Wildlife Service 2001)* is a good reference document. However, some terminology and references within the Planning Guide may be outdated and superseded within NSW Planning legislation.

The acronym EEC (Endangered Ecological Community), as noted within the 'Common acronyms, terms and definitions' of the Study, uses the criteria outlined in Part 182(2) of the *Environment Protection and Biodiversity Conservation Act 1999* to define an EEC as a sub-category of Threatened Ecological Communities (TEC). Accordingly, the application of EEC within the Study and associated documents, including the Environmental Opportunities and Constraints Report, is appropriate in this instance.

##### **Recommendation:**



That no changes be made to definitions and acronyms used in the draft Study in response to submission commenting on terminology.

## **6. Environmental value of the Byles Creek corridor**

Two submissions from property owners within the Study Area raise concerns regarding the existing environmental value of the Byles Creek corridor. The submissions suggest the corridor is of low environmental value as a result of historical inaction, overdevelopment and disconnection from the Lane Cove National Park.

### **Comment:**

The Byles Creek Catchment area provides significant biodiversity values through areas of retained native vegetation (both within the RE1 Public Recreation zoned land and on privately owned R2 land), as well as habitats for numerous threatened fauna and flora.

Eco Logical Australia (ELA) were engaged to provide environmental analysis and input into the Study and undertook several land use surveys to evaluate the existing environmental constraints and opportunities within the Study Area. ELA prepared an Environmental Constraints Assessment Report which identifies and maps key biodiversity values consisting of the following:

- Critically Endangered Ecological Community Blue Gum High Forest.
- Regionally significant Coachwood Rainforest.
- Locally significant Blackbutt Gully Forest.
- Habitat for threatened fauna including Powerful Owl, Gang-Gang Cockatoo, Red-crowned Toadlet, Little Bent-winged Bat and microbats.
- Endangered Gang-gang Cockatoo population.
- Habitat for threatened flora including Brittle Midge Orchid and Deane's Tea-tree.
- Connectivity to Lane Cove National Park.

Although the Study Area is predominantly developed residential land, the key biodiversity values identified above demonstrates the area is of high environmental value and requires appropriate protection and maintenance.

### **Recommendation:**

That no changes be made to the draft Study and recommendations in response to submissions commenting on the value of the corridor.

## **7. Community engagement programs**

One submission from a Shire resident requests they be consulted and involved in any community awareness programs proposed for the Byles Creek area, with specific reference to education on Powerful Owls.

### **Comment:**

During the preparation of the Study, the key themes of 'community awareness' and 'fostering a sense of ownership/personal connection' with the Byles Creek environment emerged through the background review and initial stakeholder consultation.

Recommendation 5 of the Planning Study builds on these key themes and proposes to increase community engagement programs targeting the Study Area. Such programs would generally progress

in line with the actions of Council's adopted Local Strategic Planning Statement (LSPS), Sustainability Hornsby 2040 and Biodiversity Conservation Strategy, would form part of a future delivery program and would be advertised to outline opportunities for involvement by residents.

**Recommendation:**

That Council note the support for community engagement programs and the opportunities for residents to be involved in the preparation and implementation of any engagement programs for the Byles Creek area.

**8. Overdevelopment of Byles Creek**

Two submissions raise concerns that the recommendations would create overdevelopment and have a visual impact on the Byles Creek Study Area.

**Comment:**

The Study was prepared to assess the suitability of current planning controls to minimise impacts of residential development on the adjoining Byles Creek corridor and provide recommendations to better protect the unique environmental, social and aesthetic qualities of the Byles Creek corridor. It does not propose additional development opportunities.

**Recommendation:**

That no changes be made to the draft Study and recommendations in response to submission commenting on overdevelopment.

**9. Site specific request for an exemption from proposed planning control changes**

One submission from a property owner within the Study Area requests that their property, along with four additional properties, be excluded from the proposal to increase the minimum lot size to allow them opportunity to subdivide. The property owner notes that it would have a negligible impact on the Byles Creek corridor. This submission also requests the inclusion of a savings provision to ensure any changes to planning controls do not apply to development applications lodged prior to the amendments coming into force.

**Comment:**

Prior to and during initial consultation, several key environmental and developmental issues affecting the Byles Creek Study Area were identified by the community, including the impact of residential subdivision and subsequent vegetation loss from new developments. In line with these concerns, the Byles Creek Planning Study outlined three key objectives for the Study, which include:

- Assess the suitability of the current planning controls in protecting the environmental qualities of the Byles Creek corridor area.
- Identify opportunities that will minimise the impact of residential development and reflect the
- Environmental, social and aesthetic qualities of the adjoining the Byles Creek corridor; and
- Provide recommendations for improvements to Hornsby's planning controls to protect the
- Environmental, social and aesthetic qualities.

One of the five recommendations proposes to increase the minimum lot size for R2 zoned land from 600m<sup>2</sup> to 40 hectares. The intention of this recommendation is to assist with enhancing and protecting the special environment characteristics of the area and preclude the opportunity for further subdivision. Accordingly, an exemption to allow the opportunity for large allotments within the Study

Area to subdivide would be counter intuitive to the objectives of the Study and further fragment environmentally sensitive land.

Clause 1.8A of the Hornsby LEP 2013 provides saving provisions relating to development applications. It notes that a *“if a development application has been made before the commencement of this Plan in relation to land to which this Plan applies and the application has not been finally determined before that commencement, the application must be determined as if this Plan had not commenced.”* Accordingly, a development application lodged prior to a change to minimum lot size in the Byles Creek Study Area would be assessed against existing planning controls.

**Recommendation:**

That no changes be made to the draft Study and recommendations in response to submission requesting exclusion from the recommendations.

**10. Suggested changes to current recommendations**

Two submissions from property owners within and adjoining the Study Area raise concerns with the proposed planning control changes. The submissions suggest rezoning R2 Low Density Residential zoned land to E3 Environmental Management (rather than E4) and increasing minimum lot size from 600m<sup>2</sup> to 1200m<sup>2</sup> (rather than 40 hectares) would be more suitable for the Byles Creek area.

**Comment:**

The Study presents five recommendations to achieve an appropriate balance between allowing residential development to continue while protecting the unique environmental, social and aesthetic qualities of the Byles Creek corridor.

Recommendation 1 proposes to rezone all R2 Low Density Residential zoned land within the Study Area to E4 Environmental Living. In analysing the suitability of applying an Environmental zoning to enhance and protect the environmental values of Byles Creek, the Study considered the objectives of each E zoning and application within Hornsby Shire, best case studies from comparable local councils, and the Department of Planning and Environment criteria for applying environmental zones. It is recommended that use of E4 Environmental Living (rather than E3 Environmental Management) is the most appropriate as the Department’s Practice Note typically applies this zoning to areas of existing low impact residential development; areas already zoned residential that have special environmental values and where environmental impacts a result of new development is the primary concern. Further, the application of E4 zones under the Hornsby LEP 2013 is generally in areas where there is currently some form of low-density residential development, such as Dangar Island and discrete coastal fringes surrounding the Berowra Valley National Park.

Recommendation 2 proposes to increase the minimum lot size for land proposed to be zoned E4 from 600m<sup>2</sup> to 40 hectares. The Study evaluated the application of various minimum lot sizes across the Shire (500m<sup>2</sup> – 40ha) and their correlation with specific land use zones under the Hornsby LEP 2013. Concerns regarding the permissibility of subdivision on R2 zoned land within the Byles Creek corridor was raised as a key concern during initial community consultation. It is concluded that the application of 40-hectare minimum lot size is appropriate as it ensures consistency with the application of the E4 zoning under the HLEP and would preclude any further subdivision in the Study Area.

**Recommendation:**

That no changes be made to the draft Study and recommendations in response to submissions commenting on zoning.

## 11. Proposed additional recommendations

Several submissions from property owners within the Study Area and other residents within the Shire propose additional recommendations for both R2 and RE1 zoned land within the Study Area. These include weed removal, domestic and feral animal control, bushfire management, and watercourse maintenance in RE1 zoned land, greater development condition enforcement and stronger fines, review of the maximum site coverage controls in R2 zoned land, and land acquisition of the vacant lots at No. 79-87 Malton Road and 65D Malton Road, Beecroft.

### Comment:

Planning controls for the RE1 zoned land within the Study Area is outside the scope of the Study. However, Part 10.3 of the Study Report considers weed and pest management as an additional opportunity for change to improve environmental outcomes on private properties. It is noted that Council should continue to manage weeds on private lands in accordance with its function as the local control authority under Section 371 of the *NSW Biosecurity Act 2015*. Pest animals (such as foxes and feral cats) may be managed in accordance with the NSW Government's Greater Sydney Regional Strategic Pest Animal Management. No additional controls are recommended in the Study.

Part 10 of the Study analyses the planning controls for stormwater management and watercourses within the Hornsby Development Control Plan 2013 and concludes that Council's current stormwater management controls in the Hornsby DCP are adequate to address new residential development within the Study Area. However, a recommendation is proposed to include riparian zone controls and maps around all watercourses in the corridor to assist support the DCP provisions.

The Study also considers enforcement procedures and penalties for unauthorised development activities and notes that Council should continue to undertake these matters in accordance with Council's compliance and enforcement policy, relevant legislation and associated regulations. Monetary amounts for fines for unauthorised development and breaches of environmental law are outlined in the *Local Government Act 1993* and *Protection of the Environment Operations Act 1997* and set by the NSW Government, not local councils.

Part 10.2.3 of the Study reviews the current maximum site coverage requirements on residential lands within the Study Area and notes that existing and proposed developments are generally not meeting the maximum site coverage requirements due to site constraints. Accordingly, any review of this planning control would have minimal impact on developmental outcomes for the Study Area.

The request for land acquisition of vacant residential lots is outside the scope of the Study. However, it has been assessed under previous Byles Creek studies and reviews and determined that the current extent of RE1 zoned land is appropriate and no additional land is required to be acquired to protect the biodiversity values and ecosystem functionality of the corridor.

### Recommendation:

That no changes be made to the draft Study and recommendations in response to submissions suggesting additional controls.

## CONSULTATION

The draft Study was placed on exhibition from 1 September 2021 to 1 November 2021 through the following channels:

- Advertisement on Council's website – Have Your Say.
- Advertisement in Council's eNewsletter.

- Advertisement on Council's Facebook Page.
- Letters and emails to all people who have registered for updates on Council's 'Have Your Say' page prior to the initial community engagement stage.
- Letters and emails to all people who have participated in any of the following engagement activities during the preliminary consultation for the draft Study:
  - Completed an online survey
  - Participated in a one-on-one online feedback session
  - Made a written submission
- Letters and emails to property owners within and adjoining the Study Area, and identified community groups including Byles Creek Valley Union, Beecroft Cheltenham Civic Trust, Pennant Hills District Civic Trust, Save Beecroft Cheltenham Alliance, Powerful Owl Coalition and Birdlife Australia

### **BUDGET**

The costs associated with the preparation of the draft Study have been covered by the restricted asset funds from the sale of No.179 Beecroft Road, Cheltenham.

Implementation of recommendations of the Study, including preparation of Planning Proposal to amend the Hornsby LEP, associated DCP amendments and community awareness would require an additional \$150,000 from the restricted asset fund to cover the costs associated with the implementation of the Study recommendations. Alternatively, consideration of the timing and allocation of resources to progression the recommendations would be required to be considered in the next review of Council's Operation Plan to determine project priority.

### **POLICY**

Should Council resolve to endorse the Byles Creek Planning Study, an amendment to planning controls in *Hornsby Local Environmental Plan 2013* (HLEP) would be progressed via a Planning Proposal submitted to the Department of Planning and Environment. Following a Gateway Determination, associated amendments to the *Hornsby Development Control Plan 2013* (HDCP) would also be required to accompany the changes to the HLEP.

The Implementation Action Plan attached to this report sets out the short, medium and long-term actions to implement the recommendations of the Study. The actions involving amendments to the HLEP and HDCP would be subject to further review and endorsement by Council through the preparation of a Planning Proposal.

### **CONCLUSION**

The Byles Creek Planning Study was exhibited from 1 September 2021 to 1 November 2021. A total of 168 submissions were received which are generally in support of the draft Study and its recommendations.

Some submissions raised concerns regarding the financial impacts on property owners, current planning controls, boundaries of the study area, environmental value of and impact on Byles Creek, funding of the planning study, existing development of the Study area. Some submissions also suggested amendments to the recommendations, changes to terminology and acronyms, and a requested was received for involvement in the progression of any community awareness programs.

In response to the matters raised in submissions, no changes are recommended.

In line with naming changes to environmental zones implemented by DPE on 1 December 2021, any reference in the Byles Creek Planning Study to an environmental zone (E) is taken to mean the equivalent conservation zone (C).

It is recommended that Council endorse the Byles Creek Planning Study and Implementation Plan attached to this report.

**RESPONSIBLE OFFICER**

The officer responsible for the preparation of this Report is the Manager of Strategic Land Use Planning – Katherine Vickery - who can be contacted on 9847 6744.

KATHERINE VICKERY  
Manager - Strategic Landuse Planning  
Planning and Compliance Division

JAMES FARRINGTON  
Director - Planning and Compliance  
Planning and Compliance Division

**Attachments:**

There are no attachments for this report.

File Reference: F2020/00288

Document Number: D08372236

## **7 ON-SITE SEWAGE MANAGEMENT SYSTEM POLICY**

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### **EXECUTIVE SUMMARY**

- This report presents the draft Hornsby Shire Council On-Site Sewage Management System Policy for public exhibition.
- The draft Policy relates to all properties within the Shire that contain an on-site of sewage management system as defined by the Local Government Act 1993, where sewage is not directly discharged to a public sewer and for those systems not licensed and/or regulated by the NSW Environment Protection Authority (EPA).
- The draft Policy has been prepared to fulfil Council's regulatory responsibilities pursuant to the Local Government Act 1993 in the assessment and approval of licences for the installation and operation of on-site sewage management systems and to provide a framework to audit these systems to protect the public and natural environment.
- The draft Policy proposes a seven-year renewal period for Approval to Operate licences. For Council to be satisfied that systems are operating effectively, audits of all systems are proposed to be undertaken within the seven-year period to ensure compliance with Approval to Operate licence conditions.
- To fulfil the requirements of the Policy, including the system audits and the administrative functions associated with the issuance of licences, an annual levy to all on-site sewage management system owners is proposed to be charged in accordance with Council's adopted Fees and Charges.
- It is recommended that Council endorse the draft On-Site Sewage Management System Policy for public exhibition.

### **RECOMMENDATION**

THAT:

1. The draft Hornsby Shire Council On-Site Sewage Management System Policy attached to Director's Report No. PC9/22 be placed on public exhibition for a period of 28 days in accordance with the Communication and Engagement Strategy outlined in the report and attached Frequently Asked Questions.
2. Following the exhibition, a report on submissions be presented to Council for its consideration.

## PURPOSE

The purpose of this report is to seek Council's endorsement to publicly exhibit the draft Hornsby Shire On-Site Sewage Management System Policy.

## BACKGROUND

On-site sewage management involves the treatment of wastewater followed by the release of liquid (treated wastewater) and solid (sludge, septage and compost) products into the environment or removal by tanker pump-out.

There are approximately 2,800 on-site sewage management and greywater systems operating across the Shire, consisting of septic systems (approximately 53%), aerated wastewater treatment systems (approximately 36%), and biological filter systems, composting systems and greywater systems (approximately 11%).

The installation and operation of on-site sewage management systems are prescribed activities which require Council approval, pursuant to section 68 of the Local Government Act 1993 (the "Act").

The Local Government (General) Regulation 2021 (the "Regulation") details matters to be taken into consideration when determining applications for the installation and operation of on-site sewage management systems. The Regulation also prescribes the performance standards local councils must consider for the ongoing operation of these systems, including the protection of public health, environment and the amenity of premises and surrounding lands.

The Regulation also requires councils to consider any directions or guidelines issued by the Director General, including the Environment & Health Protection Guidelines – On-site Sewage Management for Single Households, which encourages councils to implement a wastewater strategy for systems in their local government area.

At its meeting on 12 June 2019, Council resolved to discuss updating and renewing Council's inspection of river properties for compliance with relevant standards relating to sewage and stormwater discharge into the Hawkesbury River and estuaries, taking into consideration:

- a) How an education and awareness program should precede a program of compliance inspections including how community engagement and support can be established.
- b) The resource and funding implications including potential grants or other income sources that can support this program.

Subsequent discussions were held with members of the Berowra Waters Progress Association regarding the facilitation of a wastewater education and awareness program. As a result, Council conducted two information drop-in sessions in February and March 2020 for riverside residents to increase system owners' awareness of the proper operation of sewage and greywater systems, outline their wastewater responsibilities, and discuss potential environmental impacts from defective systems.

Thirty-one riverside residents attended the sessions with feedback indicating there was a low level of awareness of how on-site sewage management systems should be operated or maintained. Many attendees were unaware of the conditions of approval issued by Council for the ongoing operation of such systems. Discussions also indicated a low level of understanding of the potential environmental, public health and community impacts of improper use or maintenance of on-site sewage management systems.



The draft On-Site Sewage Management System Policy has been prepared to set a licensing and audit framework for sewage management systems throughout the Shire to ensure system owners are aware of their responsibilities for system operation to protect the natural environment and public health.

The draft Policy was presented to Council at the August 2021 meeting seeking endorsement to publicly exhibit the Policy for a period of 60 days, after which time a report on the submissions received was recommended to be presented to Council for its consideration. Council resolved that:

- a) Council's consideration of the draft Hornsby Shire Council On-Site Sewage Management System Policy be deferred to enable further discussions with key stakeholders including the Berowra Waters Progress Association and Arcadia and Galston Residents Association.
- b) Discussions with the key stakeholders include, but not be limited to, the purpose and contents of the draft Policy, the consultation strategy for exhibition of the draft Policy and an education and awareness program to accompany a program of compliance inspections.
- c) It be noted that whilst discussions about the formulation of the draft Policy continue, Approval to Operate Licences requiring renewal will be issued as 3-year Licences and Council's current reactive inspection program will be maintained.

Meetings were held with the Berowra Waters Progress Association and Arcadia and Galston Residents Association in November 2021 to discuss the purpose and contents of the draft Policy, Council's proposed educational awareness approach to the program and the Communication and Engagement Strategy for the exhibition of the draft Policy. As a result of these meetings and subsequent discussions with both Associations, a number of key matters were raised which required further consideration by Council in relation to the draft Policy and associated Frequently Asked Questions as follows:

#### **Issues raised by the Arcadia and Galston Residents Association**

- Increased educational resources for system owners to assist and inform on the appropriate maintenance and operation of a system. As a result of discussions, operational and maintenance manuals which detail the correct operation and maintenance requirements for systems have been placed on Council's website. The manuals would also be provided to new homeowners upon the transfer of sale of a property to ensure owners understand the requirements of operating and maintaining their on-site sewage management systems.
- The need for an educational approach to manage a defective system be undertaken by Council prior to regulatory action commencing. The attached Frequently Asked Questions document has been updated to reflect Council's intent to provide guidance and seek the cooperation of a system owner to repair any defects, in lieu of initial regulatory action.
- The prioritisation of on-site sewage management system inspections located on the Hawkesbury River. It is noted that this suggestion aligns with Council's draft Policy in which audits are proposed to be undertaken sequentially based upon the risk category of a system, with systems along the river proposed to be categorised with a high-risk rating and inspections prioritised within the first year of the program.
- General support for an annual \$44 levy. However, preference was identified for increased inspections of high-risk on-site sewage management systems within the 7-year period. The Association however requested that high-risk system owners not be charged additional fees for additional inspections.

**Issues raised by the Berowra Waters Progress Association**

- Concerns were raised that Council's audit program would require an older system to be replaced even if found not to be causing a risk to the environment or human health. The Frequently Asked Questions to accompany the public exhibition of the draft Policy have been updated to clarify that the purpose of Council's licensing and audit program is to ensure each system is complying with its Approval to Operate and is not causing a pollution incident, regardless of a systems age.
- Whether Council would continue to undertake reactive inspections upon the commencement of the licensing and audit program. The Frequently Asked Questions and draft Policy have been updated to confirm that reactive inspections and investigations would continue to be undertaken should Council receive reports that a system is failing or causing potential impacts to the environment or human health.
- Whether residents would continue to be reliant on information provided by wastewater contractors and service technicians or rely on Council officers should the draft Policy be adopted. The attached Frequently Asked Questions have been updated to clarify Council's regulatory role and confirm that contractors would still be a vital part of a systems maintenance regime given their involvement in servicing systems, as well as designing and implementing engineered solutions for defective systems.
- Consideration was sought to reduce the risk level of an Aerated Wastewater Treatment System located on the Hawkesbury River where satisfactory quarterly service reports were consistently provided to Council. The draft Policy and Frequently Asked Questions have been amended to reflect this request.
- Consideration was sought for Council to undertake an information audit to confirm the type of on-site sewage management system located on a property prior to the commencement of inspections, to ensure the validity of Council's records. Updates have been made to the Frequently Asked Questions to confirm that Council would write to system owners upon adoption of the Policy and seek confirmation of the type of on-site sewage management system located at each property to ensure Council's records are current prior to an inspection being undertaken.
- Preference was made to increased audits of high-risk systems without an additional increase to the proposed levy. Further options to facilitate multiple inspections of high-risk systems were considered.

The items raised by the Berowra Waters Progress Association and Arcadia and Galston Residents Association were discussed and considered at a workshop with Councillors on 16 March 2022, where the amendments to the draft Policy, draft Frequently Asked Questions and the draft Communication and Engagement Strategy were presented. Councillors were in general agreement that the draft Policy be presented to Council at the May 2022 Meeting for endorsement for public exhibition.

**DISCUSSION**

This report outlines the purpose, benefits, application and resource implications of implementing an on-site sewage management system policy.

**Need for an On-Site Sewage Management System Policy**

Councils are required under the Act to issue licences for the installation and ongoing operation of on-site sewage management systems. In accordance with the Act, a resolution of the Council is required

if the licensing of on-site sewage management systems varies from a five-year approval. The draft On-Site Sewage Management System Policy recommends licence renewals not exceed seven years.

The draft On-Site Sewage Management System Policy provides a practical framework for Council officers to licence, regulate and undertake audits of on-site sewage management systems to protect human health and the natural environment from defective or failing systems. It is noted that wastewater contractors and service technicians would still be a vital part of a system owners maintenance regime, given their involvement in servicing systems as well as designing and implementing solutions for defective systems.

### **Environmental, public health and economic considerations**

A combination of poor system operation and management, coupled with a lack of awareness of the impacts of defective systems can result in on-site sewage management system failure. These failures have the potential to affect public health, the local economy and our natural environment through the contamination of groundwater, and by entering waterways and recreational swimming areas. In this regard, it is essential that system owners and residents are aware and directly responsible for the use of their on-site sewage management systems and understand the potential impact on public health and the environment.

Appropriate system operation minimises the potential for the following adverse impacts:

- Spread of disease by bacteria, viruses, parasites and other organisms in wastewater.
- Surface water and groundwater contamination.
- Pollution of waterways, which may result in the contamination of oyster harvesting and other commercial business operations.
- Degradation of soil and vegetation.
- Decreased community amenity caused by odours, noise and insects.

Contamination from faecal bacteria (sewage) in waterways creates a direct risk to public health, particularly in freshwater creeks where bacteria persist for longer in the environment. Bacterial contamination also poses a direct risk to public health in estuarine areas used for recreational swimming and commercial oyster growing.

Elevated nutrient concentrations, particularly nitrogen and phosphorus, as well as increased bacteria levels are evident in waterways associated with communities that rely on on-site sewage management systems. Although nutrients are essential for the growth of aquatic plants and phytoplankton that sustain ecosystems, elevated nutrient levels can also encourage the growth of weed species and cause an increase in microalgal productivity causing algal blooms.

As detailed in the Hornsby Shire Council Waterway Health Review (1995-2017), problematic algal blooms continue to occur in the estuarine areas of the lower Hawkesbury River, and of note, Berowra Creek, impacting on the use of waterways for fishing, swimming and other recreational pursuits.

Approval from the NSW Food Authority for oyster farmers to undertake direct harvest from the Hawkesbury River without the need for depuration relies on the effective operation of on-site sewage management systems. The application of the proposed licensing and audit program would provide significant support for the 15 active oyster businesses currently operating in the Hawkesbury, given the industry annually produces more than 60,000 dozen oysters for human consumption.

Further, the establishment of an On-Site Sewage Management System Policy, underpinned by effective licensing, audits, monitoring and community education, would assist Council in delivering key outcomes identified in Council's Water Sensitive Hornsby and Biodiversity Conservation Management Plan. The Policy would enable a strong focus on water management and support safe communities and healthy, clean rivers and creeks whilst delivering a holistic approach to water management in meeting the challenges of population growth.

### **Seven (7) year licensing and audit program**

Council has been auditing on-site sewage management systems for over two decades, with many systems operating in a safe and sanitary manner. As a result of this, a seven-year licensing and audit cycle has been identified as appropriate.

In situations where a system has been identified as nearing the end of its life span or has failed, a lesser licensing period may be appropriate and would be stipulated.

### **Requirements for a licence to operate an on-site sewage management system**

Landowners operating an on-site sewage management system are legally required to hold a current operating licence issued by Council. The main purpose of the operating licence is to detail the public health and environmental standards required to be achieved by system owners and to enable Council to systematically use its regulatory powers, including the issuance of Directions and Orders, where necessary. The granting of an operating licence ensures:

- Landowners are aware of relevant sewage management performance standards for their system.
- Accountability is established between landowners and Council.
- Council can identify, monitor, and manage individual sewage pollution sources and their local and cumulative impacts on public health and the environment.

### **Areas of the Hornsby Shire included in the Policy**

The Policy would apply to all properties that contain an on-site sewage management system. This includes all systems where sewage cannot be directly discharged to a public sewer, and those which are not specifically licenced and/or regulated by the NSW Environment Protection Authority (EPA).

### **Implications for properties with underground sewage collection tanks connected to the Sydney Water Pressure Sewerage System under the licensing and audit program**

Properties in Galston, Glenorie, Brooklyn, Dangar Island, Mount Kuring-gai and Cowan that have connected to Sydney Water's sewer line via a Pressure Sewerage System do not require an inspection or licence by Council.

Although pressure sewerage systems are located on private property, their equipment, including the underground collection tank, is owned and regulated by Sydney Water. Property owners who are connected to the Sydney Water sewer by a Pressure Sewerage System pay annual wastewater service fees for their sewer connection. The service fees enable Sydney Water to carry out inspections of the Pressure Sewerage System equipment as part of their ongoing maintenance and safety program.

### **Fee recommended for the issuance of a licence**

Sydney Water charges landowners approximately \$550 annually for the use of its sewer system, which includes those properties and landowners that are connected to the Sydney Water Pressure Sewerage System.

With respect to on-site sewage management systems, system owners are required to comply with the requirements of Council-issued Approval to Operate licences and Council must be satisfied that systems are being properly maintained in accordance with the licence requirements.

Under the principle of “user pays”, an annual levy is proposed to ensure that adequate resources are available to fulfil Council’s legal requirements to ensure all landowners have a valid licence and to enable Council’s officers to undertake audits of all systems to ensure compliance.

### **Operation of Council’s on-site sewage management audit program**

Approval to Operate licences for systems in the Hornsby local government area were recently issued for a period of 3 years and will expire in October 2024.

Following the expiration of these licences, the commencement of audits of all on-site sewage management systems in accordance with the draft Policy would be undertaken sequentially based on their level of risk to the environment and public health, over a seven-year period. Systems are defined as either high, medium or low risk as follows:

#### High risk systems (approximately 300 systems)

High risk systems are generally defined as those systems located in close proximity to recognised recreational swimming, oyster harvest areas or oyster lease areas.

#### Medium risk systems (approximately 1500 systems)

Medium risk systems are generally defined as those systems not located in close proximity to recognised recreational swimming, oyster harvest areas or oyster lease areas, and those systems that are not defined as Aerated Wastewater Treatment Systems.

#### Low risk systems (approximately 1000 systems)

Low risk systems are generally defined as those systems that use sensitive biological agents and chemical processes to produce a higher quality effluent than a standard septic tank. These systems are commonly known as Aerated Wastewater Treatment Systems and have been identified as low risk given the required regular inspections and maintenance of the systems in accordance with the requirements of NSW Health.

Approximately 400 audits would be undertaken annually, with high-risk systems audited at the commencement of the seven-year program, followed by medium risk systems and low risk systems.

In situations where Council’s audit identifies that a system has failed and/or has the potential to cause significant environmental pollution or impact to public health, the risk level for a system may be re-evaluated. Further, in these scenarios it may be deemed appropriate for Council to issue a lesser licensing period.

Council may also utilise their discretionary powers to reduce the risk category of a system where deemed appropriate. However, it is noted that a change in risk category would not alter the frequency of audits undertaken on a system but would determine the timing of an audit within the seven year period.

Where Council’s inspection reveals a defective or failing system, Council would work with the system owner to rectify the defects. In instances where failing systems are identified as causing an immediate

pollution incident or system owners do not cooperate with Council's requests to repair a system, Notices and Orders may be required to be issued pursuant to the Protection of the Environment Operations Act 1997 or Local Government Act 1993, to rectify defective systems and/or stop a pollution incident.

It is noted that reactive inspections and investigations of failing or polluting systems would continue to be undertaken by Council's officers upon the commencement of the licensing and audit program. Council would prioritise inspections of systems where complaints are received and where property owners have requested an inspection.

### **Education and guidance**

Council's draft Policy seeks to take an educational approach with system owners so that they understand their responsibilities and the requirements of their systems. Council officers would provide system owners appropriate guidance and education whilst on site and educational resources would be made available to the public on Council's website to assist in ensuring a system is operated and maintained correctly, minimising the likelihood of issues with a system in the future.

Where a change in ownership of a property occurs, an Approval to Operate licence is issued to new property owners once Council receives information pertaining to the property transfer. Licence expiration dates and system requirements are detailed in the licence. Educational material would also be provided to new homeowners to ensure they understand the requirements of operating and maintaining their on-site sewage management system.

### **Notification of Council's inspection of systems**

Prior to the commencement of the licensing and audit program, Council would write to each system owner to advise of the adoption of the Policy and also seek confirmation of the type of on-site sewage management system located on the property to ensure Council's records are current.

Property owners would be given notification in writing of Council's intention to inspect their on-site sewage management system. If an owner requested to be present at the time of Council's inspection, they would be given an opportunity to contact Council and arrange a mutually suitable time for the inspection to take place during business hours.

When a Council Officer attends a property and is unable to gain access to an on-site sewage management system or complete an inspection, the property owner would be contacted, and a suitable time arranged for the inspection to be completed.

### **Draft On-Site Sewage Management System Policy**

The draft On-Site Sewage Management System Policy is attached to this report. The purpose of the Policy is to fulfil Council's regulatory responsibilities pursuant to the Local Government Act 1993 in the assessment and approval of licences for the installation and operation of on-site sewage management systems and aims to provide a framework for the licensing of such systems.

The Policy includes a seven-year licensing and audit program of all on-site sewage management systems. Approval to Operate licences would be valid for seven years and an audit of all systems would be undertaken within this period to ensure compliance with licence conditions.

The Policy details that audits would be undertaken sequentially based on their level of risk to the environment and public health, and in situations where a defective system or environmental pollution or public health risk was identified, the risk level for the system may be re-evaluated and/or a lesser licensing period be issued.

The Policy would replace Council's previous 2010-2012 Onsite Sewage Management Strategy and return to a more proactive auditing regime for on-site sewage management systems within the Shire.

Since the lapse of the 2010-2012 Strategy, and in response to the allocation of resources to equally address the range of regulatory compliance matters carried out by Council, a reactive inspection program for on-site sewage management systems has been conducted over recent years.

Notwithstanding, Council continued to meet its statutory obligations through the issuance of Approval to Operate licences every three years to all system owners. Approval to Operate licences were most recently renewed in October 2021 for a period of three years, with associated administration fees waived in accordance with Council's adopted Fees and Charges.

Council's draft Policy includes information similar to Council's previous Strategy, including applicable legislation and guidelines, system inspection frequency and fee structure. Detailed information relating to enforcement action able to be taken by Council officers has not been included within the draft Policy as officers have delegated authority to take such action where necessary in accordance with relevant legislation.

Relevant guidance material and legislation would also be included within Frequently Asked Questions that would form part of the public exhibition and would be maintained on Council's website should the Policy be adopted. The Frequently Asked Questions are attached to this Report.

#### **CONSULTATION - COMMUNICATION AND ENGAGEMENT STRATEGY**

Subject to Council endorsement, it is recommended that the draft On-Site Sewage Management System Policy be placed on public exhibition for a period of 28 days. The exhibition would be publicised through the following channels:

- Advertisement on Council's website on the 'Have Your Say' page linking to a page with further information and Frequently Asked Questions.
- Posts to Council's Facebook page, included in 'Have Your Say' posts promoting items currently on exhibition and a dedicated post during the exhibition period.
- Letters to all property owners who have an on-site sewage management system in the Shire (~2,800).
- Inclusion in newspaper advertisements for rural areas (Bush Telegraph, Galston and Glenorie News, Dooral Roundup).
- Monthly eNews inclusion in the 'Have Your Say' tile with items currently on exhibition.
- Presentation of the draft Policy to the Arcadia & Galston Resident's Association and Berowra Waters Progress Association.

Following exhibition, a report would be presented to Council summarising the community feedback for consideration of next steps.

#### **BUDGET**

The implementation of the proposed Policy would have resource implications for Council. On a full cost recovery basis, in which approximately 400 inspections are proposed annually, the fee for providing the on-site sewage management system licensing and audit program would be \$125,000 per annum. This fee is calculated based on the cost of employment an additional Environmental Compliance Officer and part-time Administration Officer.

An annual levy is proposed to apply to all owners of on-site sewage management systems to cover the cost of administering the Policy. The levy would come into effect in accordance with Council's adopted Fees and Charges should Council endorse the Policy following exhibition and consideration of a report on submissions.

### **POLICY**

The contents of this report concern the draft Hornsby Shire Council On-Site Sewage Management System Policy. Should the Policy be adopted after consultation with the community, it would inform Council's approach to the regulation of systems within the Shire.

### **CONCLUSION**

The draft Hornsby Shire Council On-Site Sewage Management System Policy was prepared ensuring that it complies with the legislative requirements of the Local Government Act 1993 and Local Government (General) Regulation 2021.



### **RESPONSIBLE OFFICER**

The officer responsible for the preparation of this Report is the Manager, Regulatory Services - Nichola Clarke, who can be contacted on 9847 6668.

NICHOLA CLARKE  
Manager Regulatory Services  
Planning and Compliance Division

JAMES FARRINGTON  
Director - Planning and Compliance  
Planning and Compliance Division

### **Attachments:**

1.  On-Site Sewage Management System Policy
2.  On-Site Sewage Management System Policy - Frequently Asked Questions

File Reference: F2004/09495

Document Number: D08379327



## **8 REPORTING VARIATIONS TO DEVELOPMENT STANDARDS**

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### **EXECUTIVE SUMMARY**

- In accordance with Department of Planning, Industry 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 Clause 4.6 (Exceptions to development standards) 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 Director's Report No. PC10/22 be received and noted.

## PURPOSE

The purpose of this report is to advise Council of determined development applications under delegated authority involving a Clause 4.6 variation to a development standard for the period 1 January to 31 March 2022.

## DISCUSSION

Department of Planning, Industry and Environment's *Circular B1*, issued in March 1989, requested that councils monitor the use of the Secretary's assumed concurrence under the then State Environmental Planning Policy No. 1 – Development Standards (*SEPP 1*) on a quarterly basis. *SEPP 1* was replaced by Clause 4.6 as the mechanism to enable variation to a development standard when the HLEP 2013 came into effect. However, the reporting requirements for variations to standards remain 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 and keep accurate records where variations to standards are supported.

The *Circular* also provides that councils are required to report on a quarterly basis and adopt the following four measures:

1. Establish a register of development applications determined with variations in standards under Clause 4.6.
2. Require all development applications where there has been a variation greater than 10% in standards to be determined by the Hornsby Local Planning Panel.
3. Provide a report to Council on the development applications determined where there had been a variation in standards under Clause 4.6.
4. Make the register of the development applications determined with variations in standards under Clause 4.6 available to the public on Council's website.

In accordance with Point 3 of the Department Circular, attached is a list of development applications determined between 1 January to 31 March 2022.

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 Clause 4.6.

## 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 Clause 4.6 of the HLEP during the reporting period from 1 January to 31 March 2022.

**RESPONSIBLE OFFICER**

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

JAMES FARRINGTON

Director - Planning and Compliance  
Planning and Compliance Division

**Attachments:**

1.  Clause 4.6 Return - Jan to Mar 2022

File Reference: F2004/07599-02

Document Number: D08395003

## 12 MAYOR'S NOTES FROM 01 APRIL 2022 TO 30 APRIL 2022

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*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.*

Friday 1<sup>st</sup> April 2022 – The Mayor attended the Opening of the John Paul Foundation Discovery Centre at Warrah in Dural.

Friday 1<sup>st</sup> April 2022 – The Mayor attended the Opening Night of the Hornsby Young Artists' Competition and Exhibition at Wallarobba House in Hornsby.

Saturday 2<sup>nd</sup> April 2022 – On behalf of the Mayor, Deputy Mayor, Councillor Tilbury attended the Annual Awards and Reports Meeting of 1st Dural Scouts at Dural Scout Hall in Dural.

Sunday 3<sup>rd</sup> April 2022 – The Mayor attended the Hornsby Ku-ring-gai RFS National Emergency Medal, and a Commissioners Certificate of Service Presentations at Arcadia Fire Station in Arcadia.

Tuesday 5<sup>th</sup> April 2022 – On behalf of the Mayor, Councillor Waddell attended Asquith Girls High School Anzac Day Assembly held at Asquith Girls High School in Asquith.

Tuesday 5<sup>th</sup> April 2022 – The Mayor attended the Grand Opening of Sol Studios by Granny Flat Solutions and New South Homes at their Head Office in Waitara.

Thursday 7<sup>th</sup> April 2022 – The Mayor attended the "Holiday Inn Musical" produced by Hornsby Musical Society Production at Hornsby RSL in Hornsby.

Sunday 10<sup>th</sup> April 2022 – On behalf of the Mayor, Councillor McClelland attended the Hornsby Ku-ring-gai RFS National Emergency Medal and a Commissioners Certificate of Service Presentations 2022 at the Hornsby Ku-ring-gai RFS in Cowan.

Sunday 10<sup>th</sup> April 2022 – The Mayor attended the Brooklyn RSL Sub-Branch ANZAC Day Ceremony at Brooklyn followed by lunch at the Mooney Mooney Club.

Thursday 21<sup>st</sup> April 2022 – The Mayor attended the RSL LifeCare ANZAC Ceremony at Cherrybrook Gardens.

Friday 22<sup>nd</sup> April 2022 – The Mayor attended the Maronite Catholic Community of St George Parish of Thornleigh Cocktail Supper at St George Parish of Thornleigh.

Saturday 23<sup>rd</sup> April 2022 – The Mayor attended the Hindu Council & Australia India Cenotaph Committee Anzac Day Service at the Cenotaph in Cherrybrook.

Sunday 24<sup>th</sup> April 2022 – The Mayor attended the Hornsby RSL Sub-Branch ANZAC Sunday March in Hornsby.

Sunday 24<sup>th</sup> April 2022 – The Mayor attended the Hills District Chapter of the Glenorie RSL Sub-Branch ANZAC Sunday Commemoration Service at The Galston Club.

Monday 25<sup>th</sup> April 2022 – The Mayor attended the Hornsby RSL Sub-Branch ANZAC Day Dawn Service at Hornsby Cenotaph.

Monday 25<sup>th</sup> April 2022 – On behalf of the Mayor, Councillor Waddell attended the Glenorie RSL ANZAC Dawn Service at The Galston Club.

Monday 25<sup>th</sup> April 2022 – The Mayor attended the Berowra RSL Sub-Branch ANZAC Ceremony and Breakfast at Berowra Community Hall and Club Berowra.

Monday 25<sup>th</sup> April 2022 – The Mayor attended the ANZAC Mass of Remembrance (The Bishop of the Diocese of Broken Bay, Most Rev Anthony Randazzo) Service at Our Lady of the Rosary Cathedral Waitara.

Monday 25<sup>th</sup> April 2022 – The Mayor attended the Glenorie RSL and Sub-Branch Afternoon ANZAC Ceremony at The Glenorie RSL Club.

Wednesday 27<sup>th</sup> April 2022 – The Mayor attended the Barker College ANZAC Observance at Barker College.

Friday 29<sup>th</sup> April 2022 – The Mayor attended the Galston High School ANZAC Day Ceremony at Galston High School.

Friday 29<sup>th</sup> April 2022 – The Mayor attended the Northern Districts Cricket Club Presentation Night at Hornsby RSL.

Saturday 30<sup>th</sup> April 2022 – The Mayor attended the Kuring Gai Netball, Launch of the Winter Season 2022 - Morning Session at Canon Road in South Turramurra.

File Reference: F2004/07053

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