



BUSINESS PAPER

GENERAL MEETING

**Wednesday 9 April 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	GM17/25 Audit Risk and Improvement Committee - Terms of Reference and Membership	1
Item 2	GM18/25 Draft 2025-2029 Delivery Program including the 2025/26 Operational Plan, Budget and Fees and Charges - Adoption for Public Exhibition	5

Corporate Support Division

Item 3	CS3/25 Review of Policies and Codes - General Manager's and Corporate Support Divisions.....	14
Item 4	CS12/25 Draft Asset Management Strategy 2025/26 to 2034/35	23
Item 5	CS14/25 Investments and Borrowings for 2024/2025 - Status for the Period Ending 28 February 2025	27

Community and Environment Division

Nil

Planning and Compliance Division

Item 6	PC7/25 Draft Heritage Amendments to the Hornsby Development Control Plan.....	30
Item 7	PC8/25 Draft Dual Occupancy Amendments to the Hornsby Development Control Plan	36

Infrastructure and Major Projects Division

Nil

PUBLIC FORUM – NON AGENDA ITEMS

QUESTIONS WITH NOTICE

MAYOR'S NOTES

Item 8 MN3/25 Mayor's Notes 01 March 2025 to 31 March 2025 42

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

Pastor Rob Giles from Northbridge Vineyard Church, Thornleigh 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."

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 12 March, 2025 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 GM17/25 AUDIT RISK AND IMPROVEMENT COMMITTEE - TERMS OF REFERENCE AND MEMBERSHIP

RECOMMENDATION

THAT:

1. The Terms of Reference for the Audit Risk and Improvement Committee, as amended, be adopted.

2. Mr Stephen Coates be reappointed as Chairperson of the Audit Risk and Improvement Committee for a further 4-year term effective from 10 November 2025.
3. The fee for the Chairperson be set at \$17,600 per annum effective from 10 November 2025.
4. The other independent members of the Committee be invited to seek reappointment, or new members be invited to join the Committee through an Expression of Interest, in accordance with the process outlined in General Manager's Report No.GM17/25.
5. The fee for the independent members be set at \$1,980 per meeting effective from 9 March 2026.

Page Number 5

Item 2 GM18/25 DRAFT 2025-2029 DELIVERY PROGRAM INCLUDING THE 2025/26 OPERATIONAL PLAN, BUDGET AND FEES AND CHARGES - ADOPTION FOR PUBLIC EXHIBITION

RECOMMENDATION

THAT:

1. Council adopt for public exhibition the draft 2025-2029 Delivery Program and 2025/26 Operational Plan which includes the draft Budget, Fees and Charges and Rating Structures for 2025/26 and make available for public comment from 10 April to 12 May 2025.
2. Council note the rating information contained in the draft 2025-2029 Delivery Program and 2025/26 Operational Plan that aligns with Year 3 of the Independent Pricing and Regulatory Tribunal's (IPART's) Special Rate Variation approval for Hornsby Shire Council (i.e., a 6.5% rate increase for 2025/26).
3. Following public exhibition, after consideration of all submissions, the 2025-2029 Delivery Program and 2025/26 Operational Plan, including Budget, Fees and Charges and Rating Structure, be referred to Council for further consideration and adoption before 30 June 2025.

CORPORATE SUPPORT DIVISION

Page Number 14

Item 3 CS3/25 REVIEW OF POLICIES AND CODES - GENERAL MANAGER'S AND CORPORATE SUPPORT DIVISIONS

RECOMMENDATION

THAT Council adopt the recommendations contained in the table in Report No. CS3/25 in respect of each of the current policies under the jurisdiction of the General Manager's and Corporate Support Divisions.

Page Number 23**Item 4 CS12/25 DRAFT ASSET MANAGEMENT STRATEGY 2025/26 TO 2034/35****RECOMMENDATION**

THAT Council adopt the Asset Management Strategy and Asset Management Plans 2025/26 to 2034/35 attached to Director's Report No. CS12/25.

Page Number 27**Item 5 CS14/25 INVESTMENTS AND BORROWINGS FOR 2024/2025 - STATUS FOR THE PERIOD ENDING 28 FEBRUARY 2025****RECOMMENDATION**

THAT the contents of Director's Report No. CS14/25 be received and noted.

COMMUNITY AND ENVIRONMENT DIVISION

Nil

PLANNING AND COMPLIANCE DIVISION**Page Number 30****Item 6 PC7/25 DRAFT HERITAGE AMENDMENTS TO THE HORNSBY DEVELOPMENT CONTROL PLAN****RECOMMENDATION**

THAT:

1. The draft Heritage Development Control Plan Amendments attached to Director's Report No. PC7/25 be placed on public exhibition for a period of at least 28 days.
2. Following the exhibition, a report on submissions be presented to Council for consideration.

Page Number 36**Item 7 PC8/25 DRAFT DUAL OCCUPANCY AMENDMENTS TO THE HORNSBY DEVELOPMENT CONTROL PLAN****RECOMMENDATION**

THAT:

1. The draft Dual Occupancy Development Control Plan amendments attached to Director's Report No. PC8/25 be placed on public exhibition for a period of at least 28 days.

2. Following the exhibition, a report on submissions be presented to Council for consideration.

INFRASTRUCTURE AND MAJOR PROJECTS DIVISION

Nil

PUBLIC FORUM – NON AGENDA ITEMS

QUESTIONS WITH NOTICE

MAYOR'S NOTES

Page Number 42

Item 8 MN3/25 MAYOR'S NOTES 01 MARCH 2025 TO 31 MARCH 2025

NOTICES OF MOTION

SUPPLEMENTARY AGENDA

MATTERS OF URGENCY

1 AUDIT RISK AND IMPROVEMENT COMMITTEE - TERMS OF REFERENCE AND MEMBERSHIP

EXECUTIVE SUMMARY

- Pursuant to section 428A of the *Local Government Act 1993* the Audit, Risk and Improvement Committee (ARIC) must keep under review the following aspects of the council's operations: compliance; risk management; fraud control; financial management; governance; implementation of the strategic plan, delivery program and strategies; service reviews; and collection of performance measurement data by the council.
- Committee members were appointed for initial 4-year terms. Reappointments can only be made for a further 4 years after which time new members must be sought.
- It is recommended that the Chairperson, Mr Stephen Coates be reappointed for a further 4 years commencing 10 November 2025.
- It is recommended that the three independent members be invited to reapply for the following two positions only:
 - A 2-year term commencing 9 March 2026.
 - A 3-year term commencing 9 March 2026.
- It is recommended the number of meetings per annum be reduced from five to four.

RECOMMENDATION

THAT:

1. The Terms of Reference for the Audit Risk and Improvement Committee, as amended, be adopted.
2. Mr Stephen Coates be reappointed as Chairperson of the Audit Risk and Improvement Committee for a further 4-year term effective from 10 November 2025.
3. The fee for the Chairperson be set at \$17,600 per annum effective from 10 November 2025.
4. The other independent members of the Committee be invited to seek reappointment, or new members be invited to join the Committee through an Expression of Interest, in accordance with the process outlined in General Manager's Report No.GM17/25.
5. The fee for the independent members be set at \$1,980 per meeting effective from 9 March 2026.

PURPOSE

The purpose of this Report is to review and amend the Terms of Reference for the Audit Risk & Improvement Committee to reduce the number of meetings per year and reduce the membership numbers.

BACKGROUND

Pursuant to section 428A of the *Local Government Act 1993* the Audit, Risk and Improvement Committee (ARIC) must keep under review the following aspects of the council's operations: compliance; risk management; fraud control; financial management; governance; implementation of the strategic plan, delivery program and strategies; service reviews; and collection of performance measurement data by the council.

The ARIC operates in an advisory capacity only and has no decision-making authority. The Chairperson of the Committee, Mr Stephen Coates was appointed by resolution of Council on 10 November 2021 and the three (3) independent members, Dr Sheridan Dudley, Ms Hayley Elson and Mr Richard Jones were appointed by resolution of Council on 9 March 2022. Appointments were made for an initial 4-year period hence will need to be reconsidered in the next 12 months.

The Terms of Reference for the ARIC were last reviewed and adopted by Council on 12 June 2024. This current review seeks to reduce the number of Committee members from four to three and reduce the number of meetings from five to four.

DISCUSSION

Review of ARIC Membership

The ARIC currently comprises four independent members, being the Chairperson and three other members. The latest Guidelines published by the Office of Local Government (OLG) only require a minimum of three members irrespective of the size of the Council.

It is recommended our membership be set at three members because our fee structure is relatively competitive hence, we will attract a higher standard of candidate with more knowledge and experience.

The Chairperson of the ARIC has been consulted about a reduction in membership and no objection has been raised.

Review of number of meetings

The current Terms of Reference provides for five meetings per annum being one in each quarter and a special online meeting to review the unaudited financial statements.

Regular meetings are three hours in duration and the online review of the unaudited financial statements is a one-hour meeting. As this latter meeting is typically one or two weeks after a regular meeting of the Committee it is recommended the meetings be merged as an efficiency measure.

Reappointment of Chairperson and other members

The current Terms of Reference allow reappointment or extension of a member's term for a further four years but the total period of continuous membership cannot exceed eight years. To preserve the knowledge within the Committee ideally no more than one member should retire because of rotation in any one year. If the Council is to consider a reappointment or extension of a member it must undertake an assessment of the member's performance.

The current Chairperson, Mr Stephen Coates has demonstrated excellent leadership while presiding as Chairperson and brings extensive knowledge from his other roles in ARIC's across NSW, Victoria and Queensland. He was also the former President of the Australian Institute of Internal Auditors and Vice-President, Asian Confederation of Institutes of Internal Auditors. He is considered a leader in the internal audit profession and his reappointment would provide stability over the next four-year term while new members are required to be inducted. Accordingly, it is recommended he be appointed for a further term of four years.

The Chairperson's annual fee of \$16,000 has not been adjusted for inflation since it was set in 2021. It is recommended that a new annual fee of \$17,600 be set. This would represent an increase of 10% over the four-year period. While this is below the actual inflation rate over this period it is still considered a reasonable adjustment.

Due to the need for rotation of the other members in the next four-year term the following options are available:

1. Initially offer reappointments to existing members. As it is only proposed to proceed with two members rather than three it is recommended that a two-year term and a three-year term be offered for reappointment. If all three current members sought reappointment there would then be a competitive process to appoint the final two. If one of the members did not seek reappointment and thus there was no competitive process, an EOI would be advertised to seek interest from other persons.
2. If all existing members are not seeking reappointment, then proceed to appoint new members for four-year terms through a competitive EOI process.

Subject to adoption of this process by Council, a further report will be submitted to Council to consider any reappointments or new appointments.

The current member fees are \$1,800 per meeting and have remained unchanged since appointments were made in 2022. It is recommended this fee increase to \$1,980 per meeting for the next term commencing from 9 March 2026. This represents a 10% increase over the four-year period. Due to the foreshadowed reduction in the number of members and the reduction in the number of meetings there will still be a net saving of \$11,160 per annum in member fees.

The draft changes to the Terms of Reference are ATTACHED.

CONSULTATION

In the preparation of this Report there was consultation with Stephen Coates, Chairperson of the ARIC.

BUDGET

There will be net savings to the budget if the proposed amendments to the Terms of Reference are adopted.

POLICY

There are no policy implications associated with this Report.

CONCLUSION

The proposed changes to the ARIC Terms of Reference will ensure the Committee is operating efficiently and cost effectively.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Risk & Audit Manager – Scott Allen - who can be contacted on 9847-6609.

STEVEN HEAD
General Manager
Office of the General Manager

Attachments:

1.  Draft ARIC Terms of Reference

File Reference: F2019/00136

Document Number: D09085890

ITEM 1

2 DRAFT 2025-2029 DELIVERY PROGRAM INCLUDING THE 2025/26 OPERATIONAL PLAN, BUDGET AND FEES AND CHARGES - ADOPTION FOR PUBLIC EXHIBITION

EXECUTIVE SUMMARY

- The Draft 2025-2029 Delivery Program including the 2025/26 Operational Plan has been developed and includes budget information, the rates proposed to be charged to ratepayers and the fees to be charged for the domestic waste service. Other fees and charges proposed for 2025/26 are included in a separate document.
- The draft documents are predicated on Council maintaining current levels of service in 2025/26 as well as capital expenditure of \$81 million. Also included are 205 actions in total, with 159 scheduled to progress in 2025/26. One-hundred and eighty-seven (187) of these total actions have been identified through the adoption of strategies and technical documents or are legislative requirements.
- The draft 2025/26 Annual Budget is based on a 6.5% rate increase approved by IPART in the third year of Council's Special Rate Variation and provides for a budget surplus of \$1.367 million based on a Net Operating and Capital Result after Funding. The surplus forecasted for 2025/26 is \$1 million less than what had been forecasted in the Long-Term Financial Plan and will require a revision of the current Long-Term Financial Plan.
- It would be financially prudent to retain this surplus throughout the financial year to respond to unforeseen budget shocks (i.e. natural disasters and/or asset failures) that can occur.

RECOMMENDATION

THAT:

1. Council adopt for public exhibition the draft 2025-2029 Delivery Program and 2025/26 Operational Plan which includes the draft Budget, Fees and Charges and Rating Structures for 2025/26 and make available for public comment from 10 April to 12 May 2025.
2. Council note the rating information contained in the draft 2025-2029 Delivery Program and 2025/26 Operational Plan that aligns with Year 3 of the Independent Pricing and Regulatory Tribunal's (IPART's) Special Rate Variation approval for Hornsby Shire Council (i.e., a 6.5% rate increase for 2025/26).
3. Following public exhibition, after consideration of all submissions, the 2025-2029 Delivery Program and 2025/26 Operational Plan, including Budget, Fees and Charges and Rating Structure, be referred to Council for further consideration and adoption before 30 June 2025.

PURPOSE

The purpose of this Report is to present to Council for adoption the draft 2024-2027 Delivery Program and 2024/25 Operational Plan (incorporating the Budget, Fees and Charges and Rating Structure for 2024/25), such that the draft documents can be publicly exhibited from Thursday 10 April to Monday 12 May prior to being reconsidered for final adoption by Council in June 2025.

BACKGROUND

By 30 June in the year following local government elections, all councils are required to develop a ten-year Community Strategic Plan (CSP), a four-year Delivery Program and a one-year Operational Plan, as well as a Resourcing Strategy aligned to an integrated planning and reporting framework mandated by the Office of Local Government. The framework requires that the community is engaged to identify the main priorities and aspirations for the future of the area and the key issues and challenges facing the Shire so they can have deliberative input into how Council, other government agencies and the community themselves will respond to those issues and challenges. The planning process should also consider the level of resources that will realistically be available to achieve the community's aspirations and priorities. Council's draft Community Strategic Plan, *Your vision | Your future 2035*, is currently on public exhibition from 13 March to 21 April 2025 (GM9/25 – 12 March 2025).

DISCUSSION

Draft 2025-2029 Delivery Program including the 2025/26 Operational Plan (Attachment 1)

The draft 2025-2029 Delivery Program is Council's response to the draft Community Strategic Plan, *Your vision | Your future 2035* and its commitment to the community for its term of office. The principal activities to be undertaken by Council are integrated with the Plans of action in the draft Community Strategic Plan, aligned to the Strategic directions and Long-term goals, and bring together a four-year program of actions and capital projects which will be reviewed yearly against the annual budget.

The draft 2025/26 Operational Plan is contained within the Delivery Program. As well as outlining the actions and capital projects that will be undertaken during 2025/26, it includes Council's detailed annual budget and Statement of Revenue Policy which includes the proposed rates, fees and charges.

Council undertook significant community engagement over the three-year period 2018-2021 which involved over 15,000 stakeholders across a wide range of demographics. Much of the engagement was to gain community feedback to allow Council to develop strategies and technical documents for the long-term future of the Shire. During 2022-2024, over 10,000 people participated in further community engagements which included Community Satisfaction Surveys in 2023 and 2024 to understand satisfaction with Council services and facilities, a Liveability Census in 2023 where people identified what really matters to local communities and their priorities and ideas for making their neighbourhood better for them, consultations on the Social Plan in 2024 which included a survey, pop-ups and forums and a focus group with senior students from a high school within the Shire on their aspirations for the future of Hornsby Shire.

Actions outlined in the draft 2025-2029 Delivery Program including the 2025/26 Operational Plan are in response to the findings and priorities voiced by the community. Across the four Themes of Liveable, Sustainable, Prosperous and Collaborative there are 205 actions, 187 of which are actions identified through the adoption of strategies and technical documents or are legislative requirements. There are 159 actions scheduled to progress in 2025/26 which include:

LIVEABLE

- Updating the Housing Strategy and Housing Supply Planning Proposal
- Undertaking a review of the effectiveness of Council's tree controls and tree management approach to ensure a balance between community safety, protection of assets and preserving the bushland character of our Shire
- Preparing an Urban Unstructured Recreation Strategy
- Preparing a Natural Areas Recreational Strategy
- Developing a Transport Model to 2036

SUSTAINABLE

- Finalising the Hornsby Floodplain Risk Management Study and Plan
- Preparing a Biosecurity Policy and management plans
- Developing an ongoing, sustainable and funded street tree planting program
- Preparing a Vegetation Mapping Planning Proposal
- Implementing the Glenorie Village Planning Proposal and/or Development Control Plan amendments

PROSPEROUS

- Developing the Employment Lands Planning Proposal
- Adopting a Destination Management Plan
- Undertaking construction of the Galston Village public domain project

COLLABORATIVE

- Reviewing Council's customer service and complaints management frameworks
- Progressing reviews and/or updates to the Local Strategic Planning Statement
- Developing a Library Strategic Plan.

Research undertaken in 2020 found that 96% of residents believe they have a good to excellent quality of life. Research undertaken by Place Score for the 2023 Australian Liveability Census found that 83% of our community is satisfied with liveability in their local neighbourhood (against a national average of 82%). In essence, Hornsby Shire is a community that has high expectations for the quality of life and services enjoyed by residents, businesses and visitors. These expectations can best be met by Council if it continues to provide services at the levels provided in the past, including a strong focus on capital projects.

There are currently four large scale projects underway which will transform the Hornsby CBD, the economy, sporting and recreation facilities and quality of life for residents of our area. These projects are:

- Hornsby Park redevelopment – with \$19.7 million allocated for 2025/26
- Westleigh Park redevelopment – with \$20 million allocated for 2025/26 (subject to confirmation of NSW Government funding)
- Public Domain

- Galston village centre – with \$6.5 million allocated for 2025/26
- Asquith to Mount Colah (stages 1 and 2) – with \$100,000 allocated for 2025/26
- Hornsby Town Centre Review – to meet the future housing and employment needs of Hornsby Town Centre.

In total, there are \$81 million worth of capital projects proposed in the draft 2025/26 Operational Plan, of which \$9.5 million is funded by grants, \$13.5 million is funded by restricted assets, \$34.9 million is funded by section 7.11/section 7.12 development contributions, \$6.3 million is funded by the Special Rate Variation and \$2.4 million is funded by the Catchments Remediation Rate. As well as the four transformational projects mentioned above, other capital projects proposed for 2025/26 include:

- Local road and traffic improvements worth more than \$7.7 million
- Local footpath improvements and new shared paths worth over \$2 million
- \$9.8 million to improve various parks and sporting facilities including amenities upgrade at North Epping Oval; changeroom and toilet upgrades at Asquith Oval; and playspace at Charles Curtis Park, Normanhurst
- \$3.9 million to upgrade stormwater drainage
- \$2.8 million on bushland recreational and accessibility improvements
- Over \$2.4 million on Catchment Remediation Rate projects including installation of gross pollutant devices at Kenburn Avenue and Pecan Close, Cherrybrook; a biofilter basin at Lyne Road, Cheltenham and Clarinda wetlands at Hornsby
- \$2 million to upgrade community centres.

The Draft 2025/26 Budget

Council staff commenced the preparation of the draft 2025/26 Budget in November 2024. To minimise some of the financial constraints and considerations impacting local government generally and Council specifically, and to avoid excessive bids for funding which could not be met, the draft 2025/26 budget parameters included:

- Alignment with the parameters and projects identified within the baseline scenario in the Long-Term Financial Plan (LTFP) adopted by Council at the 14 August 2024 General Meeting.
- Initiatives agreed to in successive versions of the LTFP for inclusion in the 2025/26 budget including new footpath construction of \$500K and \$6.5 million for Galston Public Domain, funded from surpluses set aside in previous years as directed by the LTFP.
- A general rate increase of 6.5% for 2025/26, representing the second-year increase in the Special Rate Variation approved by IPART.
- Additional funding allocated from the Special Rate Variation of \$3.56 million for the renewal and maintenance of Council's asset base as supported by Council's Asset Management Strategy.
- Allocations totalling \$8.15 million for Strategic Initiatives funded by the Special Rate Variation that align with Council's application to IPART for the SRV. Funding is to be directed towards high priority actions to upgrade community infrastructure, protect bushland and improve open space, construct connected walking and cycling paths, improve cyber security technology and

progress community development and climate change adaptation programs. \$1.4 million to fund asset maintenance and renewals at Hornsby Park is also included.

- Zero external loan borrowing and the continuation of prudent financial management.
- A nil increase to non-contractual Divisional expenditure (net of direct labour) – price increases for non-contractual expenditure have been required to be offset by productivity improvements or reviewing service provision.
- Direct salaries and wages based on the Local Government (State) Award increase of 3.0% and calculated on a 50 pay week year. The two-week reduction from a full year represents organisational savings which occur because of the average delay in replacing staff members who retire/resign/etc. and/or productivity improvements that are required.
- The use of Council staff where possible to undertake grant funded projects and Section 7.11 and 7.12 Development Contributions projects.
- An increase in superannuation from 11.5% to 12% in line with statutory requirements, estimated at \$285K in the LTFP.

After applying the parameters above the draft 2025/26 Net Operating and Capital result after funding is a cash surplus of \$1.367 million. This is \$1 million less than that the current LTFP that had forecasted a surplus of \$2.367 million. This is due to a range of discretionary and non-discretionary cost increases that have occurred since the current LTFP was adopted (refer to Directors Report No.CS41/24 at the 14 August 2024 General Meeting of Council).

These costs not considered in the preparation of the current LTFP however have been included in the draft 2025/26 budget are:

- Non-discretionary contractual increases, workers compensation and general insurances.
- Discretionary cost increases including \$808K to fund newly created positions in the Infrastructure & Major Projects Division and \$409K to progress Property Strategy matters to deliver key works and initiatives identified by Council.
- \$500K for additional staff training and leadership development to a level that meets industry benchmarks. This increase has been offset by increased investment income of \$500K due to the base rate set by the Reserve Bank of Australia remaining higher than previously forecast. This budget uplift towards this item is dependent upon increases in investment income continuing.

A justification of the Special Rate Variation was to generate a sufficient year end budget surplus that could be applied to 'budget shocks' that can occur throughout a financial year and to meet the financial performance measures set by the Office of Local Government. This requires commencing the year with a forecast surplus 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. It is therefore financially prudent to commence the year with the forecast surplus of \$1.367 million to respond to events of this nature without affecting the normal continuance of service provision throughout the year.

It should be noted that the Annual Budget is no longer in alignment with the current LTFP due to the cost increases incurred above. Preparation of a revised 2025/26 – 2034/35 LTFP has commenced, which will assess Council's ability to provide services in a financially sustainable manner into the future along with key financial recommendations.

It is anticipated that the revised 2025/26 – 2034/35 Long Term Financial Plan will be considered by Council for public exhibition at the 14 May 2025 General Meeting

Capital Works Program

The total capital works budget for 2025/26 is \$81 million and is largely funded from external reserves such as grants and development contributions.

Capital budgets have been provided by Project Managers and include budget estimates for large projects, with work scheduled to take place over several financial years. For these projects, the completion of works planned in 2025/26 is dependent upon the delivery of earlier stages currently programmed for delivery in the 2024/25 financial year. Projects requiring the utilisation of grant funds are contingent upon those funds being available.

The General Manager has requested Capital Project Managers review the likely completion of projects on an ongoing basis throughout the year 2024/25 financial year. This information will be used to evaluate any impact on the proposed delivery on both the 2024/25 and 2025/26 capital works program. Any required budget changes will be reported to Council at the appropriate Quarterly Budget Review.

Special Rate Variation (SRV) – Budget Allocations

The 2025/26 draft budget includes \$8.15 million of SRV funding for Strategic Initiatives that aligns with Council's original application to IPART. Funding is to be directed towards high priority actions to upgrade community infrastructure, protect bushland and improve open space, construct connected walking and cycling paths, improve cyber security technology and progress community development and climate change adaptation programs. Funds are allocated in accordance with the program of works included in Council's application with the highest priority projects funded first for each strategic initiative. \$1.4 million to fund asset maintenance and renewals at Hornsby Park is also included.

Funding from the SRV of \$3.56 million for the renewal and maintenance of Council's asset base has also been included in the draft budget aligned to Council's Asset Management Strategy and adopted LTFP. Council's Asset Management Governance Committee meet quarterly to ensure that expenditure is allocated in accordance with the Asset Management Plans that underpinned Council's application for the Special Rate Variation.

Fees and Charges

The proposed Fees and Charges for 2025/26 (Attachment 2) have been reviewed and increased by CPI or by an amount which has regard to market conditions and the appropriate cost recovery level. Opportunities to recover administrative and overhead costs in respect of business activities have also been investigated and implemented where appropriate. Where applicable, the final price includes GST which does not contribute revenue to Council but is forwarded to the Federal Government.

For 2025/26, most fees and charges have been increased by 3.8% which is in line with the financial year 30 June 2024 actual CPI as published by the Reserve Bank of Australia.

In respect to the Domestic Waste Management charge, a 10% increase has been applied to the draft 2025/26 Fees and Charges and draft 2025/26 Annual Budget. The increase is required to contribute to the cost of historic landfill remediation works at Foxglove Oval, as well as contractual cost increases for waste collection and disposal services.

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 (refer to Directors Report CS/24 at the General Meeting of Council held 8 May 2024), \$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. The internal loan is to be recovered through increases in Domestic Waste Annual Charges and detailed modelling by the relevant Manager has determined an initial increase of 10% in 2025/26 will be required.

More broadly there are significant longer term risks facing communities in the provision of waste services that include:

- Fuel and Labour costs that are the major rise and fall components in current collection contracts that have been increasing at rates well above CPI.
- Disposal, Processing and Collection Contracts are long term contracts and on renewal a step change increase in cost well above CPI is most likely.
- Planning for mandatory introduction of new food organics services by 2030 and seeking to ensure that these costs are phased in over time to avoid bill shock.
- Lack of market competition in waste transfer and processing facilities.
- Addressing legacy landfill issues.

It is highly likely that ongoing cost increases to the Domestic Waste Management Charge above the CPI are likely to be a feature of future budget years and impact resident rate notices.

Key risks to projects and delivery of initiatives

The preparation of the Delivery Program and Operational Plan is based on best estimates on a range of factors currently known and forecasted to occur. It should be noted that Council operates in a changing political, regulatory and financial environment, that comes potentially with various levels of uncertainty and risks that Council, and the community need to be aware of. This includes matters such as responding to short term housing requirements from the NSW State Government, contaminated land, continuing cost escalation on significant projects and the increasing demand on waste services are some of the risks that have been identified. Council will therefore remain flexible and agile to respond to changing circumstances as appropriate with any changes reported through quarterly financial reviews to Council.

Rating Structure

Council reviewed its rating structure at the April 2006 Ordinary Meeting when it considered Executive Manager's Report No. CC20/06. That structure has applied in respect of the calculation of the rates since that time and it is recommended that the same rating structure continue in 2025/26. Details of the rate types and yields, rating categories, base amounts, minimum rates for business properties, ad valorem amounts, and other statutory rating information are set out in the draft Operational Plan document.

The Valuer General supplied Council with new land values for properties across the Shire as at 1 July 2024. These values have been used for the 2025/26 financial year and will continue to be used in 2026/27 and 2027/28.

The rating information is in line with the 6.5% Special Rate Variation increase approved by IPART for 2025/26. The base amount for ordinary, residential and farmland rates will increase from \$694 in 2024/25 to \$740 in 2025/26.

Council currently provides a rates rebate of \$300 per annum to eligible pensioners, which is greater than the statutory requirement set by the NSW State Government that provides a reduction of up to \$250.

CONSULTATION

The formal exhibition period for the draft 2025-2029 Delivery Program including the 2025/26 Operational Plan and draft 2025/26 Fees and Charges is scheduled from Thursday 10 April to Monday 12 May 2025.

The community will be informed about the draft 2025-2029 Delivery Program including the 2025/26 Operational Plan, and draft 2025/26 Fees and Charges through the following channels:

- Advertisement on Council's website – Your Say Hornsby
- Email notifications to community and resident groups, sporting, CALD and disability groups, neighbouring councils, Members of Parliament and NSW Government stakeholders
- Council's eNews – May edition
- Social Media (Facebook)
- Advertising and Mayor's message – Bush Telegraph, Galston Glenorie Hills District Rural News, Dooral Roundup and Living Heritage
- Digital advertising – Hornsby footbridge, Hornsby Mall and West Pennant Hills (Castle Hill Road)
- Media release

Comments received during the formal exhibition period will be considered and reported to Council prior to adoption of the final 2025-2029 Delivery Program including the 2025/26 Operational Plan and 2025/26 Fees and Charges in June 2025.

BUDGET

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

POLICY

The draft 2025-2029 Delivery Program including the 2025/26 Operational Plan is Council's principal instruction to the organisation and describes Council's commitment to the community during its term of office and beyond.

CONCLUSION

The draft 2025-2029 Delivery Program including 2025/26 Operational Plan (including the Budget, Fees and Charges and Rating Structure) encompasses Council's prudent and financially viable response to the community's priorities and expected levels of service. Public exhibition of these documents provides an opportunity for the community to give feedback on any proposed initiative or activity over the next four years. That feedback will be considered by Council prior to final adoption of the documents in June 2025.

The budget surplus of \$1.367 forecasted at 30 June 2026 is less than the surplus of \$2.367 million forecast in Council's adopted LTFP. A revised 2025/26 – 2034/35 Long Term Financial Plan is currently being prepared for Council's consideration which will assess Council's ability to provide services in a financially sustainable manner into the future.



RESPONSIBLE OFFICER

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

GLEN MAGUS
Director - Corporate Support
Corporate Support Division

STEVEN HEAD
General Manager
Office of the General Manager

Attachments:

1.  Draft 2025-2029 Delivery Program including the 2025/26 Operational Plan
2.  Draft 2025-2026 Fees and Charges

File Reference: F2025/00067

Document Number: D09087286

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

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 Report No. CS3/25 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 11 May 2022 via Report No. CS4/22.

As the previous term of Council was shorter than the normal 4-year term, the ordinary review policy cycle was held-over. As the current term of Council is now back to 4 years, the next policy review will be undertaken in 2027.

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 ~~strike through~~ and additions by underlining.

Current Policy Title	Comment and Recommendation
Code of Conduct for Council Staff POL00467	All codes of conduct (including those set out below) are derived from the same Model Code document published by the Office of Local Government (OLG). The OLG has not amended the Model Code since the last policy review in 2022. Following review, no changes are proposed for this Policy at the present time. The OLG is currently considering some amendments to the Model Code and if this occurs, a separate report will be submitted to Council. Recommendation – That this Policy be retained as is.
Code of Conduct for Councillors POL00465	All codes of conduct are derived from the same Model Code document published by the Office of Local Government (OLG). The OLG has not amended the Model Code since the last policy review in 2022. Following review, no changes are proposed for this Policy at the present time. The OLG is currently considering some amendments to the Model Code and if this occurs, a separate report will be submitted to Council. Recommendation – That this Policy be retained as is.

Current Policy Title	Comment and Recommendation
<p>Code of Conduct for Council Committee Members, Delegates of Council and Council Advisers</p> <p>POL00469</p>	<p>All codes of conduct are derived from the same Model Code document published by the Office of Local Government (OLG). The OLG has not amended the Model Code since the last policy review in 2022. Following review, no changes are proposed for this Policy at the present time.</p> <p>The OLG is currently considering some amendments to the Model Code and if this occurs, a separate report will be submitted to Council.</p> <p>Recommendation – That this Policy be retained as is.</p>
<p>Code of Conduct for Contractors</p> <p>POL00475</p>	<p>All codes of conduct are derived from the same Model Code document published by the Office of Local Government (OLG). The OLG has not amended the Model Code since the last policy review in 2022. Following review, no changes are proposed for this Policy at the present time.</p> <p>The OLG is currently considering some amendments to the Model Code and if this occurs, a separate report will be submitted to Council.</p> <p>Recommendation – That this Policy be retained as is.</p>
<p>Code of Conduct for Advisory Committee Members</p> <p>POL00477</p>	<p>All codes of conduct are derived from the same Model Code document published by the Office of Local Government (OLG). The OLG has not amended the Model Code since the last policy review in 2022. Following review, no changes are proposed for this Policy at the present time.</p> <p>The OLG is currently considering some amendments to the Model Code and if this occurs, a separate report will be submitted to Council.</p> <p>Recommendation – That this Policy be retained as is.</p>
<p>Procedures for the Administration of the Code of Conduct</p> <p>POL00471</p>	<p>No changes are proposed for this Policy at the present time. The OLG is currently considering some amendments to the Model Code which will necessarily require changes to the Procedures. If this occurs a separate report will be submitted to Council.</p> <p>Recommendation – That this Policy be retained as is.</p>
<p>Elections – Regulated</p>	<p>This Policy has been reviewed against the <i>Pre-election Guide for Councils 2024</i> published by the OLG. The Policy remains</p>

Current Policy Title	Comment and Recommendation
and Caretaker Period POL00285	consistent with the OLG Guide and no changes are proposed. Recommendation – That this Policy be retained as is.
Complaints Handling POL00191	Several changes to definitions have been made to align with latest guidance from the Ombudsman and Australian Standards. This policy will be subject to further update towards the end of 2025 as further consideration is given to new requirements around managing customer aggression and psychosocial hazards. Recommendation – That this Policy be amended with the minor amendments shown in the copy attached to this Report.
Public Interest Disclosures Policy POL00245	No changes are proposed for this Policy. This Policy was recently adopted by Council on 13 September 2023. Recommendation – That this Policy be retained as is.
Review, Adoption and Alteration of Council Policies POL00234	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.
Councillors Employees and Volunteers – Legal Assistance and Insurance Protection POL00200	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.
Social Media Policy for Councillors POL00484	Minor amendments have been made to the Social Media Policy for Councillors to advise Councillors to comply with the social media platforms used when engaging on social media. Recommendation – 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. Recommendation – That this Policy be retained as is.
Community Engagement POL00498	Minor amendments were made to the Community Engagement Policy to reference the newly renamed Community Engagement Strategy. Recommendation – That this Policy be amended with the

Current Policy Title	Comment and Recommendation
	minor amendments shown in the copy attached to this Report.
Community Representation POL00189	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.
Media Policy POL00482	Minor updates have been made to the Media policy to refer to the role of the Manager Strategy and Place, to reflect that there are now two Communications Coordinators and to add the Mayor as part of the approval process of written Mayoral quotes. Recommendation – That this Policy be amended with the minor amendments shown in the copy attached to this Report.
Draft Crisis Communications Policy POL TBC	Crises can arise at any time. To best protect and serve our community, we need embedded plans and protocols to guide Council through unexpected internal and external change and challenges. This policy steps out a process for communications and engagement best practice to mitigate risk and navigate and manage crises. Recommendation – That this Policy be adopted by Council.
Sustainable Policy for Council Assets POL00167	Minor amendments have been made to the Policy to improve clarity and succinctness. Deletions have been made to remove repetition within the policy and unnecessary information; avoid duplication with other policies, such as the Water Quality and Conservation Policy; remove requirements that are not able to be broadly applied, e.g. achieving Green Star ratings for new buildings is not currently feasible within existing budgets. Updates have been made based on the latest information, such as, additional provisions are included for renewable solar energy because Council currently purchases 100% renewable electricity through a Power Purchase Agreement, and to reflect concerns around solar curtailment and increasing maintenance costs. Recommendation – That this Policy be amended with the amendments shown in the copy attached to this Report.
Sponsorship and In-Kind Support – Council’s Involvement POL00107	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.

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 ~~striketrough~~ and additions by underlining.

Policy	Comment and Recommendation
Financial Services Branch	
Restricted Asset Accounts – Internal POL00249	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.
Restricted Asset Account – Capital Projects – Debt Retirement POL00246	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.
Rates Relief – Hardship POL00241	No changes are proposed for this Policy noting that a substantial review was completed in 2023 at the same time as Council submitted its application for a Special Rate Variation. The Policy includes all forms of rate relief that are legally permissible within the Local Government Act, 1993. Recommendation – That this Policy be retained as is.
Loan Borrowings POL00229	A minor amendment has been made to require an independent assessment of any business case used to support external borrowing. This change aligns the Policy with Council's adopted 2024/25 – 2033/34 Long Term Financial Plan, which contains a recommendation for this due diligence measure to be implemented, should Council consider borrowing in the future. Recommendation – That this Policy be amended with the minor amendments shown in the copy attached to this Report.
Lease Financing POL00225	No changes are proposed for this Policy. Recommendation – That this Policy be retained as is.
Investment of Surplus Funds Policy and associated Investment Strategy.	No changes are proposed for the Investment Policy. A change has been made to the attached Investment Strategy to include Council's approach for investment in green products. The change reflects direction indicated at an informal briefing held with the previous term of Council to preference investment in green

Policy	Comment and Recommendation
POL00221	<p>products, provided returns are on par with other investments options and are permitted by the Policy and Strategy.</p> <p>Following advice from Council's independent investment advisor, the category, 'major banks' has been removed from the Strategy as this classification could cause complications should a major bank ever receive a credit rating downgrade. Instead, these institutions are now considered based on their credit rating, as with all other banks.</p> <p>Recommendation – That the Policy be retained as is and that the Investment Strategy be amended</p>
Asset Management POL00287	<p>No changes are proposed for this Policy.</p> <p>Recommendation – That this Policy be retained as is.</p>
Restricted Asset Account – Waste Reserve POL00516	<p>A minor amendment has been made to the Policy to provide direction should the Waste Reserve Restricted Asset Account become overdrawn.</p> <p>Recommendation – That this Policy is adopted as shown in the copy attached to this Report.</p>
Governance and Customer Service Branch	
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).</p> <p>Allowance amounts have been updated to show the current maximums (rounded to the nearest \$50).</p> <p>Recommendation – That this Policy be amended with the minor amendments shown in the copy attached to this Report.</p>
Statutory – Privacy Management Plan POL00275	<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>Minor amendments to reflect current practice and new terminology are proposed for this Policy.</p> <p>Recommendation – That this Policy be amended as outlined above and as shown in the copy attached to this Report.</p>

Policy	Comment and Recommendation
Statutory – Code of Meeting Practice POL00274	<p>No changes are proposed for this Policy. The Office of Local Government (OLG) is currently reviewing the Model Code, once the updated Model Code is published, a review will be undertaken with a report to Council and public exhibition.</p> <p>Recommendation – That this Policy be retained as is. A further review will be conducted following updates to the Model Code by the Office of Local Government.</p>
Customer Service POL00205	<p>No changes are proposed for this Policy.</p> <p>Recommendation – That this Policy be retained as is.</p>
Data Breach Notification Policy POL - TBC	<p>This policy outlines the procedures for managing and responding to data breaches involving personal information held by Hornsby Shire Council.</p> <p>Recommendation – That this Policy be adopted by Council.</p>
Technology and Transformation Branch	
Technology and Transformation POL00219	<p>Minor amendments are proposed to add 'working toward the optimised use of this technology in the organisation' as part of our objective, to reflect that the ELT now performs the role of the T&T Steering Committee, and to better reflect the definitions of our key service areas.</p> <p>Recommendation – That this Policy be amended as outlined above and as shown in the copy attached to this Report.</p>
Cyber Security (IT Security) Policy POL - TBC	<p>This policy is based on the Cyber Security NSW Cyber Security Guidelines – Local Government (version issued January 2025). It outlines the approach Council will take to ensure the safety, security and reliability of all systems and data.</p> <p>Recommendation – That this Policy be adopted by Council.</p>
Land and Property Services Branch	
Disposal of Land POL00207	<p>Minor amendments to reflect a change in staff position title.</p> <p>Recommendation – That this Policy be amended as outlined</p>

Policy	Comment and Recommendation
	above and as shown in the copy attached to this Report.
Land – Lease/Licence by Council POL00223	Minor amendments to reflect a change in staff position title. Recommendation – That this Policy be amended with the minor amendments shown in the copy attached to this Report.

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, Manager Strategy & Place – Julie Ryland and the Director of Corporate Support Division – Glen Magus.

GLEN MAGUS
Director - Corporate Support
Corporate Support Division

STEVEN HEAD
General Manager
Office of the General Manager

Attachments:

1.  General Manager's Division - Risk and Audit Policies
2.  General Manager's Division - Strategy and Place Policies
3.  Corporate Support Division's Policies and Codes

File Reference: F2025/00014
Document Number: D09045101

4 DRAFT ASSET MANAGEMENT STRATEGY 2025/26 TO 2034/35

EXECUTIVE SUMMARY

- Under section 403 of the Local Government Act, councils are required to have a long-term Resourcing Strategy that includes an Asset Management Strategy aligned to the integrated planning and reporting (IP&R) framework mandated by the Office of Local Government.
- The IP&R framework requires the endorsement by Council of the Asset Management Strategy.
- Revised Asset Management Plans have been prepared for each major asset category (buildings, land improvements (assets in parks) and roads, stormwater and transport assets) based on the most current condition and cost data available.
- The revised Asset Management Plans have informed a revised Asset Management Strategy (from 2025/26 to 2034/35) that forecasts the cost of renewing and maintain the majority of Council's asset base to the level of service desired by the community over the next ten years. The revised cost is fully covered by existing general fund budgets and Special Rate Variation funds awarded for this purpose.

RECOMMENDATION

THAT Council adopt the Asset Management Strategy and Asset Management Plans 2025/26 to 2034/35 attached to Director's Report No. CS12/25.

PURPOSE

The purpose of this Report is for Council to receive and note the revised Asset Management Strategy and Asset Management Plans for the ten-year period from for 2025/26 to 2034/35.

BACKGROUND

Under section 403 of the Local Government Act, a council is required to have a long-term Resourcing Strategy including an Asset Management Strategy 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 its functions and is required to be updated in detail every four years.

The Asset Management Strategy details Council's approach to managing its asset base as well as an assessment of forecast expenditure to ensure assets remain at a standard that meets the needs of the community. Although the Asset Management Strategy is not required to be publicly exhibited, it does need to be endorsed by Council.

DISCUSSION

A significant project to develop a suite of Asset Management Plans and prepare an overarching Asset Management Strategy was completed prior to Council's successful application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV).

To assess the cost of maintaining Council's depreciable infrastructure asset base, the Asset Management Strategy separated Council's assets into a number of categories – buildings, land improvements (assets in parks), and roads, transport and stormwater assets. For each of these categories, data was collated on the assets Council owns by engaging external contractors to assist in verifying the accuracy of data and assessed condition.

The expenditure requirements identified were included in the Asset Management Strategy 2023/24 – 2032/33 that was referred to Council at the General Meeting held on 28 September 2022 in General Manager's Report GM31/22, Adoption of a Draft Long Term Financial Plan for 2023/24 – 2032/33 and Progression of a Special Rate Variation. This Strategy identified the need to provide an additional \$4.1 million per year to maintain and renew assets to the level of service desired by the community. The funding required was included in the Long Term Financial Plan 2023/24 – 2032/33 and Council's application for the SRV. The success of the application in June 2023 secured this funding, which was subsequently included in Council's budget in 2023/24 and 2024/25.

The approval of Council's SRV application by IPART requires that the additional funding sought for asset management purposes is to be exclusively used for this purpose. In addition, Council is required to report each year in the Annual Report the progress made towards the proposed asset management program identified as part of the SRV application and any differences that may have occurred.

Since the success of the SRV, Council has been continuing with the revision of asset management planning across the Shire, including completing ongoing condition assessments and progressing areas for improvement identified in the Asset Management strategy 2023/24 – 2032/33, including collecting data for some small groups of assets that were not included in the previous Strategy (around 5% in total). A quarterly Asset Management Governance Committee has been established to assist with the progression of actions identified for improvement and to ensure that SRV funding is expended in accordance with the terms of IPART's approval.

This approach has generally resulted in improvements to average asset conditions compared with prior to the SRV (1 = excellent condition, 5 = very poor condition):

Infrastructure Asset Category	Average Condition (FY 23/24)	Average Condition (FY 20/21)
<i>Building Infrastructure</i>	2.58	2.93
<i>Stormwater Infrastructure</i>	1.97	1.94
<i>Land Improvement Infrastructure (assets in parks)</i>	2.36	2.36
<i>Road Infrastructure</i>	2.03	2.21

Since the approval of the SRV, Asset Management Plans have also been updated to include the most up to date cost and condition data available. This data has informed the attached revised Asset Management Strategy and Plans 2025/26 – 2034/35.

After factoring in all funding requirements and available budgets, the majority of funding required is covered by existing general fund budgets and the \$4.1 million of SRV funding that was previously approved. An additional average annual allocation of \$211K per year for Building Infrastructure assets is required due to the inclusion of additional facilities in the Asset Management Plan for this class, such as the recently renovated Galston Aquatic Centre. The additional funding has been substituted from existing budgets for reactive maintenance and therefore has no impact to Council's general fund over the ten-year term of the Strategy.

The revised Asset Management Strategy 2025/26 – 2034/35 will inform the next version of Council's Long Term Financial Plan that is scheduled to be referred to Council at the 14 May 2025 General Meeting. Whilst there is no net financial impact to the LTFP, the funding for the existing asset base identified in the Strategy is included as priority with the aim of providing adequate budgets into the future.

The consequences of inadequate funding being allocated to the asset base 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 the local community.

Asset Management Plans

The Asset Management Strategy is underpinned by the attached Asset Management Plans for each class (Building Infrastructure, Land Improvements (assets in parks) and Road and Stormwater Infrastructure).

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 with respect to the level of funding necessary to maintain existing assets to a satisfactory condition. The level of funding required will be incorporated into a revised version of the Long Term Financial Plan that is scheduled to be referred to Council on 14 May 2025.





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.  Draft Asset Management Strategy 2025/26 - 2034/35
2.  Building Infrastructure Asset Management Plan 2025/26 - 2034/35
3.  Land Improvements Asset Management Plan 2025/26 - 2034/35
4.  Road & Stormwater Infrastructure Asset Management Plan 2025/26 - 2034/35

File Reference: F2024/00060

Document Number: D09082042

5 INVESTMENTS AND BORROWINGS FOR 2024/2025 - STATUS FOR THE PERIOD ENDING 28 FEBRUARY 2025

EXECUTIVE SUMMARY

- This Report provides details of Council's investment performance for the period ending 28 February 2025 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 an annualised return for February 2025 of 4.89% which includes a positive yield of 5.15% from TCorp Managed Funds. On a financial year to date basis the portfolio achieved an annualised return of 5.19% which includes a positive yield of 8.53% from TCorp Managed Funds.

RECOMMENDATION

THAT the contents of Director's Report No. CS14/25 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 month ending 28 February 2025 is detailed in the attached document. In summary, the portfolio achieved an annualised return for February 2025 of 4.89%. On a financial year to date basis the portfolio achieved an annualised return of 5.19% which includes a positive yield of 8.53% from TCorp Managed Funds.

The Borrowings Schedule as at 28 February 2025 is attached for Council's information, noting that Council became debt free on 1 July 2023 with no loans entered into since. The Borrowings Schedule also discloses future lease repayments for various items of plant and equipment.

BUDGET

Budgeted investment income for the year is \$10,045,254 with an average budgeted monthly income of \$837,105. Net investment income for the month ended 28 February 2025 was \$1,074,340, which includes an unrealised gain of \$96,328 from TCorp Managed Funds.

Budgeted investment income year to date at 28 February 2025 is \$6,696,840. Total investment income year to date at 28 February 2025 is \$9,452,339 which includes a year-to-date unrealised net gain of \$1,328,484 from TCorp Managed Funds.

Approximately 43.59% 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 market volatility due to external economic conditions. It is noted that this product has a medium to long term 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 medium to long term 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 28 February 2025 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 February 2025
2.  HSC Borrowings Summary Report February 2025

File Reference: F2004/06987-02
Document Number: D09082809

6 DRAFT HERITAGE AMENDMENTS TO THE HORNSBY DEVELOPMENT CONTROL PLAN

EXECUTIVE SUMMARY

- Council is currently undertaking a significant program of work under its Comprehensive Heritage Study (CHS) to respond to best practices in heritage management, changing development context, and community expectations regarding the identification and protection of the heritage of Hornsby Shire.
- One of the tasks under the CHS is to review and update the Heritage Chapter of the Hornsby Development Control Plan (DCP).
- A background review of best practice heritage controls, informed by consultation with Council's Heritage Advisory Committee, Hornsby Aboriginal and Torres Strait Islander Committee and input from the Beecroft-Cheltenham Civic Trust, identified several improvements to the Hornsby DCP that would improve the usability of heritage controls and improve heritage outcomes.
- Draft DCP amendments attached to this report include a revised structure for Part 9 Heritage, improved and clear controls, simplified language and new graphics. Non-heritage built form controls regarding residential and commercial development are proposed to be moved to the relevant sections of the DCP under Part 3 Residential and Part 4 Business.
- It is recommended that Council endorse the draft DCP amendments attached to this report for public exhibition.

RECOMMENDATION

THAT:

1. The draft Heritage Development Control Plan Amendments attached to Director's Report No. PC7/25 be placed on public exhibition for a period of at least 28 days.
2. Following the exhibition, a report on submissions be presented to Council for consideration.

PURPOSE

The purpose of this report is to present draft DCP amendments to Part 9 Heritage, Part 3 Residential and Part 4 Business resulting from the Heritage DCP Review for endorsement for exhibition.

BACKGROUND

In 2018, Council resolved to undertake a Comprehensive Heritage Study (CHS) to respond to the changing development context, demography and community expectations regarding the identification, policy and protection of the heritage of the Shire.

In 2019, the Hornsby Shire Heritage Action Plan (HAP) was prepared to identify the strategic tasks required to guide the scope of the CHS and inform a program of works. The program of works commenced in October 2020 to be undertaken over several years.

To date, Council has adopted a new Thematic History, Aboriginal Heritage Study and an Interpretation Strategy. Council has endorsed the Heritage and Housekeeping Planning Proposal which is currently being finalised. A draft Landscape Study, Archaeological Study, Heritage Item Review and Heritage Conservation Area Review are scheduled to be presented to Council later in the year.

The review of the Heritage Chapter of the DCP is another project resulting from the CHS and combines recommendations from previous adopted, endorsed and drafted heritage studies.

DISCUSSION

This report discusses the Heritage DCP Review and recommended draft amendments to the Hornsby DCP for new and improved heritage controls for endorsement for exhibition.

The draft amendments affect Part 9 Heritage, Part 3 Residential and Part 4 Business of the DCP as outlined in the documents attached to this report and discussed below.

Heritage DCP Review

The objective of the Heritage DCP Review project is to update the Heritage Chapter of the Hornsby DCP to align with recent changes to zoning, ensure consistency with other parts of the Hornsby DCP and to reflect best practice heritage management.

Key tasks for the project include:

- Review the Heritage Chapter to ensure currency and relevance of controls for each conservation area and development type.
- Remove references to places no longer within the Hornsby LGA.
- Review the Beecroft Heritage Precinct controls and move non-heritage specific built form controls to other parts of the DCP.
- Renew graphics for clarity and consistency of quality across the chapter and include photographs of successful schemes to illustrate the intentions of the DCP.
- Include descriptions and characteristics of additional building typologies and include controls for a variety of building types and built areas.
- Provide controls for development of sites that contain known and potential historical archaeological places and relics.

- Provide updated controls for development of sites that contain known and potential places of Aboriginal heritage.

These matters were investigated with the assistance of a heritage consultant who also considered the findings and recommendations of studies undertaken through the CHS, relevant guidelines, other Council DCPs and input from stakeholders. These stakeholders include the Heritage Advisory Committee (HAC), the Hornsby Aboriginal and Torres Strait Consultative Committee (HATSICC) and the Beecroft-Cheltenham Civic Trust.

The following changes to the DCP are recommended:

- Revised structure.
- Simplified language.
- Updated controls.
- Improved graphics.
- Updated references and links.
- Updated Heritage Conservation Area controls.
- Removal of Non-heritage controls.

An amended Part 9 Heritage Chapter of the DCP has been prepared, with minor associated changes to Part 3 Residential and Part 4 Business. An outline of the changes is provided below.

New Structure

The structure of the current Heritage DCP chapter has largely remained unchanged since it first came into force in 2013. As such, an update is appropriate to ensure it reflects best practice heritage management.

The redrafted Part 9 Heritage chapter proposes a revised introduction, with a general overview stating primary aims and objectives of the chapter, the land to which it applies, heritage legislation and guiding documentation and expanded information on submission requirements and supporting information.

Aboriginal Cultural Heritage and Archaeological Heritage sections are proposed to be moved to the front of the chapter, reflecting the timeline of heritage within the Shire. Controls for built and landscape heritage have been separated to reflect the unique considerations of these types of heritage items, and Heritage Conservation Area sub-headings promoted to be more prominent.

The revised structure allows for users to easily find and understand relevant controls in line with the intent of the DCP chapter.

1. Revised Language and Expression

Some areas of the current Heritage DCP chapter are overly technical or open to subjective interpretation. The controls have been reworded to seek to more clearly convey controls in a way that is accessible to all users or those unfamiliar with technical or planning terminology.

Use of simple, clear and unambiguous language with a consistent expression would ensure the controls can be consistently understood by applicants and community, applied by Council assessment officers and misinterpretation is minimised.

2. Updated Heritage Controls

The current Heritage DCP chapter largely focusses on residential building typologies in low density areas built prior to 1940. It does not reference or have differentiated controls for development impacting historical archaeology or landscape heritage. New and updated controls are recommended to assist property owners and proponents better understand the opportunities and constraints on their site.

Updated heritage controls are proposed to ensure currency and relevance for each heritage type, development action and conservation area. This includes strengthened wording and controls for Aboriginal cultural heritage, historical archaeology (listed archaeological sites), sympathetic development for listed heritage items (built and landscape), heritage conservation areas, and places in the vicinity of heritage items and heritage conservation areas. Introduction of new controls is proposed relating to tolerance for change and a variety of building types, built areas, and landscape elements.

The proposed controls align with best practice heritage management and will assist ensure places of significance are retained and conserved through new development.

3. Improved Graphics and Images

Graphics within the current Heritage DCP have been updated for consistency of scale, format and detail, with clear references and high resolution.

Simple, clear and consistent graphics and images are proposed to clearly demonstrate the objectives of controls to all users, particularly those who are unfamiliar with architectural and planning language. Graphics have a consistent illustrative style, annotation and labelling format across the chapter and other chapters of the DCP.

4. Supporting Information

The administration section in the introduction of the Heritage chapter is proposed to be expanded to include clear objectives, detailed directions for submission requirements and supporting heritage management documents, an explanation of what is classified as exempt or minor work, a glossary of heritage terms and direct links to seek further information and heritage advice. Inclusion of a cross-reference table at the beginning of each section is also proposed to clearly explain which section prevails where there is a conflict between controls in different parts of the DCP.

Additional sources for support and information at the beginning of the chapter will assist clarify development approval procedures and improve the quality of documentation received through the application process.

5. Heritage Conservation Areas

The existing Hornsby DCP includes objectives and built form controls that apply to all Heritage Conservation Areas (HCAs), along with character statements that guide future development. A general update to the description and status of the HCAs of the Shire, along with the introduction of tailored and area-specific controls, is proposed. This would enable appropriate heritage management over the long term and give property owners and Council officers more certainty for the expectations for proposed development to respond to the characteristics of the different HCAs.

Revision, expansion and consistency of controls within the HCAs section is proposed. This includes an updated history, character and significance statement for each HCA along with new defined outcomes to guide development and additional controls particular to the characteristics that make each HCA significant.

6. Non-Heritage Controls

The existing Heritage DCP chapter includes non-heritage related commercial and residential planning controls for the Beecroft Heritage Precinct. This is inconsistent with the typical operation of the DCP, as residential controls otherwise are contained in Part 3 Residential and commercial controls are contained in Part 4 Business. A clear distinction and placement of controls within the relevant parts of the DCP is recommended for consistent application of planning controls.

Relocation of the Part 9.6 Beecroft Heritage Precinct high density (5 storeys) and commercial development controls to the relevant sections of Part 3 Residential and Part 4 Business is proposed to reduce replication and improve legibility and usability of the Hornsby DCP as a whole. This relocation would not change the nature or intent of the controls and Chapter 9 Heritage would still apply to any future development application within the precinct.

CONSULTATION

Preliminary Consultation with HATSICC, HAC and the Beecroft-Cheltenham Civic Trust

Involvement was sought from the Hornsby Aboriginal and Torres Strait Islander Committee (HATSICC) and Hornsby Heritage Advisory Committee (HAC) during the preparation of the amendments. The Committee's provided feedback on early drafts in terms of structure, readability and strength of controls. Valuable input from the Beecroft-Cheltenham Civic Trust regarding the operation of the Heritage DCP was also received and considered.

HATSICC and HAC have not yet been reconvened following the commencement of the current term of Council. However, it would be appropriate that the former members of the Committees be notified of the exhibition of the draft DCP amendments and invited to comment, given their previous involvement throughout the project.

Public Exhibition of Draft DCP Amendments

It is recommended that the draft Heritage Amendments to the DCP be placed on public exhibition for a period of at least 28 days, as set out in Council's Community Engagement Plan. The public exhibition would seek community feedback on the recommended DCP amendments to assist Council in finalising the Heritage DCP Review project.

The community would be informed about the draft DCP amendments through the following channels:

- Advertisement on Council's website under 'Your Say Hornsby'.
- Council's eNews.
- Social Media (Facebook).
- Letters and/or emails to:
 - Former members of HAC and HATSICC in the 2022 to 2024 term.
 - Historical societies and community groups including the Beecroft Cheltenham History Group, Beecroft-Cheltenham Civic Trust, Brooklyn Community Association, Dangar Island Historical Society, Dharug and Lower Hawkesbury Historical Society, Dural and District Historical Society, Epping Civic Trust, Hornsby Shire Historical Society and Pennant Hills District Civic Trust.
 - Local Aboriginal organisations including the Darug Custodian Aboriginal Corporation and Guringai Tribal Link.
 - Heritage NSW.

Following exhibition, a report would be presented to Council summarising the feedback received.

BUDGET

The costs associated with the Heritage DCP Review and preparation of the draft DCP amendments are covered under the Comprehensive Heritage Study program allocated funds.

POLICY

Following exhibition of draft Hornsby DCP amendments, a report on submissions would be presented to Council for consideration. Subject to Council endorsement, Hornsby DCP amendments and reports would come into force once published on Council's website. The amendments would apply to development applications received after the date of publication.

CONCLUSION

A review of Part 9 Heritage of the Hornsby DCP has been undertaken as part of Council's Comprehensive Heritage Study, with input from the Beecroft-Cheltenham Civic Trust, Hornsby Aboriginal and Torres Strait Islander Committee and Heritage Advisory Committee. Draft Hornsby DCP amendments include a revised structure for Part 9 Heritage, improved and clear controls, simplified language and new graphics.

This report seeks Council endorsement to publicly exhibit the draft Hornsby DCP amendments. It is recommended the amendments be exhibited for at least 28 days. Following exhibition, a report on submissions would be presented to Council.

RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Manager, 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.  Hornsby DCP Part 3 Draft Amendments
2.  Hornsby DCP Part 4 Draft Amendments
3.  Hornsby DCP Part 9 Draft Amendments

File Reference: F2020/00185#008

Document Number: D09087447

7 DRAFT DUAL OCCUPANCY AMENDMENTS TO THE HORNSBY DEVELOPMENT CONTROL PLAN

EXECUTIVE SUMMARY

- The State Government has introduced Low and Mid Rise legislative reforms to permit dual occupancy development in the R2 Low Density Residential zone.
- At its February meeting, Council resolved to endorse minimum lots sizes for dual occupancy development within Hornsby Shire. It is understood these dual occupancy lot size controls will be introduced into the Hornsby Local Environmental Plan (LEP) by mid-2025 to coincide with a complying development pathway commencing for dual occupancy development.
- Applicants are likely to prefer a complying development pathway to obtain a quicker approval for dual occupancy development in accordance with the State Government Policy for Exempt and Complying Development. However, this will not be possible for all properties or forms of dual occupancies.
- Council is likely to receive development applications in circumstances where the complying development pathway is not available. Therefore, it is appropriate that the Hornsby DCP be amended to insert controls for dual occupancies to assist development assessment.
- This report presents draft amendments to the Hornsby DCP to cover all forms of dual occupancy development (attached or detached). The draft controls have been prepared to complement existing dwelling house controls. However, alternative controls are recommended for lot width, floor area, setbacks, street trees, garages, orientation and design.
- It is recommended that Council endorse the draft DCP amendments attached to this report for public exhibition.

RECOMMENDATION

THAT:

1. The draft Dual Occupancy Development Control Plan amendments attached to Director's Report No. PC8/25 be placed on public exhibition for a period of at least 28 days.
2. Following the exhibition, a report on submissions be presented to Council for consideration.

PURPOSE

The purpose of this report is to present draft Development Control Plan (DCP) provisions for dual occupancy development for endorsement for public exhibition.

BACKGROUND

Stage 1 of the State Government's Low and Mid-Rise Housing Reforms commenced on 1 July 2024 permitting dual occupancy development on R2 Low Density Residential zoned land under the Housing State Environmental Planning Policy (Housing SEPP), initially only via a development application (DA) until complying development is switched on from July 2025.

Prior to complying development pathways commencing, the State Government provided opportunity for Council to nominate minimum lot sizes in the HLEP for all dual occupancy development.

At its meeting on 12 February 2025, Council considered Director's Report PC1/25 which presented an analysis of options for minimum lot sizes in the Shire. Council resolved to endorse the following minimum lot size controls for dual occupancy developments for submission to the Department of Planning, Housing and Infrastructure (DPHI):

	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

In accordance with Council's resolution, the required nomination form was submitted requesting the above lot sizes within Hornsby Shire. Council's nomination has been acknowledged by DPHI and officers will continue to work with the Department to finalise the associated amendment to the HLEP.

It is appropriate that Council consider associated amendments to the Hornsby DCP to include development controls for dual occupancy development within the R2 zone which has been made permissible through the State Government's Housing SEPP.

DISCUSSION

This report outlines draft DCP controls for dual occupancy development made permissible in the R2 Low Density Residential zone under Stage 1 of the State Government's Low and Mid-Rise Reforms.

Stage 2 of the Reforms commenced on 28 February 2025 identifying new 'Low and Mid Rise (LMR) housing areas' within 800m walking distance of the nominated centres and stations of Asquith, Hornsby, Waitara, Thornleigh and Pennant Hills. Stage 2 also introduces non-refusal standards for dual occupancies within these housing areas. The non-refusal standards include the opportunity for development applications for smaller lots of 450sqm and subsequent subdivision to 225sqm (despite Council's nominated lot sizes).

The following discussion outlines why controls for dual occupancies are required and presents the recommended controls

1. Need for local dual occupancy development controls

The Hornsby DCP currently includes controls for dual occupancy development within rural areas, where Council permits attached dual occupancies under the HLEP. These controls do not consider detached dual occupancies, or design and built form requirements in urban areas.

Although applicants are likely to prefer a complying development pathway, which will have relevant controls that apply under State Government legislation (Exempt and Complying Development Codes SEPP), this will not be possible for all properties or forms of dual occupancies. Council is likely to receive development applications under the following circumstances where the complying development pathway is not available:

- Dual occupancies within Heritage Conservation Areas.
- Detached dual occupancies where one is behind the other.
- Conversion of secondary dwellings to dual occupancy.
- Unsewered lots.
- Where other complying development requirements cannot be met (tree removal, battle-axe lots or other constraints); or
- Within 800m of nominated centres (LMR housing areas around Asquith, Waitara, Hornsby, Thornleigh, or Pennant Hills where a proponent seeks to apply for smaller lot sizes).

Therefore, it is appropriate that the Hornsby DCP be amended to insert controls for dual occupancies to assist development assessment.

2. Proposed DCP provisions

It is recommended that dual occupancy provisions be introduced which cover all forms of dual occupancy development (attached or detached) and they complement existing dwelling house controls that apply to the R2 Low Density Residential zone.

Amendments to Part 3 Residential

Section 3.1 within Part 3 of the DCP applies to dwelling houses. It is recommended that this section be amended to include dual occupancy development controls. This would mean the overall controls of the section would apply to dual occupancy development, apart from the following changes specific to dual occupancies:

Lot width

For dwelling house construction, lot width is not a control (it is a DCP control for subdivision to create a lot suitable for a dwelling house). For dual occupancy development, it is proposed that a 16m be required in accordance with the recommendations from Council's review of lot sizes for dual occupancies presented to the February Council meeting.

Floor Area

For dwelling houses, the DCP currently provides a sliding scale for maximum floor area depending on the size of the subject allotment. For most lots where a dual occupancy development is proposed, a similar formula would apply to calculate the maximum floor area to seek to ensure sufficient area for landscaping.

Setbacks

For dwelling houses the front setback is generally 6m. For detached dual occupancy it is proposed that the same setback of 6m apply. For attached dual occupancy development, it is proposed to

increase the setback requirement to 7.6m (the same as a townhouse) in response to the increase in bulk/scale and provide greater opportunity for landscaping in the front setback.

For detached dual occupancy on corner lots it is proposed that the dwelling facing the secondary road have a lesser setback of 4.5m (garage setback 5.5m) to allow sufficient room on the lot for private open space. It is proposed that each dwelling in a detached dual occupancy be separated by a minimum distance of 3m for amenity and privacy.

Orientation

For dwelling houses, the DCP states they should be primarily orientated towards the street and the rear boundary. For attached dual occupancy development, it is proposed that they only be orientated to the street, for improved amenity. On corner lots, both dwellings should face the primary road. For a detached dual occupancy on a corner lot, each dwelling should face a separate road.

Street Trees

For dwelling houses, the DCP currently has no control in relation to requirements for street trees. It is proposed that in relation to both dwelling houses and dual occupancy development, that 1 street tree be required to be planted for every 7m of road reserve frontage, consistent with the medium density DCP controls, for streetscape, urban heat and biodiversity outcomes.

Garages

For dwelling houses, the DCP states that garages are not to dominate the façade of the dwelling or streetscape and sets maximum dimensions equivalent to a double garage door. For dual occupancy development, it is proposed that garage doors be limited to a single width to reduce the visual impact of garage doors.

Design (materials and finishes)

For dwelling houses, the DCP is silent in relation to materials or finishes. For dual occupancy development, controls are proposed to encourage the use of a range of materials and finishes, and avoid the full rendering of the façade to improve the streetscape.

Amendments to Part 1 Car parking

The car parking table (Table 1.3.2-c) in Section 1.3.2.1 Transport and Parking has an attached dual occupancy rate that relates to the number of the bedrooms in a dwelling. It is proposed to amend this to apply to all dual occupancy development, with a rate of 1 space/dwelling, which is consistent with the Stage 1 and 2 LMR Reforms for dual occupancy development.

Amendments to Part 6 Subdivision

It is proposed to add dual occupancy subdivision to Section 6.2 Urban Subdivision, adding the proposed HLEP lot sizes and clarifying that construction must occur prior to subdivision.

CONSULTATION

It is recommended the draft Dual Occupancy Amendments to the DCP be placed on public exhibition for a period of at least 28 days, as set out in Council's Community Engagement Plan.

The community would be informed about the draft DCP amendments through the following channels:

- Advertisement on Council's website under 'Your Say Hornsby'.
- Council's eNews.

- Social Media (Facebook).

Following exhibition, a report would be presented to Council summarising the feedback received.

BUDGET

There are no budgetary implications associated with this report. Costs associated with the preparation of the draft dual occupancy development control plan provisions 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 in the R2 Low Density Residential zone. It is proposed to include provisions for dual occupancy development to ensure that new developments are designed to a scale that is consistent and compatible with the Shire's existing low density residential areas.

Any dual occupancy DA lodged with Council would need to consider the DCP provisions for dual occupancies. However, within nominated centres, any non-refusal standards would prevail over Council's LEP and DCP. Those non-refusal standards are provided below, with comparisons to Council's LEP and DCP.

	Existing and proposed Council Dual Occupancy controls	Complying Development Standard outside LMR Centres (Codes SEPP)	Non-Refusal Standard in LMR Centres (Housing SEPP)
Minimum lot size (parent)	700-900sqm	As per LEP	450sqm
Minimum lot size (child)	350-450sqm	As per LEP	225sqm
Minimum lot width	16m	15m	12m
Floor space ratio	25% of lot area + 300sqm (Approx 0.67:1 on 700sqm parent lot to 0.4:1 to 2,000sqm parent lot)	25% of lot area + 300sqm (Approx 0.67:1 on 700sqm parent lot to 0.4:1 to 2,000sqm parent lot)	0.65:1
Height of building	8.5m (typical R2 height control)	8.5m	9.5m
Car parking	1 space per dwelling	1 space per dwelling	1 space per dwelling
Front	7.6m (attached)	Average of two closest	n/a

setback	6m (detached)	dwelling; or 4.5m to 6.5m, depending on lot size	
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CONCLUSION

This report recommends amending the Hornsby DCP dwelling house controls to include dual occupancy development with additional specific controls relating to dual occupancy development. It is recommended that the attached draft DCP amendments be placed on exhibition for a minimum period of 28 days. Following exhibition, a report on submissions will be presented to Council.




RESPONSIBLE OFFICER

The officer responsible for the preparation of this Report is the Manager, 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.  Hornsby DCP Part 1 Draft Amendments
2.  Hornsby DCP Part 3 Draft Amendments
3.  Hornsby DCP Part 6 Draft Amendments

File Reference: F2021/00318

Document Number: D09087542

8 MAYOR'S NOTES 01 MARCH 2025 TO 31 MARCH 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.

Saturday 1st March 2025 – The Mayor attended Art North Exhibition, at Grace Cossington Smith Gallery, Abbotsleigh Girls High School.

Tuesday 4th March 2025 – On behalf of the Mayor, Deputy Mayor Councillor McIntosh attended the 'Time to Shine' exhibition, Wallarobba Arts & Cultural Centre.

Friday 7th March 2025 – The Mayor attended Food Truck Fridays, at Galston Recreation Reserve, Galston.

Monday 10th March 2025 – The Mayor attended Mark Taylor Oval Pavilion Sod Turning Ceremony, Waitara.

Tuesday 11th March 2025 – The Mayor attended Soroptimist International of Hornsby's International Women's Day Breakfast, at Kipling's Garage Bar, Turramurra.

Saturday 15th March 2025 – The Mayor attended Binnowee Kindergarten's 90th Anniversary, West Pennant Hills.

Saturday 15th March 2025 – On behalf of the Mayor, Deputy Mayor Councillor McIntosh attended a Welcome Picnic and Smoking Ceremony, at Jack and Jill Kindergarten, Hornsby.

Tuesday 18th March 2025 – On behalf of the Mayor, Councillor McClelland attended Ku-ring-gai Financial Services Limited's 21st Birthday Grand Presentation Night, at Lindfield Rollers Bowling Club, East Lindfield.

Tuesday 18th March 2025 – On behalf of the Mayor, Deputy Mayor Councillor McIntosh attended the Cyrus Association of Australia's Chaharshanbe Suri Celebration, Berowra.

Wednesday 19th March 2025 – The Mayor hosted three Citizenship Ceremonies in the Council Administration Building, Hornsby.

Friday 21st March 2025 – The Mayor attended Terry White Chemmart Hornsby's 10th birthday cake cutting event, Hornsby.

Friday 21st March 2025 – The Mayor attended the Harmony Day Morning Tea, at Hornsby Library.

Friday 21st March 2025 – On behalf of the Mayor, Deputy Mayor Councillor McIntosh attended Chantal Cottage Blessing and Opening Ceremony, Wahroonga.

Wednesday 26th March 2025 – The Mayor attending the community screening of The Last Anniversary, at Event Cinemas, Hornsby.

Sunday 30th March 2025 – On behalf of the Mayor, Councillor McClelland attended the 1st concert of the year for Golden Kangaroos Hornsby Concert Band, in Epping.

Sunday 30th March 2025 – On behalf of the Mayor, Deputy Mayor Councillor McIntosh attended the three series book launch by Dudley Hood, at the Hornsby RSL.

File Reference: F2004/07053-002

Document Number: D09091362

ITEM 8