



BUSINESS PAPER

GENERAL MEETING

**Wednesday 12 February 2025
at 6:30 PM**



TABLE OF CONTENTS

AGENDA AND SUMMARY OF RECOMMENDATIONS

RESCISSION MOTIONS

MAYORAL MINUTES

ITEMS PASSED BY EXCEPTION / CALL FOR SPEAKERS ON AGENDA ITEMS

GENERAL BUSINESS

Office of the General Manager

- Item 1 GM3/25 December 2024 Performance Report on the 2024-2027 Delivery Program and Quarterly Budget Review Statement 1

Corporate Support Division

- Item 2 CS4/25 Investments and Borrowings For 2024/2025 - Status For The Periods Ending 30 November 2024 And 31 December 2024 10
- Item 3 CS5/25 Councillor Expenses and Facilities Policy - Reporting Required by Section 15 of the Policy 13

Community and Environment Division

Nil

Planning and Compliance Division

- Item 4 PC1/25 Low and Mid-Rise Housing Reforms – Dual Occupancy Minimum Lot Size Controls 19

Infrastructure and Major Projects Division

Nil

CONFIDENTIAL ITEMS

- Item 5 CS1/25 Renewal of Lease of Operational Land at Brooklyn

PUBLIC FORUM – NON AGENDA ITEMS

QUESTIONS WITH NOTICE

MAYOR'S NOTES

- Item 6 MN1/25 Mayors Notes 01 December 2024 to 31 January 2025 25

NOTICES OF MOTION

SUPPLEMENTARY AGENDA

MATTERS OF URGENCY

AGENDA AND SUMMARY OF RECOMMENDATIONS

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."

PRESENT

NATIONAL ANTHEM

OPENING PRAYER/S

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."

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 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

Councillors are reminded of their Oath or Affirmation of Office made under section 233A of the Act and their obligations under the Council's Code of Conduct to disclose and appropriately manage conflicts 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 11 December, 2024 be confirmed; a copy having been distributed to all Councillors.

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

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

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

GENERAL BUSINESS

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

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

Item 1 GM3/25 DECEMBER 2024 PERFORMANCE REPORT ON THE 2024-2027 DELIVERY PROGRAM AND QUARTERLY BUDGET REVIEW STATEMENT

RECOMMENDATION

THAT the:

1. December 2024 Performance Report showing progress of the 2024-2027 Delivery Program including the 2024/25 Operational Plan and Budget, be received and noted.
2. Quarterly Budget Review Statement for the period ending December 2024 be received and noted.

CORPORATE SUPPORT DIVISION

Page Number 10**Item 2 CS4/25 INVESTMENTS AND BORROWINGS FOR 2024/2025 - STATUS FOR THE PERIODS ENDING 30 NOVEMBER 2024 AND 31 DECEMBER 2024****RECOMMENDATION**

THAT the contents of Director's Report No. CS4/25 be received and noted.

Page Number 13**Item 3 CS5/25 COUNCILLOR EXPENSES AND FACILITIES POLICY - REPORTING REQUIRED BY SECTION 15 OF THE POLICY****RECOMMENDATION**

THAT Council note that details regarding the provision of Councillor expenses and facilities for the period from 1 July 2024 to 31 December 2024 have been tabled in accordance with the Councillors' Expenses and Facilities Policy.

COMMUNITY AND ENVIRONMENT DIVISION

Nil

PLANNING AND COMPLIANCE DIVISION**Page Number 19****Item 4 PC1/25 LOW AND MID-RISE HOUSING REFORMS – DUAL OCCUPANCY MINIMUM LOT SIZE CONTROLS****RECOMMENDATION**

THAT Council endorse the following recommended minimum lot size controls for dual occupancy developments for submission to Department of Planning, Housing and Infrastructure:

	Dual occupancy (attached)		Dual occupancy (detached)	
	Parent	Child	Parent	Child
Land not within an HCA	700sqm	350sqm	800sqm	400sqm
Land within an HCA	800sqm	400sqm	900sqm	450sqm

INFRASTRUCTURE AND MAJOR PROJECTS DIVISION

Nil

CONFIDENTIAL ITEMS

Item 5 CS1/25 RENEWAL OF LEASE OF OPERATIONAL LAND AT BROOKLYN

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 25

Item 6 MN1/25 MAYORS NOTES 01 DECEMBER TO 31 JANUARY 2025

NOTICES OF MOTION

SUPPLEMENTARY AGENDA

MATTERS OF URGENCY

1 DECEMBER 2024 PERFORMANCE REPORT ON THE 2024-2027 DELIVERY PROGRAM AND QUARTERLY BUDGET REVIEW STATEMENT

EXECUTIVE SUMMARY

- Council is required to review its budget each quarter. At the same time, the Integrated Planning and Reporting Guidelines state that progress reports should be provided to Council on the principal activities detailed in its Delivery Program at least every six months.
- In this regard, the December 2024 Performance Report showing progress of the 2024-2027 Delivery Program including the 2024/25 Operational Plan and Budget, is attached for Council's consideration.
- Progress against the adopted 2024-2027 Delivery Program including the 2024/25 Operational Plan and Budget, and the operational performance of the organisation, has been in line with the service delivery standards adopted by Council.
- The 2024/25 Original Budget forecast a surplus at 30 June 2025 of \$1.983 million. The September 2024 Review had no net budget changes, whilst this December 2024 Review recommends budget changes of \$100K that reduce the forecast surplus at 30 June 2025 to \$1.883 million.
- 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:

1. December 2024 Performance Report showing progress of the 2024-2027 Delivery Program including the 2024/25 Operational Plan and Budget, be received and noted.
2. Quarterly Budget Review Statement for the period ending December 2024 be received and noted.

PURPOSE

The purpose of this Report is to present for Council's consideration the December 2024 Performance Report showing progress of the 2024-2027 Delivery Program including the 2024/25 Operational Plan and Budget, as required under section 406 of the Local Government Act 1993 and the Integrated Planning and Reporting Guidelines, September 2021. Details within the Performance Report cover the six-month period 1 July to 31 December 2024. The Performance Report includes Council's Consolidated Budget Summary as at December 2024.

BACKGROUND

On 12 June 2024, Council adopted the 2024-2027 Delivery Program including the 2024/25 Operational Plan and Budget. The Delivery Program and Operational Plan set out the manner in which Council intends to deliver services and measure performance. This Performance Report provides updates on progress of actions within that document.

In line with the 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. To streamline reporting the QBRS will be linked to the half yearly performance report for each December and June period.

DISCUSSION

Operational comment

The Delivery Program including the Operational Plan by its very nature contains a large number of Key Initiatives, Ongoing Activities and Capital Projects. All of these components are reported quarterly with an update on progress and a traffic light assigned for current status. These quarterly reports are lengthy and detailed, however relevant progress is summarised in commentary under each Focus Area within the attached Performance Report. Key Initiatives and Capital Projects Completed, On Hold or Needing Attention are listed under their relevant section, as well as any extra projects that have been added including Special Rate Variation (SRV) initiatives.

The December 2024 Performance Report (Attachment 3.) contains commentary and shows progress on annual and quarterly measures across the 16 Focus Areas which will help deliver on the community's long-term goals and are aligned to the Strategic Directions and Themes in our Community Strategic Plan, *Your vision | Your future 2032*.

The Report also contains updates on Major Projects, which are further detailed below in the Budget Section, and operational highlights which include:

LIVEABLE

- Development Application for the redevelopment of Westleigh Park approved by the Sydney North Planning Panel in December 2024.
- \$12 million Thriving Suburbs grant received from the Australian Government in December 2024 for Old Mans Valley 'Field of Play', Hornsby Park.
- Hornsby Spring Fest event held on 16 November 2024.
- Hornsby Aquatic and Leisure Centre 10-year anniversary of reopening to community after complete refurbishment.

- Brickpit Park, Thornleigh playground upgrade completed, including additional shade tree planting, new direct pedestrian access from Pennant Hills Road, larger picnic shelters and wider accessible grade paths.

SUSTAINABLE

- Thornleigh Community Recycling Centre recognised for excellence, receiving a Highly Commended award in the Sustainable Cities Awards.
- A 'New-Bub Bushcare' group, a Bushcare group for new parents which includes free babysitting, launched in conjunction with TAFE NSW to allow parents to care for the bush and address social isolation.

PRODUCTIVE

- Hornsby Affordable Housing Strategy endorsed in December 2024.
- \$2.8 million grant received from the NSW Government for 'Safe Speeds in High Pedestrian Activity and Local Areas' to implement Hornsby Town Centre east side High Pedestrian Activity Area.

COLLABORATIVE

- Updated Community Engagement Strategy adopted in December 2024.
- 2023/24 Annual Report, including the Audited Financial Statements and the 2024 State of the Shire Report providing a snapshot of progress of the Hornsby Shire since the adoption of the Hornsby Shire Community Strategic Plan, Your vision | Your future 2032, endorsed November 2024.

CAPITAL PROJECTS

- Completion of nine capital projects in the first six months of 2024/25, including four new footpaths.

Budget comment

This Review includes the second quarter results for 2024/2025 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 \$4.6 million or approximately 4.6% 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 2024.

The 2024/25 Original Budget forecast a surplus at 30 June 2025 of \$1.983 million. The September 2024 Review recommended no net budget changes, whilst this December 2024 Review recommends budget changes of \$100K that reduce the forecast surplus at 30 June 2025 to \$1.883 million.

The total cost of all recommended budget changes is \$350K. Following a review of existing operating and capital budgets across Council \$250K of savings have been identified that provide \$250K of the \$350K required. The remaining \$100K requires a reduction to the forecast surplus at 30 June 2025 from \$1.983 million to \$1.883 million. The predicted budget result is satisfactory in maintaining Council's existing liquidity levels. However, it would be financially prudent that no further discretionary budget changes are made during the fiscal year to ensure that Council retains the ability to be able to respond to potential budget shocks that could occur before 30 June 2025.

Discretionary budget changes are listed below:

- \$250K to provide matched grant funding for the renewal of Brooklyn Wharf – offset by savings identified within the Infrastructure and Major Projects Division.
- \$50K towards the preparation of a Development Application for space in the Council Chambers to be used as community facilities. Funded from a reduction in the forecasted 2024/25 budget surplus.
- \$50K allocated from the forecasted 2024/25 budget surplus towards providing a co-contribution for the construction of a Glenorie Memorial Fence. It is noted that this project has been estimated at \$195K where the community have raised approximately \$145K.

Other budget changes are listed below, which net to nil and have no impact to the forecast surplus.

- Reallocation of recharges for internal costs for Information Technology, Finance, Rates on Council owned properties, Human Resources and Payroll. These costs are apportioned across Council to capture the full cost of each of Council's external services. The changes made reconcile to nil and are non-cash in nature.
- Other capital budget changes provided as an attachment to this report that are offset by restricted/external funding that had been set aside for this purpose.

Council committed to adopting a balanced budget each year as part of the justification for the Special Rate Variation, which includes achieving an end of year result that meets the financial performance measures set by the Office of Local Government. It is therefore recommended that the forecast surplus be retained to enable Council to respond in a timely manner towards infrastructure assets that may fail, the impact of natural disasters on local service provision and clean-up costs, or cost shifting from other tiers of government, to respond to events of this nature without affecting the normal continuance of service provision throughout the year.

Capital Works Program

The 2024/25 Capital Works Program includes budget estimates for large projects, with work scheduled to take place over several financial years. For these projects, the completion of works planned in 2024/25 was dependent upon the delivery of earlier stages programmed for delivery in the 2023/24 financial year.

As noted in General Manager's Report GM16/24, Adoption of Council's 2024-2027 Delivery Program and 2024/25 Operational Plan (Incorporating the Budget, Rating Structure and Fees and Charges) at the 12 June 2024 General Meeting, discussions were held with project managers in respect to the achievable delivery of draft capital projects in 2024/25 prior to the adoption of the budget. These discussions resulted in a number of changes to the draft 2024/25 capital works program after the exhibition period.

Advice has continued to be sought from project managers during the quarter in respect of the most recent timelines of multi-year projects based on final expenditure at 30 June 2024, as well as grants awarded during the quarter. As a result, the attached Capital Works Program includes budget changes of \$2.6 million that increase the capital budget from \$75.5 million to \$78.1 million at 31 December 2024.

A further review of the program will be completed during the March 2025 Review to ensure the budget reflects the most recent timelines for projects.

Special Rate Variation – Strategic Initiatives

The budget includes \$6.6 million to implement Special Rate Variation (SRV) initiatives identified in several strategic and technical documents endorsed by Council and desired by the community. The budget allocations align with Council's original application for the SRV, which includes similar allocations over a ten-year period.

IPART's approval came at the end of the previous financial year on 14 June 2023 with the first year SRV increase subsequently adopted by Council on 28 June 2023. Since then, Council Officers have developed an internal governance process to ensure that SRV funds can only be allocated in accordance with the program of works included in Council's application. Further to this it is expected that the SRV detailed program of works is selected based on high priority projects linked to appropriate strategies and assessment criteria that are then endorsed by Council's Executive Leadership Team (ELT).

The late approval of the SRV by IPART has meant that the project planning required to ensure the most efficient and effective use of the SRV funds has caused a delay to the delivery of projects in the first year that required unspent SRV funds of \$5.6 million at 30 June 2024 to be restricted and carried forward to future years to ensure adherence with the conditions of IPART's approval.

As noted in Director's Report No. CS15/24 – 2023/24 Budget March 2024 Quarter Review (considered at the 8 May 2024 General Meeting), the General Manager had requested Council Officers commence a project to fast track the preparation of prioritised work schedules for each Strategic Initiative with the aim of increasing the delivery rate of projects to the community next year and beyond.

This project is now substantially complete with work schedules for most initiatives endorsed by the Executive Leadership Team in line with the governance framework.

The strategic initiative – cycling and shared paths varied from the work schedule that had been adopted as part of the cycling and walking strategy and was therefore endorsed separately by Council at the General Meeting held on 11 December 2024 in Director's Report IM25/24, SRV Shared Path Schedule.

BUDGET – MAJOR PROJECTS

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

- **Foxglove Oval** – As reported in successive Quarterly Review reports to Council the estimated cost of landfill remediation works at Foxglove Oval are forecast to exceed the balance on hand in Council's Domestic Waste Management externally restricted asset reserve by \$23.38 million based on detailed costings prepared by the relevant Director and Project Manager.

Following the preparation of this estimate and as noted in the March 2024 Quarter Review, \$23.38 million has been set aside from Council's Capital Projects and Restricted Working Funds internally restricted asset account to fund an internal loan to Domestic Waste for this purpose, with all costs incurred to be recovered through future increases in Domestic Waste Annual Charges.

Whilst Council remains in a stable financial position a reduction in cash of this size has weakened Council's liquidity position until the loan can be repaid. This places greater emphasis on the need for prudent fiscal management over future years including the continuation of the adoption of a balanced budget each year and a focus on mitigating the risk

of cost escalations from major projects through the allocation of adequate contingencies, project staging, the inclusion of termination clauses within contracts and the provision of information from the project team for consideration by Executive Leadership Team members. Council's adopted 2024/25 – 2033/34 Long Term Financial Plan includes a recommendation for remaining cash reserves to be maintained at existing levels with any funding transferred to respond to other immediate financial challenges or unforeseen events to be repaid to ensure Council's long term financial sustainability.

A separate report that provided a detailed overview of the history of the project to date as well as the forecast program of works was referred to Council at the General Meeting held on 10 July 2024 in Directors Report CE7/24, Foxglove Oval Remediation Works Update.

The total expenditure drawn from the internal loan at 31 December 2024 is \$1.808 million and a plan to repay the loan amount through future increases in Domestic Waste Annual Charges is in development as part of the preparation of Fees and Charges for 2025/26.

- **Hornsby Park – from Quarry to Park**

During the quarter Council received notification that a grant of \$12 million had been awarded from the Australian Government through the Thriving Suburbs grant scheme to fund a Field of Play at Old Mans Valley. This additional grant supplements \$50 million of funding provided by the NSW Government through the Stronger Communities grant scheme and 100% of this grant (plus around \$5.7 million of interest earned to date) has been spent or committed by way of tendered works and development consent obligations.

Further funding of \$28 million is available from development contributions and \$12 million of this funding is required as a co-contribution for the Thriving Suburbs grant.

A budget of approximately \$34 million was allocated for bulk earthworks and site rehabilitation to create the landform for the site and address site wide stability issues and works for this stage have been completed.

An allocation of \$5 million has been provided for the regeneration of vegetation communities on the site, with this funding set aside in an internal restricted asset account to cover the cost of ongoing vegetation management into the future.

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 is significantly above the total level of funding available. 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.

The total life to date expenditure on the project to 31 December 2024 (excluding the acquisition costs of \$25.1 million), including vegetation communities is \$55.3 million. Year to date expenditure to 31 December 2024 is \$8.3 million compared to a year-to-date budget of \$6.8 million and full year budget of \$13.5 million.

At the 14 April 2021 General Meeting (in Deputy General Manager's Report No. IM2/21 – Master Plan for Hornsby and Westleigh Parks) Council resolved to acknowledge that a financially responsible approach requires the project to be staged commensurate with available funding. \$90 million of funding (plus interest) is now available comprising total grant funds of \$62 million (\$50 million from the Stronger Communities grant program and \$12 million from the Thriving Suburbs grant) and a further \$28 million from development contributions. The Long-Term Financial Plan and SRV did not provide any further capital

funding for the project over the next 10 years. It would therefore be financially prudent for expenditure to be contained within the amount of external funding available. Modelling in previous versions of Council's Long-Term Financial Plan indicated at the time that exceeding the level of external funding available would reduce Council's long term financial sustainability.

The redevelopment of the site is Council's largest project and creates a significant financial risk because of its size compared to Council's overall budget. To protect Council from cost escalations it will be financially prudent to follow a number of mitigation strategies as the redevelopment of the site progresses:

- The allocation of a 30% contingency for all components of the project, noting ongoing challenges in the external environment, including inflationary price increases, and supply side shortages for materials and labour, as well as recent severe weather events and natural disasters in the Hornsby LGA.
 - Staging the scope of works over time is recommended, by splitting the project into components with separate budgets. Some components would start only after others have been completed, with the budget available for later components being adjusted based on remaining budget available at the time, with appropriate contingency provisions. If components do exceed budget allocations this should be flagged early for discussion with Council's Chief Financial Officer to assess appropriate financial action.
 - Contracts to include suitable termination clauses to provide the option of ceasing work if costs escalate.
 - Provision of information as appropriate for consideration by Executive Leadership Team members in respect to approving when work on components can commence.
- **Westleigh Park Development**

The Development Application for the project was approved by the Sydney North Planning Panel on 9 December 2024 with 133 conditions of consent.

\$40 million of funding was originally provided from the NSW Government's Stronger Communities Fund that was subsequently allocated to the delivery of stage one. 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 all facilities canvassed in the Master Plan is significantly above this level of funding.

During the 2023/24 financial year Council received notification from the Office of Local Government that remaining grant funding in the order of \$36 million (less interest earned to date) would be required to be returned. Council is continuing to assess its options in respect to this notification.

As noted in the Financial Risks section of Council's adopted 2024/25 – 2033/34 Long Term Financial Plan, the notification received jeopardises the future of the project as insufficient available financial capacity is forecast over the ten-year term of the Plan to replace funding of this magnitude.

The total life to date expenditure to 31 December 2024 on this project (excluding the acquisition costs of \$21 million funded by development contributions) is \$6.469

million. Financial year to date expenditure at 31 December 2024 is \$285K that has been funded from a small allocation of development contributions available instead of the grant.

The redevelopment of the site is Council's second largest project; therefore, it would be financially prudent to follow the same mitigation strategies as noted for Hornsby Park, should the grant funds be retained.

- **Asquith to Mt Colah- Streetscape Amenity Improvements**

Upgrade works on Peats Ferry Road, Asquith between Hookhams Corner and Wattle Street have been completed.

The corridor from Asquith to Mt Colah will be undertaken in two stages. Stage one includes works between Amor Street and Yirra Road, and stage two is from Yirra Road to Parklands Avenue.

The total life to date expenditure to 31 December 2024 on this project is \$5.639 million out of a budget of \$9.3 million, subject to the availability of development contributions. Year to date expenditure at 31 December 2024 is \$867K compared to a year to date budget of \$1.2 million and full year budget of \$2.4 million. Works for stage one are substantially complete and the estimated cost has been revised down to \$1.6 million, resulting in savings that will fund planning and design works for stage 2 in 2025/26. The construction of stage two is dependent on additional development contribution funding becoming available.

- **Galston Public Domain**

On 10 July 2024 following public exhibition and a community engagement process, Council endorsed the Galston Village Public Domain Plan (Report No. IM6/24).

Design refinements are progressing, including site and road surveys, drainage/WSUD design review, geotechnical advice and Road Safety Audit. A speed Zone review for Galston Road is also being undertaken, recommending a lowering of vehicle speeds to 40km/h to improve pedestrian and cycling safety.

As a key component to the success of the PDP, Council continues to liaise with Transport for New South Wales (TfNSW) as the approval authority for works impacting the State Road (Galston Road). Further stakeholder engagement and workshop activities are planned with landholders, businesses and the community, which will guide final designs for Construction Tender anticipated in mid 2025.

The total life to date expenditure to 31 December 2024 on this project is \$196K out of a budget of \$7.1 million from an internally restricted asset account set aside using budget surpluses achieved in prior financial years. Year to date expenditure at 31 December 2024 is \$92K compared to a year to date budget of \$400K noting that consultants were engaged in early December 2024 for detailed design development that is estimated to be completed by May 2025 with TfNSW approval.

BUDGET

This Report provides the December 2024 Quarter Review of the 2024/25 Operational Plan (Budget), which, if adopted, will achieve a forecast surplus at 30 June 2025 of \$1.883 million. The predicted Budget result at 30 June 2025 is satisfactory in maintaining financial benchmark indicators in respect to liquidity and it would be financially prudent to continue to hold the surplus to respond to unforeseen budget shocks that occur over the course of the year.

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.

Council remains in a stable position whilst noting that the funds set aside for the remediation of Foxglove Oval has materially depleted liquidity levels. Because of this, Council's adopted 2024/25 – 2033/34 Long Term Financial Plan includes a recommendation for remaining cash reserves to be maintained at existing levels with any funding transferred to respond to other immediate financial challenges or unforeseen events to be repaid to ensure Council's long term financial sustainability.

The December 2024 Performance Report and quarterly budget review demonstrate that Council remains in a stable position to deliver local services and facilities in a financially responsible manner at 31 December 2024.




RESPONSIBLE OFFICERS

The officers responsible for preparation of this Report are the Manager, Strategy and Place – Julie Ryland and the Chief Financial Officer – Duncan Chell. They can be contacted on 9847-6773 and 9847-6822 respectively.

GLEN MAGUS
Director - Corporate Support
Corporate Support Division

STEVEN HEAD
General Manager
Office of the General Manager

Attachments:

1.  December 2024 Quarterly Budget Review Statement
2.  Revised Capital Program
3.  December 2024 Performance Report

File Reference: F2024/00060
Document Number: D09046089

2 INVESTMENTS AND BORROWINGS FOR 2024/2025 - STATUS FOR THE PERIODS ENDING 30 NOVEMBER 2024 AND 31 DECEMBER 2024

EXECUTIVE SUMMARY

- This Report provides details of Council's investment performance for the periods ending 30 November 2024 and 31 December 2024, as well as the extent of its borrowings at the end of each 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 an annualised return for November 2024 of 6.07% which includes a positive yield of 19.82% from TCorp Managed Funds.

The portfolio achieved an annualised return for December 2024 of 4.94% which includes a positive yield of 5.35% from TCorp Managed Funds.
- On a financial year to date basis the portfolio achieved an annualised return of 5.17% at 31 December 2024 which includes a positive yield of 8.26% from TCorp Managed Funds.

RECOMMENDATION

THAT the contents of Director's Report No. CS4/25 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 months ending 30 November 2024 and 31 December 2024 is detailed in the attached documents. In summary, the portfolio achieved an annualised return for November 2024 of 6.07% and December 2024 of 4.94%.

On a financial year to date basis the portfolio achieved an annualised return of 5.17% at 31 December 2024 which includes a positive yield of 8.26% from TCorp Managed Funds.

The Borrowings Schedule as at 30 November 2024 and 31 December 2024 is attached for Council's information, noting that Council became debt free on 1 July 2023 with no loans entered into since. Therefore, the Borrowings Schedule only discloses future lease repayments for various items of plant and equipment.

BUDGET

Budgeted investment income for the year is \$10,045,266 with an average budgeted monthly income of \$837,106. Net investment income for the month ended 30 November 2024 was \$1,425,995, which includes an unrealised gain of \$362,842 from TCorp Managed Funds. Net investment income for the month ended 31 December 2024 was \$1,223,302, which includes an unrealised gain of \$108,996.

Budgeted investment income year to date at 31 December 2024 was \$5,022,630. Total investment income year to date at 31 December 2024 was \$7,025,649 which includes a year-to-date unrealised net gain of \$968,988 from TCorp Managed Funds.

Approximately 45.46% 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 can experience significant market volatility due to external 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 30 November 2024 and 31 December 2024 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 Investments Summary Report November 2024
2.  HSC Borrowings Summary Report November 2024
3.  HSC Investments Summary Report December 2024
4.  HSC Borrowings Summary Report December 2024

File Reference: F2004/06987-02

Document Number: D09047229

3 COUNCILLOR EXPENSES AND FACILITIES POLICY - REPORTING REQUIRED BY SECTION 15 OF THE POLICY

EXECUTIVE SUMMARY

- The Councillors' Expenses and Facilities Policy, which is modelled on the Office of Local Government's Better Practice Template, requires that a report on the provision of facilities and payment of expenses to Councillors is to be tabled at a Council Meeting at six monthly intervals.
- Council last considered the required report at the General Meeting of 14 August 2024.
- This report covers the six-month period from 1 July 2024 to 31 December 2024. Details are provided of expenditure grouped according to specific categories, summarised by individual Councillor and as a total for all Councillors.
- It is recommended that Council note the contents of the Report.

RECOMMENDATION

THAT Council note that details regarding the provision of Councillor expenses and facilities for the period from 1 July 2024 to 31 December 2024 have been tabled in accordance with the Councillors' Expenses and Facilities Policy.

PURPOSE

The purpose of this Report is to comply with Clause 15 of the Councillors' Expenses and Facilities Policy which requires regular reporting of the details of expenses incurred, and cost of facilities provided, for each Councillor. The Report is to include expenditure grouped according to specific categories, summarised by individual Councillor and as a total for all Councillors.

BACKGROUND

The Councillors' Expenses and Facilities Policy requires that a report on the provision of expenses and facilities to Councillors be tabled at a Council Meeting at regular intervals. The relevant Clause states:

15.1 Council will report on the provision of expenses and facilities to councillors as required in the act and regulations

15.2 Detailed reports on the provision of expenses and facilities to councillors will be publicly tabled at a council meeting every six months and published in full on council's website. These reports will include expenditure summarised by individual councillor and as a total for all councillors

Council last considered a report on Councillors' Expenses and Facilities at the 14 August 2024 General Meeting (Report No. CS33/24). In accordance with Section 15 of the Policy reporting takes place on a six-monthly basis. This Report includes expenses incurred in the 6-month period from 1 July 2024 to 31 December 2024.

The main categories of expenses facilities are summarised in the table below. The Councillors – Expenses and Facilities Policy was reviewed at the 11 May 2022 General Meeting, as part of Director's Report No. CS4/22. The table below shows the amounts which apply to the financial year 2021/2022, as stated in the Policy Summary, these amounts are to be increased by CPI each year.

General travel expenses (other than travel associated with Conferences and Professional Development)	\$5,250 total for all Councillors	Per year
Interstate, overseas and long-distance intrastate travel expenses	\$0	Per year
Accommodation and meals	As per the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, adjusted annually	Per meal/night
Professional development (includes associated travel and subsistence where applicable)	\$31,500 total for all Councillors	Per year
Conferences and seminars (includes associated travel and subsistence where applicable)	\$36,700 total for all Councillors (Increased to \$51,700 in the years where the LGNSW	Per year

	Conference is held outside the Sydney metropolitan region.)	
ICT expenses	\$4,750 per Councillor \$2,650 per Councillor	Per year (first year of election) Per year (following years of election)
Carer expenses	\$2,100 per Councillor	Per year
Home office expenses (equipment and facilities other than stationery)	\$350 per Councillor	Per year
Stationery	\$3,150 total for all Councillors	Per year
Postage stamps	Provided by Council	Not relevant
Christmas or festive cards	\$1500 for the Mayor \$500 total for all other Councillors	Per year
Access to facilities in a Councillor common room	Provided to all Councillors	Not relevant
Council vehicle and fuel card	Provided to the Mayor	Not relevant
One reserved parking space at Council offices One shared parking space at Council offices	Provided to the Mayor Shared by all Councillors	Not relevant
Furnished office	Provided to the Mayor	Not relevant
Number of exclusive staff supporting Mayor and Councillors	Provided to the Mayor and Councillors	Two
Spousal attendance at conferences	\$1,050 for the Mayor \$550 per Councillor	Per year
Attendance at non-Council functions	\$1,050 for the Mayor \$550 per Councillor	Per year

ITEM 3

DISCUSSION

When Council last reviewed its Councillors' Expenses and Facilities Policy in May 2022, it was required to ensure that the Policy was in line with, and modelled on, the "Councillor Expenses and Facilities Policy – Better Practice Template" issued by the Office of Local Government (OLG).

To ensure greater accountability across councils, and public availability of information regarding expenditure on councillor expenses and facilities, the OLG's Better Practice Template, and subsequently Council's adopted Policy, incorporates a requirement to record expenditure for each individual Councillor, as well as a total for all Councillors, across the categories detailed in the above table. This reporting is required to occur at six monthly intervals and is generally provided to Council in August and February each year.

[N.B. The reporting requirements of the Councillors Expenses and Facilities Policy are in addition to, and provide greater detail than, those which are required by Section 217 of the Local Government (General) Regulation to be included in Council's Annual Report.]

Council officers have established appropriate administrative procedures to ensure that the relevant information is captured in a manner which satisfies the reporting requirements of the Policy.

The table below provides the required information for the 6-month period from 1 July 2024 to 31 December 2024. Where an explanation or clarification is required about particular expenditures (marked with a * in the table), comments are provided in the text following the table.

Expense of Facility July 2024 - June 2025																
	General travel (other than associated with Conferences + Professional Development)	Interstate, overseas + long distance intrastate travel expenses	Accomm + meals (When not associated with Conference etc)	Professional development (incl associated accom & travel)	Conferences & seminars (incl associated Travel & Accom)	ICT - Computer / Ipad Only	Mobile Phone + Data Plan (incl Internet etc for Computer)	Carer expenses	Home office expenses	Stationery	Postage stamps	Christmas or festive cards	Spousal attendance at conferences	Name Badges	Attendance at non-Council functions	Total
Waddell	-	-	-	6,350	2,556	-	486	-	-	-	-	-	-	-	303	\$ 9,696
Tilbury	-	-	-	750	2,120	-	360	-	-	-	-	-	-	-	-	\$ 3,231
McIntosh	-	-	-	750	3,639	-	406	-	-	-	-	-	-	-	-	\$ 4,795
Ball	124	-	-	750	2,594	-	-	-	-	-	-	-	-	-	-	\$ 3,468
Greenwood	-	-	-	750	2,486	-	466	-	-	-	-	-	-	-	-	\$ 3,703
McClelland	-	-	-	750	532	-	56	-	-	-	-	-	-	-	-	\$ 1,338
Seaglove	-	-	-	750	2,120	-	-	-	-	-	-	-	-	-	-	\$ 2,870
Simons	166	-	-	750	2,567	-	-	-	140	-	-	-	-	-	-	\$ 3,623
Conley	-	-	-	750	2,120	-	-	-	-	-	-	-	-	-	-	\$ 2,870
McSweeney	-	-	-	750	2,120	-	-	-	-	-	-	-	-	-	-	\$ 2,870
Ruddock	-	-	-	-	-	-	315	-	-	-	-	-	-	-	-	\$ 315
Heyde	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Pillamarri	-	-	-	-	-	-	669	-	-	-	-	-	-	-	-	\$ 669
Saitira	-	-	-	-	1,433	-	-	-	-	-	-	-	-	-	-	\$ 1,433
Total	\$ 290	\$ -	\$ -	\$ 13,100	\$ 24,288	\$ -	\$ 2,758	\$ -	\$ 140	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 303	\$ 31,183

ITEM 3

It is noted that expenses incurred during the reporting period fall significantly under the allocation for each category and in total.

BUDGET

The categorisation and reporting of expenditure in respect of councillors' expenses and facilities in the manner required and presented within this Report assists with the monitoring of expenses for that provision within Council's adopted budget. The overall total expenses reported for the 6-month period from July 2024 to December 2024 of \$31,183 is considerably less than the total budget provision for the financial year. All expenses have been approved as required by the General Manager or other staff under delegation.

POLICY

The Report meets the requirements of the provisions of Section 15 of Council's Councillors' Expenses and Facilities Policy.

CONCLUSION

The Councillors' Expenses and Facilities Policy requires details of expenditure and the provisions of facilities to Councillors, summarised by individual Councillor and expense category, as well as a total for all Councillors, to be presented to Council at an open meeting. The expenditure by Councillors for the period July 2024 to December 2024 is well within the budget provision and requirements of the Policy. This Report provides the relevant information as required by the Policy and ensures all statutory requirements are met.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Manager, Governance and Customer Service Branch – Stephen Colburt – who can be contacted on 9847 6761.

STEPHEN COLBURT
Manager, Governance and Customer Service
Corporate Support Division

GLEN MAGUS
Director - Corporate Support
Corporate Support Division

Attachments:

There are no attachments for this report.

File Reference: F2004/09552-02
Document Number: D09054991

4 LOW AND MID-RISE HOUSING REFORMS – DUAL OCCUPANCY MINIMUM LOT SIZE CONTROLS

EXECUTIVE SUMMARY

- Stage 1 of the NSW Government’s Low and Mid-Rise Housing Policy commenced on 1 July 2024. As part of the first round of reforms, dual occupancy developments have been made permissible in the R2 Low Density Residential zone across NSW under the Housing State Environmental Planning Policy (SEPP).
- The Hornsby Local Environmental Plan 2013 (HLEP) currently prohibits dual occupancy developments in the R2 Low Density Residential zone and therefore, does not contain planning controls for these land uses (such as minimum lot size requirements). The State Government has given Council an opportunity to nominate minimum lot size controls for dual occupancies for inclusion in the HLEP.
- An analysis of dual occupancy development typologies and R2 zoned land has been undertaken to develop appropriate minimum lot size and lot width controls.
- The ability to introduce minimum lot size controls in the HLEP will ensure that new dual occupancy development is responsive to local character, vegetation, landscaping and heritage considerations.
- Should Council not nominate an appropriate lot size the default size would apply under the State Policy, being 400m² lots with a subsequent subdivision of resulting lots of 200m².
- Therefore, it is recommended that Council endorse the minimum lot size nominations for dual occupancy developments as outlined in this report for submission to Department of Planning, Housing and Infrastructure by 14 February 2025.

RECOMMENDATION

THAT Council endorse the following recommended minimum lot size controls for dual occupancy developments for submission to Department of Planning, Housing and Infrastructure:

	Dual occupancy (attached)		Dual occupancy (detached)	
	Parent	Child	Parent	Child
Land not within an HCA	700sqm	350sqm	800sqm	400sqm
Land within an HCA	800sqm	400sqm	900sqm	450sqm

PURPOSE

The purpose of this report is to present recommended minimum lot size controls for dual occupancy developments in the R2 Low Density Residential zone in response to the introduction of Stage 1 of the NSW Government's Low and Mid-Rise Housing Reforms.

BACKGROUND

On 28 November 2023, the State Government announced the Low and Mid Rise Housing Reforms. The reforms encompass State wide changes to fast-track a greater diversity of homes like residential flat buildings, terraces, townhouses and dual occupancies in zones and suburbs where they are not currently allowed, through the Housing SEPP which overrides local council controls.

On 14 February 2024, Council considered Director's Report No. PC3/24 which outlined the reforms and raised concerns with the implications for Hornsby Shire. In consideration of the report, Council resolved that:

Council make a submission in response to exhibition of the Explanation of intended effect: Changes to create low and mid-rise housing outlining Council's:

- 1. Concerns and recommendations outlined in Director's Report No. PC3/24 including the absence of local planning, density of development permitted under the controls, impacts on character, heritage, natural environment and tree canopy loss, infrastructure and risks of over development in hazard areas.*
- 2. Commitment to facilitate the delivery of a diverse range of housing as detailed in Hornsby Local Housing Strategy 2020 and request the release of revised housing targets, including a medium density component.*
- 3. Methodology and precinct-based approach to the preparation of a local medium density housing strategy and request the opportunity to continue progressing Council's own local strategy that responds to the character of our area and community expectations to gain exemption from the proposed changes.*
- 4. Willingness to continue to investigate opportunity for appropriate housing delivery in the future, should a medium density housing target be identified.*
- 5. Concerns regarding wastewater infrastructure and request consultation with Sydney Water to confirm infrastructure requirements, commitment of funding for capital improvements to service additional development and assurance from the NSW Environmental Protection Authority that no alterations will be made to licenses to permit increased pollutant load.*

In accordance with Council's resolution, a submission was sent to Department of Planning, Housing and Infrastructure (DPHI) on 22 January 2024. Stage 1 of the reforms commenced in July 2024 with some amendments as discussed below.

DISCUSSION

This report discusses the impacts of the dual occupancy component of the reforms which have now commenced and Council's ability to nominate a minimum lot size for dual occupancies.

1. Commencement of Stage 1 Low and Mid-Rise Housing Reforms

Stage 1 of the Government's Low and Mid-Rise Housing Reforms commenced on 1 July 2024 permitting, with development consent, dual occupancy development on R2 zoned land through the Housing SEPP. In response to submissions received from Council and other stakeholders, certain

exclusions have been applied. The reforms do not apply to land identified as bushfire-prone, flood-prone land within the Hawkesbury River catchment or heritage items.

The State Government's Exempt and Complying Development SEPP will permit dual occupancy development to be undertaken on lots as small as 400m² as complying development, with a subsequent subdivision of resulting lots to 200m² in the R2 zone.

However, DPHI has temporarily switched off the complying development pathway available for dual occupancy development to allow councils (such as Hornsby) to set their own minimum lot size for this development type. DPHI has stipulated that the minimum lot size set by Council must allow for at least 50% of R2 zoned lots to be eligible for dual occupancy development.

Council has until 14 February 2025 to formally nominate minimum lot sizes for inclusion in the Hornsby Local Environmental Plan 2013 (HLEP 2013). A copy of the nomination form is attached to this report.

2. Current controls in Hornsby Shire

A dual occupancy occurs when two dwellings are built on one lot of land. Under the HLEP 2013, dual occupancies are defined as:

dual occupancy (attached) means 2 dwellings on one lot of land that are attached to each other but does not include a secondary dwelling.

dual occupancy (detached) means 2 detached dwellings on one lot of land but does not include a secondary dwelling.

Currently, the HLEP 2013 prohibits dual occupancy developments in the R2 zone and accordingly, does not contain any specific planning controls (such as minimum lot size) for this development type.

For subdivision, the minimum lot size under the HLEP for the R2 zone is 500m², increasing to 600m² within the Beecroft Cheltenham Heritage Conservation Area (HCA). Therefore, the minimum lot size and resulting subdivision size of 200m² for dual occupancies allowable under the Stage 1 reforms could have significant impacts on the character of the low density areas of the Shire as well as the historic character of the HCAs.

The ability to introduce minimum lot size controls for dual occupancies in the HLEP will ensure that new development is more responsive to local character, vegetation, landscaping and heritage considerations.

3. Nomination of a minimum lot size for dual occupancy developments

To develop appropriate minimum lot size controls, a detailed analysis of R2 zoned lot characteristics within the Shire has been undertaken, along with a review of case studies in other local government areas. Planning consultancy Mecone Group Pty Ltd was engaged to assist with this task.

A range of minimum lot size and lot width scenarios were tested with the aim of balancing DPHI's requirement for at least 50% of R2 zoned lots to be eligible for dual occupancy development with local planning considerations. These local considerations include subdivision patterns, vegetation and tree canopy retention and streetscape characteristics.

The detailed scenario testing is explained in Mecone's Dual Occupancy R2 Zone Lot Parameters Investigation, attached to this report. A summary of the outcomes of the tested scenarios is provided below.

Scenario	Minimum lot size	Minimum lot width	No of lots where dual occupancy would be possible (DA pathway only)	Proportion of lots meeting DPHI criteria
Scenario 1	600m ²	15m	9,600	68%
Scenario 2	600m ²	16m	8,450	60%
Scenario 3	700m ²	16m	7,300	52%
Scenario 4	850m ²	None	4,250	30%
Scenario 5	Outside HCA: 700m ² HCA: 800m ²	16m	7,100	50%
Scenario 6 (preferred scenario)	Outside HCA: Attached dual occupancy 700m ² Detached dual occupancy 800m ² HCA: Attached dual occupancy 800m ² Detached dual occupancy 900m ²	16m	7,100	50%

As demonstrated in the table above, Scenarios 5 and 6 result in the same number of lots being eligible for dual occupancy development. The difference is that Scenario 6 requires a larger lot size for detached dual occupancy developments. This changes the potential built form outcomes on a lot, but not the total number of lots eligible for dual occupancy development.

Scenario 6 is therefore the preferred scenario as it introduces minimum lot size controls based on built form (attached or detached) and location (within or outside HCAs). Urban design analysis indicates that dwelling quality itself is not determined by lot size or width, but that there is greater opportunity to respond to the surrounding landscape character and streetscape on larger lots.

A larger minimum lot size for detached dual occupancy developments recognises the additional site area required for building setbacks and additional space needed to support vegetation, driveways and services.

In addition, a larger minimum lot size for dual occupancy developments in HCAs is appropriate to provide greater opportunity for development to be designed to respect the character of these areas which are valued for their distinctive historic characteristics of larger lots with established gardens, generous setbacks and tree canopy. A larger minimum lot size within in HCAs would also reduce the proportion of lots eligible for dual occupancy development in these areas, ensuring that dual occupancy developments are not overrepresented as a built form outcome in areas characterised by detached, single dwellings on large allotments.

Nomination of a minimum lot width alongside the minimum lot size controls would allow for greater retention of existing landscape and streetscape characteristics while also recognising the additional area required to accommodate driveway access and services. A 16m minimum lot width is recommended in keeping with the prevailing lot width and streetscape character of R2 zoned land across the Shire.

It is recommended that Council nominate the following minimum lot sizes and lot width control for dual occupancy development. Parent lot refers to the original lot that a dual occupancy may be carried out on, child lot refers to the new lot formed as the result of a subdivision of the parent lot.

	Dual occupancy (attached)		Dual occupancy (detached)	
	Parent	Child	Parent	Child
Land not within an HCA	700sqm	350sqm	800sqm	400sqm
Land within an HCA	800sqm	400sqm	900sqm	450sqm
A minimum frontage width of 16m is proposed for parent lots				

It is anticipated that to implement the above lot sizes and width, a new clause would be required under HLEP 2013, Part 4 Principal Development Standards. A sample clause has been drafted to show Council's intent for the implementation of the lot sizes and is included on the nomination form attached to this report. However, DPHI will be responsible for inserting the new controls into the HLEP and the final outcome of the implementation will be dependent on agreement from DPHI and Parliamentary Counsel's Office.

The exclusions in the Housing SEPP that ensure dual occupancies are not permitted on bushfire prone or flood prone land are important changes from the draft reforms. Large parts of the Shire are bushfire prone and others are subject to flood risk. The report by Mecone suggests a local provision be added to the HLEP to prohibit dual occupancies on such land. However, Council is not proposing to permit dual occupancies under the HLEP in the R2 zone. The permissibility will only be due to the Housing SEPP which includes the relevant exclusions.

4. Implications for Housing Supply

Council's approach for planning for housing is based on the identification of discreet precincts across the Shire that are least constrained, where housing would best be located and infrastructure can be planned. Dual occupancy development permitted across the Shire raises issues for Council for how a dispersed population will be serviced and accommodated and could lead to a widespread change in the character of the Shire's low density areas.

Notwithstanding the above, the intent of the NSW Government's Stage 1 reforms is to assist increase the number of homes available in NSW as part of the National Housing Accord. It is anticipated that only a small portion of dual occupancies will be delivered by 2029 within the Shire. Council will monitor the uptake of dual occupancy development delivered in response to Stage 1 reforms as part of its ongoing housing monitoring program.

BUDGET

There are no budgetary implications associated with this report. Costs associated with the preparation of the Dual Occupancy R2 Zone Lot Parameters Investigation undertaken by Mecone Group Pty Ltd

and preparation of the response to DPHI are covered by the Strategic Land Use Planning operational budget.

POLICY

The Hornsby Development Control Plan 2024 does not currently contain specific controls for dual occupancy developments. DCP controls will be required to ensure that new developments are designed to a scale that is consistent and compatible with the Shire's existing low density residential areas. Draft DCP controls will be reported to Council later in 2025 for public exhibition.

Stage 2 of the Government Reforms, which would permit residential flat buildings of 3-6 storeys, terrace, town houses and smaller apartment blocks in designated station and town centre precincts, are expected to commence imminently. This may require further changes to Council's DCP controls and Councillors will be kept informed of the details.

CONCLUSION

This report seeks Council endorsement of recommended minimum lot size controls for dual occupancy developments within the R2 zone. It is recommended that Council introduces minimum lot size controls which vary dependent on built form (attached or detached) and location (within our outside HCAs). As outlined in this report the recommended controls will respond to local planning considerations and DPHI's requirement that 50% of lots be eligible for dual occupancy development.




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:

1.  DPHI nomination form - minimum lot size
2.  Draft response letter and form Dual Occupancy Minimum Lot Size
3.  Dual Occupancy R2 Zone Lot Parameters Investigation Report

File Reference: F2018/00162-002#003
Document Number: D09049011

6 MAYORS NOTES 01 DECEMBER TO 31 JANUARY 2025

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.

Sunday 1st December 2024 – The Mayor attended the Rotary Club of West Pennant Hills and Cherrybrook Christmas Markets.

Tuesday 3rd December 2024 – The Mayor attended Barker College Junior School Celebration at the Rosewood Centre, Barker College, Hornsby.

Tuesday 3rd December 2024 – On behalf of the Mayor, Councillor McClelland attended the Studio Artes exhibition opening at Edgeworth David Ave, Hornsby.

Tuesday 3rd December 2024 – The Mayor attended an invitation to Arden Anglican School's Presentation Day in Darling Harbour.

Wednesday 4th December 2024 – The Mayor hosted two Citizenship Ceremonies in the Administration Building, Hornsby.

Wednesday 4th December 2024 – The Mayor attended the Wise Guys and Starry Skies production and thanksgiving service at Pacific Berowra Christian School.

Thursday 5th December 2024 – The Mayor attended the 2024 Presentation Day at Clarke Road School, Hornsby.

Thursday 5th December 2024 – The Mayor attended the Loreto Normanhurst - Year 7 to 11 Awards in Pennant Hills.

Thursday 5th December 2024 – On behalf of the Mayor, Councillor Tilbury attended Carols Under the Star at Warrina Street Oval, Berowra.

Saturday 7th December 2024 – The Mayor attended an invitation to the Bushcare and Nursery Volunteer Christmas Party at Magpies, Waitara.

Sunday 8th December 2024 – The Mayor attended the Women's Shed Hornsby Ku-ring-gai annual Christmas Party at Kokoda Residencies, Waitara.

Monday 9th December 2024 – The Mayor attended the Galston Public School Presentation Day at Galston Public School, Galston.

Tuesday 10th December 2024 – The Mayor attended to attend Galston High School's annual Presentation Evening at Galston High School.

Tuesday 10th December 2024 – On behalf of the Mayor, Councillor Greenwood attended the Pennant Hills High School 2024 Presentation Evening Invitation at Pennant Hills High School.

Wednesday 11th December 2024 – The Mayor attended the Brickpit Park play space opening photo opportunity for Councillors, at Brickpit Park, Thornleigh.

Thursday 12th December 2024 – The Mayor attended the Asquith Boys High School Presentation Day at Asquith Boys High School, Asquith.

Thursday 12th December 2024 – The Mayor attended the Volunteer Christmas Party 2024 at Hornsby Library.

Thursday 12th December 2024 – The Mayor attended the Hornsby Chamber of Commerce Christmas Party at Hornsby RSL.

Friday 13th December 2024 – The Mayor attended Asquith Girls High School Presentation Day at Hornsby RSL.

Saturday 14th December 2024 – The Mayor attended an invitation from the Chief Commissioner to the Recognition Luncheon at Baden Powell Activity Centre, Pennant Hills.

Saturday 14th December 2024 – The Mayor attended the NSW SES Hornsby Unit Youth Internship Program Graduation at Crosslands Reserve, Hornsby Heights.

Monday 16th December 2024 – The Mayor attended the Middle Dural Public Schools Presentation Evening Invitation at Glenorie RSL.

Tuesday 17th December 2024 – The Mayor attended Invitation to Normanhurst Boys High School Presentation Night for 2024 at Hornsby RSL.

Wednesday 22nd January 2025 – On behalf of the Mayor, Councillor McClelland attended an Australian Day Celebration Day Dinner at the Pennant Hills Rotary Club, Pennant Hills.

Sunday 26th January 2025 – The Mayor hosted an Australia Day Citizenship Ceremony, at Hornsby Park.

Tuesday 28th January 2025 – The Mayor attended an invitation to Living Choice Galston Opening Day at Galston.

Wednesday 29th January 2025 – The Mayor attended a Photo shoot to mark the opening of the Fagan Park off leash dog park, Galston.

File Reference: F2004/07053-002

Document Number: D09044424