



Coffs Harbour City Council

04 May 2016

ORDINARY MEETING

The above meeting will be held in the Council Chamber, Administration Building, corner Coff and Castle Streets, Coffs Harbour, on:

THURSDAY, 12 MAY 2016

The meeting commences at **5.00pm** and your attendance is requested.

AGENDA

1. Opening of Ordinary Meeting
2. Acknowledgment of Country
3. Disclosure of Interest
4. Apologies
5. Public Addresses / Public Forum
6. Mayoral Minute
7. Mayoral Actions under Delegated Authority
8. Confirmation of Minutes of Ordinary Meeting – 28 April 2016
9. Rescission Motion
10. Notices of Motion - General
11. General Manager's Reports
12. Notices of Motion – Business Services
13. Directorate Reports – Business Services
14. Notices of Motion – Sustainable Communities
15. Directorate Reports – Sustainable Communities
16. Notices of Motion – Sustainable Infrastructure
17. Directorate Reports – Sustainable Infrastructure
18. Trust Reports
19. Requests for Leave of Absence
20. Questions On Notice
21. Matters of an Urgent Nature
22. Consideration of Confidential Items (if any)
23. Close of Ordinary Meeting.

Steve McGrath
General Manager



COFFS HARBOUR CITY COUNCIL
ORDINARY MEETING
COUNCIL CHAMBERS
COUNCIL ADMINISTRATION BUILDING
COFF AND CASTLE STREETS, COFFS HARBOUR
12 MAY 2016

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COFFS HARBOUR CITY COUNCIL

ORDINARY MEETING

28 APRIL 2016

Present: Councillors D Knight (Mayor), J Arkan, N Cowling, R Degens, G Innes, K Rhoades, M Sultana and S Townley.

Staff: General Manager, Director Business Services, Director Sustainable Infrastructure, Director Sustainable Communities and Executive Assistant.

The meeting commenced at 5.00pm with the Mayor, Cr D Knight in the chair.

We respectfully acknowledge the Gumbaynggirr Country and the Gumbaynggirr Aboriginal peoples who are traditional custodians of the land on which we meet and their Elders both past and present.

The Mayor reminded the Chamber that the meeting was to be recorded, and that no other recordings of the meeting would be permitted.

DISCLOSURES OF INTEREST

The General Manager read the following disclosure of interest to inform the meeting:

Councillor	Item	Type of Interest
Cr Knight	SC16/21 DA929/15 - Shop Top Housing (2 shops and 15 residential units) and Subdivision (Strata - 17 lots) - Lot 2 and Lot 1 DP1209133, 69 and 59-67 First Avenue, Sawtell.	Non Pecuniary - Less than significant conflict - owns a property nearby, rented for commercial use. The two part owners are my neighbours.

Cr Sultana	T16/5 Closure of Public Swimming Pools when School Carnivals are taking place	Non Pecuniary - Less Than significant - School teacher of a local high school
General Manager	NOM16/12 Rally Australia Events 2016 and 2017	Non Pecuniary - Less Than Significant Conflict as has a non-remunerated role on the Board of Rally Australia representing CHCC.

The General Manager advised that the lodgement of this Disclosure of Interest is done so acknowledging past practice, practice that is above the requirements of the Code of Meeting Practice and the Code of Conduct. Advice received recently indicates that as the General Manager does not participate in the making of decisions in the Council Chamber, the lodgement of Disclosures by the General Manager, or other staff for that matter, whilst adding value, is not a requirement of the relevant Codes or legislation.

APOLOGY

There were no apologies.

PUBLIC ADDRESS

Time	Speaker	Item
5.05pm	Ian Hogbin	T16/5 - Closure of Public Swimming Pools When School Carnivals are Taking Place

CONFIRMATION OF MINUTES

- 75 **RESOLVED** (Townley/Arkan) that the minutes of the Ordinary meeting held on 14 April 2016 be confirmed as a true and correct record of proceedings.

TRUST REPORT

T16/5 CLOSURE OF PUBLIC SWIMMING POOLS WHEN SCHOOL CARNIVALS ARE TAKING PLACE

Executive Summary

This report addresses the following resolution of Council at its Ordinary meeting on 25 February 2016 being:

“That a report be brought back to Council regarding the enforcement of a new policy whereby Coffs Harbour War Memorial Olympic Swimming Pool and other public pools in the LGA will advertise closure during periods when school swimming carnivals have been scheduled to take place. The new policy if implemented will also need to be structured to ensure there isn’t a significant increase in fees for schools which will ultimately be passed onto families who are the users of the facility.”

The report provides information to Council to make an informed decision on whether or not public swimming pools should be available to the public during school swimming carnivals. The recommendation is that the status quo remains.

76 RESOLVED (Sultana/Arkan) that:

1. Council authorise pool management to negotiate with large schools (800+ enrolments) an outcome resulting in no more than 4 days of the calendar year where it will close the Coffs Harbour War Memorial Olympic Pool to the general public from 9.30am-2.30pm to allow schools with large populations the opportunity to book the entire venue. However, all 'learn to swim' and other swimming classes will operate as normal in the heated pool until 11am. Schools will then be given full use of this pool from 11am through to 2.30pm.
2. Days of closure must be advertised by way of notice boards etc with ample time i.e 2 weeks to allow regular patrons the opportunity to plan ahead.

VOTED FOR

Cr Arkan
Cr Degens
Cr Townley
Cr Sultana
Cr Cowling

VOTED AGAINST

Cr Rhoades
Cr Innes
Cr Knight

SUSTAINABLE INFRASTRUCTURE DEPARTMENT REPORT

SI16/23 DUKE STREET EXTENSION PROJECT

Executive Summary

At Council's Meeting of 24th September 2015 a concept plan for a permanent roadway and park enhancement on the site of the Duke Street temporary extension was considered by Council, which resolved as follows:

“that Council correspond with Gowings and the CBD Masterplan Committee with an invitation to bring forward the total completion of the road construction and park facility as suggested in the concept plan.”

Following that Resolution both the CBD Masterplan Committee and the development proponent accepted Council's issued invitation to bring forward the total completion of the concept plan. The Resolution of 24th September 2015, and the concurrence by both invited parties, is now properly read as a formal Council instruction to proceed with the execution of the permanent road/enhanced park project.

In considering a further report on the matter at its meeting of 25 February 2016 Council resolved to place information related to the Project on exhibition for public comment. As a result, a set of concept plans and projections were placed on exhibition and sixty-one (61) submissions were received and a summary is attached (Attachment 5) for reference.

The submissions, in total, provide valuable input that have informed some modifications and validated other intentions of the final project design.

MOTION (Innes/Degens) that Council:

1. Note that the diverse community views submitted during the consultation period have been assessed and design and methodology changes to the project have been made where appropriate.
2. Note the staff responses to the principle issues raised by respondents as contained in the body of this report.
3. Advise respondents of Council's receipt of their submissions.

AMENDMENT

MOVED (Townley/Cowling) that Council:

1. Notes the previous resolution of Council that endorsed the construction of a temporary road and that consent remains valid.
2. Undertake holistic planning and viability analysis (including timeframes and costings) for a whole of CBD traffic plan, including a 'ring road' concept
3. Identify possible financing options for this work

SI16/23 - Duke Street Extension Project (Cont'd)

77 RESOLVED (Cowling/Rhoades) that the motion be put.

The Motion on being put to the meeting was carried unanimously.

The **AMENDMENT** on being put to the meeting was **LOST**.

VOTED FOR

Cr Sultana
Cr Townley
Cr Cowling

VOTED AGAINST

Cr Rhoades
Cr Arkan
Cr Degens
Cr Innes
Cr Knight

78 RESOLVED: The **MOTION** (Innes/Degens), that Council:

1. Note that the diverse community views submitted during the consultation period have been assessed and design and methodology changes to the project have been made where appropriate.
2. Note the staff responses to the principle issues raised by respondents as contained in the body of this report.
3. Advise respondents of Council's receipt of their submissions.

on being put the meeting was declared **CARRIED**.

VOTED FOR

Cr Rhoades
Cr Arkan
Cr Degens
Cr Innes
Cr Knight

VOTED AGAINST

Cr Townley
Cr Cowling
Cr Sultana

NOTICES OF MOTION SUSTAINABLE COMMUNITIES

NOM16/12 RALLY AUSTRALIA EVENTS 2016 AND 2017

Councillors Rhoades, Knight and Sultana have given notice of their intention in accordance with Clause 12.10.4 of Council's Code of Meeting Practice to move the following:

MOTION (Sultana/Innes) that Council:

1. Approve the sponsorship arrangements contained in the confidential attachment with funding to be allocated in the 2016/17 Operational Plan and Budget; and
2. Delegate authority to the General Manager to execute the Sponsorship and Hire Agreement for 2016 between Coffs Harbour City Council and Rally Australia Pty Ltd.
3. Delegate authority to the General Manager to execute a Sponsorship and Hire Agreement for 2017 between Coffs Harbour City Council and Rally Australia Pty Ltd with a sponsorship package value no greater than the value for 2016 indexed by the ordinary general rate peg.

AMENDMENT

MOVED (Arkan/Degens) that Council:

1. Approve the sponsorship arrangements contained in the confidential attachment with funding to be allocated in the 2016/17 Operational Plan and Budget; and
2. That Council execute forthwith the sponsorship and hire agreement for 2016 and 2017 between CHCC and Rally Australia Pty Ltd. With a sponsorship package for 2017 being no greater than the value of 2016 indexed by the ordinary general rate peg; and
3. That staff organise the delivery of the above at the appropriate time and budgetary measures.

Cr Townley gave notice of a **FORESHADOWED AMENDMENT**

79 RESOLVED (Arkan/Degens) that the motion be put.

VOTED FOR

Cr Rhoades
Cr Arkan
Cr Degens
Cr Innes
Cr Knight
Cr Sultana
Cr Cowling

VOTED AGAINST

Cr Townley

NOM16/12 - Rally Australia Events 2016 and 2017 (Cont'd)

The **AMENDMENT** on being put to the meeting was **LOST**.

VOTED FOR

Cr Arkan

VOTED AGAINST

Cr Rhoades
Cr Degens
Cr Townley
Cr Innes
Cr Knight
Cr Sultana
Cr Cowling

The **FORESHADOWED AMENDMENT** was then brought forward and became an **AMENDMENT**

AMENDMENT

MOVED (Townley/Arkan) that Council:

1. Approve the sponsorship arrangements contained in the confidential attachment with funding to be allocated in the 2016/17 Operational Plan and Budget; and
2. Delegate authority to the General Manager to execute the Sponsorship and Hire Agreement for 2016 between Coffs Harbour City Council and Rally Australia Pty Ltd.
3. Council write to Rally Australia and the Coffs Harbour Business Advisory Group which informs Rally planning to request all available material relating to post-Rally surveys and economic analyses pertaining to all Coffs Harbour WRC events
4. That discussions be held prior to the 2016 event to explore possible alternative ways of arranging governance around CHCC sponsorship (including cash and in in-kind) to provide the greatest integrity and information flow in our mutual dealings.

The **AMENDMENT** on being put to the meeting was **LOST**.

VOTED FOR

Cr Townley
Cr Arkan
Cr Cowling

VOTED AGAINST

Cr Rhoades
Cr Degens
Cr Innes
Cr Knight
Cr Sultana

NOM16/12 - Rally Australia Events 2016 and 2017 (Cont'd)

80 RESOLVED: The **MOTION** (Sultana/Innes), that Council:

1. Approve the sponsorship arrangements contained in the confidential attachment with funding to be allocated in the 2016/17 Operational Plan and Budget; and
2. Delegate authority to the General Manager to execute the Sponsorship and Hire Agreement for 2016 between Coffs Harbour City Council and Rally Australia Pty Ltd.
3. Delegate authority to the General Manager to execute a Sponsorship and Hire Agreement for 2017 between Coffs Harbour City Council and Rally Australia Pty Ltd with a sponsorship package value no greater than the value for 2016 indexed by the ordinary general rate peg.

on being put to the meeting was declared CARRIED.

VOTED FOR

Cr Rhoades
Cr Arkan
Cr Degens
Cr Innes
Cr Knight
Cr Sultana

VOTED AGAINST

Cr Townley
Cr Cowling

The meeting adjourned for a short recess, the time being 7.20pm and reconvened at 7.28pm.

SUSTAINABLE COMMUNITIES DEPARTMENT REPORT

SC16/20 INVESTIGATION INTO AN ALTERNATIVE CONCEPT PROPOSAL FOR THE ENTRANCE TO THE WOOLGOOLGA BEACH HOLIDAY PARK

Executive Summary

At its Ordinary Meeting of 14 April 2016, Council considered a report on the outcomes of community engagement processes undertaken in relation to a concept proposal to relocate the entrance to the Woolgoolga Beach Holiday Park from Beach Street to Wharf Street.

The subsequent resolution made by Council on this matter includes a requirement for an investigation to be undertaken in relation to an alternative concept proposal for an entry only into the Woolgoolga Beach Holiday Park from Wharf Street and the use of part of Wharf Street for a turning bay to enable vehicles to turn left into the Holiday Park.

The purpose of this report is to inform Council of the details and timeframes of the investigation currently being undertaken by Council staff in relation to the alternative concept proposal for the entrance to the Woolgoolga Beach Holiday Park.

81 **RESOLVED** (Rhoades/Innes) that Council:

1. Notes the information provided within this report.
2. Considers a report at the meeting of 26 May 2016 in relation to options for alternative entries to the Woolgoolga Beach Holiday Park based on the following:
 - Access comprising a turning bay on Wharf Street; left turn into the holiday park; exit via Beach Street and compensatory parking.
 - Access comprising a turning bay on Wharf Street; left turn entry and exit for the holiday park and compensatory parking.
3. That the Council undertake at the earliest possible time the placement of an advertisement outlining the proposal and seeking comment on Council's pathway forward for a period of 14 days.

AMENDMENT

MOVED (Arkan/Sultana) that Council:

1. Notes the information provided within this report relating to the investigation currently being undertaken by Council Staff in relation to an alternative entry into the Woolgoolga Beach Holiday Park comprising a turning bay on Wharf Street, a left turn into the Holiday Park and compensatory parking.
2. Considers a report at the meeting of 26 May 2016 in relation to recommendation 1 above.
3. Consider leaving the entry/exit in its current position.

SC16/20 - Investigation into an Alternative Concept Proposal for the Entrance to the Woolgoolga Beach Holiday Park (Cont'd)

The **AMENDMENT** on being put to the meeting was **LOST**.

VOTED FOR

Cr Arkan
Cr Sultana

VOTED AGAINST

Cr Rhoades
Cr Degens
Cr Townley
Cr Innes
Cr Knight
Cr Cowling

The **MOTION** on being put to the meeting was declared **CARRIED**.

The Motion on being put to the meeting was carried unanimously.

GENERAL MANAGER'S REPORTS

GM16/4 VACANCY IN CIVIC OFFICE - RESIGNATION OF COUNCILLOR ROBERT PALMER

Executive Summary

Councillor Robert Palmer has tendered his resignation to the General Manager, with an effective date of 19 April 2016.

The next ordinary election of Council is due to occur on 10 September 2016 and as the resignation has been received within the 18 month timeframe preceding this election; there are now two courses of action that can be taken by Council, being:

- 2 (a) *order that the vacancy not be filled, or*
- (b) *order the holding on a stated day of a by-election to fill the vacancy and revoke any earlier order made under paragraph (a) Section 294 Local Government Act 1993*

Accordingly Council is to now apply to the Minister for Local Government to consider either of these orders.

82 RESOLVED (Rhoades/Arkan) that Council:

1. Seeks Ministerial consent to dispense with the holding of a by-election.
2. Recognises the contribution of Councillor Bob Palmer during his term of office and write to him and thank him for his community service.

The Motion on being put to the meeting was carried unanimously.

GM16/5 DELEGATIONS FOR NOXIOUS WEEDS

Executive Summary

The *Noxious Weeds Act* 1993 (NWA) requires that the Local Control Authority (Council) delegate directly to the positions that have the duties and functions under this Act. This report presents those delegation documents.

- 83 RESOLVED** (Rhoades/Innes) that Council as a Local Control Authority under the Noxious Weeds Act delegates the powers, duties and functions as set out in the attached delegation instruments (and as may be varied by legislation from time to time) to the Council officers holding the following positions:

- Weeds Officer
- Inspector Weeds Services
- Maintenance Coordinator Horticulture

The Motion on being put to the meeting was carried unanimously.

**GM16/6 CONTRACT NO. RFT-749-TO PROVISION OF LEGAL SERVICES
2016 - 2018**

Executive Summary

To report to Council on tenders received for Contract No RFT-749-TO for the provision of legal services and to recommend firms to be appointed to the panel.

- 84 RESOLVED** (Rhoades/Innes) that Council accept the tenders of Wilshire Webb Staunton Beattie Lawyers ABN 61 849 174 739, Marsdens Law Group ABN 59 874 202 316, HWL Ebsworth Lawyers ABN 37 246 549 189, Sparke Helmore Lawyers ABN 78 848 387 938, Maddocks 63 478 951 337 and Fishburn Watson O'Brien ABN 70 163 802 319, for Contract No. RFT-749-TO, Provision of Legal Services for the rates and sums tendered on the basis that:

1. The tenders are the most advantageous tenders following application of Council's Tender Value Selection System.
2. The tenderers have the necessary experience in a broad range of legal services.

The Motion on being put to the meeting was carried unanimously.

NOTICE OF MOTION SUSTAINABLE COMMUNITIES

NOM16/10 ENVIRONMENTAL LEVY FOR 2016/17 - LAND VALUE INVESTIGATION

- 85** **RESOLVED** (Degens/Townley) that an application be made to the Environment Levy for 2017/18 for a project that investigates what is the most economically best value land in terms of habitat, environmental value and size, for future purchase from future environmental levy funds, for biodiversity purposes.

The Motion on being put to the meeting was carried unanimously.

SUSTAINABLE COMMUNITIES DEPARTMENT REPORTS

SC16/21 DEVELOPMENT APPLICATION NO. 0929/15 - SHOP TOP HOUSING (2 SHOPS AND 15 RESIDENTIAL UNITS) AND SUBDIVISION (STRATA - 17 Lots) - LOT 2 AND LOT 1 DP1209133, 69 AND 59-67 FIRST AVENUE, SAWTELL

Executive Summary

This report provides an assessment of Development Application 929/15 for the construction of a mixed use (residential/retail) development and strata subdivision at No. 69 and 59 - 67 First Avenue Sawtell. The subject land is located within the Sawtell Heritage Conservation Area and a heritage item (shops & dwellings) exists on the development site. The development proposes variation to the height and floor space ratio controls specified under Coffs Harbour Local Environmental Plan 2013. The application was advertised and notified to adjoining land owners. Two submissions were received. It is recommended that the application be approved subject to a number of conditions.

In November 2008, the Department of Planning issued a Planning Circular outlining new requirements in relation to the determination and reporting of development applications involving variations to development standards. The circular specifies that all applications which propose a variation greater than 10% of the development standard must be determined by full Council rather than by staff under delegated authority.

Accordingly, this matter is reported to Council for determination as the proposal incorporates a variation greater than 10% to the specified height and floor space ratio standards.

86 RESOLVED (Innes/Rhoades) that Council:

1. Approve the request made under Development Application No. 0929/15 to vary a development standard made pursuant to Clause 4.6 of Coffs Harbour Local Environmental Plan 2013 for the variation to the maximum building height under Clause 4.3(2) of Coffs Harbour Local Environmental Plan 2013.
2. Approve the request made under Development Application No. 0929/15 to vary a development standard made pursuant to Clause 4.6 of Coffs Harbour Local Environmental Plan 2013 for the variation to the maximum floor space ratio under Clause 4.4(2) of Coffs Harbour Local Environmental Plan 2013.
3. Approve Development Application No. 0929/15 for shop top housing and strata subdivision at No. 69 First Avenue (Lot 2 DP1209133) and 59-67 First Avenue (Lot 1 DP1209133), Sawtell, subject to the conditions provided in Attachment 3.
4. Advise persons who made a submission on Development Application No. 0929/15 of Council's decision.

The Motion on being put to the meeting was carried unanimously.

SC16/22 DRAFT 2016-2020 DELIVERY PROGRAM AND DRAFT OPERATIONAL PLAN 2016/17

Executive Summary

Council is required to prepare and adopt a Delivery Program (to cover a four-year period) and an Operational Plan for each financial year. These documents detail the principal activities and budgets that Council proposes to pursue to help implement the strategies and achieve the objectives set out in the *Coffs Harbour 2030* Community Strategic Plan.

The Draft 2016-2020 Delivery Program and Draft 2016/17 Operational Plan are presented at this time for consideration. The documents incorporate Council's Draft Division Budgets 2016-2020; and Draft Fees and Charges 2016/17.

The Draft 2016-2020 Delivery Program incorporates the second year of a Special Rate Variation (SRV) approved in 2015 by the Independent Pricing and Regulatory Tribunal. This rate rise includes the 'rate-pegging' allowance of 1.8% announced for 2016/17. The SRV supports Council's long-term budget strategy to address a funding shortfall for the maintenance and renewal of city infrastructure to provide the levels of service expected by the Coffs Harbour community.

Council is also implementing the Transformation to Sustainability (T2S) Project, pursuing savings, efficiency, productivity and revenue options, to further assist the organisation to secure financial sustainability.

SC16/22 - Draft 2016-2020 Delivery Program and Draft Operational Plan 2016/17 (Cont'd)

The draft budget for 2016/17 results in an estimated underlying deficit, that is; before capital revenue, of \$5.777 million. This is comprised of estimated results of \$0.937 million surplus for the General Fund, \$3.118 million deficit for the Water Fund and \$3.596 million deficit for the Sewer Fund.

This report recommends that the draft documents be placed on public exhibition for community feedback.

87 RESOLVED (Degens/Townley) that Council:

1. Adopt the following documents for public exhibition:
 - 1.1 Draft 2016-2020 Delivery Program;
 - 1.2 Draft 2016/17 Operational Plan;
 - 1.3 Draft Delivery Program Budgets 2016-2020; and
 - 1.4 Draft Fees and Charges 2016/17.
2. Note that the draft documents will be placed on public exhibition for a 28-day period from Monday, 2 May until close of business on Monday, 30 May 2016, and that the community will be encouraged to provide feedback on the documents during that time.
3. Consider community submissions prior to adopting the final Delivery Program, Operational Plan, Delivery Program Budgets and Fees and Charges documents by 30 June 2016.

The Motion on being put to the meeting was carried unanimously.

BUSINESS SERVICES DEPARTMENT REPORTS

BS16/9 CONTRACT NO. RFT-747-TO PROVISION OF ELECTRICAL MAINTENANCE AND REPAIR SERVICES

Executive Summary

Council called tenders for the Provision of Electrical Maintenance & Repair Services Contract No-RFT-747-TO that closed on Tuesday 22 March 2016.

The tender was advertised for a two (2) year period commencing 17 May 2016 to 16 May 2018 with a further twelve (12) months option based on satisfactory supplier performance.

Prospective tenderers were advised that it was Council's preference to award the tender as a single source supplier or alternatively as a panel supplier contract, but Council simultaneously reserved the right to award sections of the contract to individual tenderers.

BS16/9 - Contract No. RFT-747-TO Provision of Electrical Maintenance and Repair Services (Cont'd)

88 RESOLVED (Rhoades/Sultana) that Council:

1. Accepts the panel tender offers of Grant Franklin Electrical, Ray Smith Electrical and Wardman Electrical and Data for the Provision of Electrical Maintenance and Repair of Council Buildings contract number- RFT-747-TO on the basis that:
 - a) The tender offers are the most suitable and advantageous following the application of Council's Tender Value Selection System.
 - b) The tenderer's have the necessary experience in similar works and their ability and performance are satisfactory
 - c) The three (3) tenderers will form a panel of suppliers who will be available on-call for use by Council staff. This three panel supplier choice arrangement will allow Council staff the flexibility in achieving the most cost effective outcome.
 - d) The tenderer's financial capacity is acceptable.
2. Approves the inclusion of a provision for a 12 month extension based on satisfactory supplier performance which may take this tender through to 16 May 2019.
3. Authorises the execution of the contract documents under Council's Seal.

The Motion on being put to the meeting was carried unanimously.

SUSTAINABLE INFRASTRUCTURE DEPARTMENT REPORTS

SI16/21 GARAGE SALE TRAIL 2016

Executive Summary

On 9 July 2015 Council resolved to investigate further involvement with Garage Sale Trail.

This included inviting Garage Sale Trail Pty Ltd to brief Councillors. This briefing was arranged for the 26 April 2016.

Staff investigations have revealed that it is more advantageous for Council to continue local reuse/waste avoidance/recycling programs in conjunction with Midwaste, than to continue involvement with Garage Sale Trail.

SI16/21 - Garage Sale Trail 2016 (Cont'd)

89 RESOLVED (Degens/Arkan) that Council:

1. Notes the contents of this report, and not participate in the Garage Sale Trail program.
2. Continue to support local reuse/waste avoidance/recycling programs in conjunction with Midwaste and other organisations.

The Motion on being put to the meeting was carried unanimously.

SI16/22 DRAFT BOAMBEE EAST COMMUNITY RESERVE PLAN OF MANAGEMENT

Executive Summary

The purpose of this report is to:

- seek Council approval to place the draft Boambee East Community Reserve Plan of Management on public exhibition for a period six weeks and,
- seek council approval to advertise a proposed license for the establishment of a Community Garden on the Boambee East Community Reserve

Boambee East Community Reserve is classified as Community land and is subject to the requirements of Division 2 of the Local Government Act 1993. The Reserve is situated on Bruce King Drive, approximately 7km south of the Coffs Harbour CBD.

In accordance with the requirements of Division 2, Council has prepared a Draft Plan of Management to guide current and future use and to meet the needs and expectations of the local community. The draft plan replaces the 1998 Dutton's Estate PoM, which is now inconsistent with the current provisions of the Act, as amended in 2000.

Council has been approached by members of the South Coffs Community Garden seeking land to establish a community garden within the southern area of the LGA. An assessment of sites determined that the Boambee East Community Reserve was the preferred location to establish the garden within the Boambee/Toormina/Sawtell locality, due to ease of access and nexus to the Boambee East Community Centre. The draft plan proposes use of the site to establish the garden, under license.

The draft Plan of Management will provide management direction for Council and give clarity to the community in terms of how the reserve is to be managed and the range of activities and development that will be supported on the reserve. The Plan of Management will also provide clarity and direction to current and future tenants. A Plan of Management will assist in seeking funding opportunities for the reserve as it sets out a clear path for development and establishes overall management intent.

SI16/22 Draft Boambee East Community Reserve Plan of Management (Cont'd)

90 RESOLVED (Arkan/Cowling) that Council:

1. Approve the advertisement of the Draft Boambee East Community Reserve Plan of Management Plan, in accord with Division 2 of the Local Government Act 1993, for a period of no less than 42 days;
2. Make a provisional offer to the South Coffs Community Garden Association (SCCGA) to use part of the Boambee East Community Reserve for the establishment of South Coffs Community Garden,
3. Approve the advertisement of the proposed license to the SCCGA for the purpose of establishing the Community Garden within the Boambee East Community Reserve, for a period of no less than 28 days.

The Motion on being put to the meeting was carried unanimously.

SI16/24 CONTRACT NO. RFT-716-TO - GORDON STREET-HARBOUR DRIVE INTERSECTION ROAD RECONSTRUCTION, TRAFFIC SIGNALS & DRAINAGE CONSTRUCTION

Executive Summary

Tenders were called for the Gordon Street-Harbour Drive intersection works in August 2015.

No conforming tenders were received. One non-conforming Tender was received from Ryan Earthmoving.

The nature of the non-conformance was in the timing of the works.

At its meeting of 27 August 2015 Council resolved to;

1. *Decline to accept any tender received for the Road reconstruction, traffic signals and drainage construction, Gordon Street-Harbour Drive intersection, Coffs Harbour; in accordance with S178(1)(b) of the Local Government Regulations;*
2. *Not invite fresh tenders, as it is considered that inviting fresh tenders would not attract additional suitable contractors over and above those that have responded to this tender and will delay the project;*
3. *n accordance with S178(3)(e) of the Local Government Regulations, delegate authority for the General Manager to enter into negotiations with contractors that are suitably qualified and demonstrate a capability to undertake the scope of works with a view to entering into a contract in relation to the subject matter of the tender;*

Contract No. RFT-716-TO - Gordon St-Harbour Dr Intersection Road Reconstruction, Traffic Signals & Drainage Construction (Cont'd)

4. *Receive a further briefing regarding the process and pathway forward on this project;*
5. *Receive a report back on the result of negotiations.*

Following completion of additional design work to better define pavement construction works and electrical services works required, negotiations with two local contractors have resulted in a favorable outcome for the project as detailed in the confidential attachment to this report.

91 RESOLVED (Arkan/Innes) that Council:

1. Note the results of negotiations with a suitable contractor for the delivery of Road reconstruction, traffic signals and drainage construction, Gordon Street-Harbour Drive intersection, Coffs Harbour.
2. Note the recommended Contract for the work will be with Bob Chambers Pty Ltd for a lump sum price of \$1,710,372.00 to be paid by Council and Gowing Bros.
3. Note that Gowings Bros will be the signatory to the Contract.
4. Note the program for completion of the Works under Contract will limit the road closure to ten weeks (subject to weather) and will utilise night time work where practicable.
5. Note the amount of \$1,128,845.52 as the extent of Council's funding obligations for the contract (66% of the total lump sum cost) with Bob Chalmers Pty Ltd under the previously agreed Voluntary Planning Agreement with Gowings Bros.

VOTED FOR

Cr Rhoades
Cr Arkan
Cr Degens
Cr Townley
Cr Innes
Cr Knight
Cr Sultana

VOTED AGAINST

Cr Cowling

REQUESTS FOR LEAVE OF ABSENCE

No requests for leave of absence.

QUESTIONS ON NOTICE

QON16/2 COASTAL WORKS

Noted.

MATTERS OF AN URGENT NATURE

No matters of an urgent nature

This concluded the business and the meeting closed at 8.28 pm.

Confirmed: 12 May 2016.

.....
Denise Knight
Mayor



REPORT TO ORDINARY COUNCIL MEETING

COUNCILLOR VACANCY ON COMMITTEES

REPORTING OFFICER: Group Leader Governance Services
DIRECTOR: General Manger
COFFS HARBOUR 2030: LC 3.1 Council supports the delivery of high quality, sustainable outcomes for Coffs Harbour
ATTACHMENTS: Nil

Recommendation:

That Council:

1. Nominate Cr _____ as the Councillor representative on the Yandarra Aboriginal Consultative Committee.
2. Nominate Cr _____ as the Councillor representative on the Destination Coffs Coast s355 Committee.

EXECUTIVE SUMMARY

The resignation of Councillor Robert Palmer from civic office has left a Councillor vacancy on the Yandarra Aboriginal Consultative Committee and the Coffs Coast Tourism Committee. The purpose of this report is to gain a new Councillor representative for each of these committees. The representative will hold this role until the Local Government election in September

REPORT

Description of Item:

To nominate a Councillor representative for the Yandaarra Aboriginal Consultative Committee and the Destination Coffs Coast s355 Committee.

Issues:

The Destination Coffs Coast s355 Committee meets at 8.30am on the last Tuesday of the month.

Yandaarra Aboriginal Consultative Committee meets in the mornings Meetings are scheduled as required, generally every two months.

Options:

1. Adopt the recommendation provided to Council and nominate a Councillor for each of the committees.
2. Reject the recommendation and resolve not to nominate a Councillor for one or both committees.

Sustainability Assessment:

- **Environment**

There are no environmental impacts as a result of this report.

- **Social**

There are no social impacts as a result of this report.

- **Civic Leadership**

This is consistent with Coffs Harbour 2030 Community Strategic Plan strategy *LC2.2.1 : Enable and support all levels of government to serve the local community.*

- **Economic**

Broader Economic Implications

There are no broader economic implications as a result of this report.

Delivery Program/Operational Plan Implications

There are no Delivery Program/Operational Plan implications as a result of this report.

Risk Analysis:

There is no risk associated with the recommendation within this report.

Consultation:

Not applicable.

Related Policy, Precedents and / or Statutory Requirements:

Not applicable.

Implementation Date / Priority:

Immediate.

The Yandaarra Aboriginal Consultative Committee has their next meeting booked at:
10.00am, 17 May 2016.

The Destination Coffs Coast Committee has their next meeting booked at:
8.30am, 31 May 2016.

Conclusion:

The resignation of Councillor Palmer has left vacancies on two committees that require Councillor representation. This report aims to fill those vacancies with a nominated Councillor.



REPORT TO ORDINARY COUNCIL MEETING

ENVIRONMENTAL LEVY PROJECTS QUARTERLY REPORT TO 31 MARCH 2016

REPORTING OFFICER: Grants Administration Officer
DIRECTOR: Director Business Services
COFFS HARBOUR 2030: Looking after Our Environment Theme
ATTACHMENTS: ATT Environmental Levy Projects Quarterly Report with Project Status Report to 31 March 2016

Recommendation:

That Council notes the status of the Environmental Levy projects as at 31 March 2016.

EXECUTIVE SUMMARY

The purpose of this report is to provide Council with a quarterly status report to 31 March 2016 on the projects funded under the Environmental Levy (EL) Program. The Environmental Levy Program funds environmental projects that would not otherwise be undertaken with revenue funding.

REPORT

Description of Item:

Council has been receiving quarterly status report updates since the Environmental Levy Program commenced in 1997/1998. This report is a description of the status of the Environmental Levy Program projects as at 31 March 2016 and a project status report is included as an attachment.

Issues:

There are no issues associated with the report.

Options:

As the report is for noting only, an options analysis is not required.

Sustainability Assessment:

- **Environment**

The Environmental Levy Program is designed to ensure that environmental strategies as outlined within the Coffs Harbour 2030 Plan ("Looking after Our Environment" theme) are addressed. All projects recommended for funding state how they are linked to a Council approved action or priority in a Natural Resource Management strategy or plan. All recommended projects will result in beneficial outcomes for the environment of the Coffs Harbour Local Government Area (LGA) and some may have positive flow-on impacts outside the LGA.

- **Social**

Determination of successful projects is based on assessment criteria which includes the following:

- Generate a community benefit;
- Be community based, and
- Protect and / or rehabilitate the natural environment.

- **Civic Leadership**

Council's Environmental Levy Program seeks to promote sound environmental practices and promotes leadership and involvement in key environmental issues which accords with Council's strategic theme of "Looking after Our Environment".

- **Economic**

Broader Economic Implications

The Environmental Levy Program funds environmental projects that would not otherwise be undertaken with revenue funding. There was \$1,246,563 available for the Environmental Levy projects in 2015/2016. This included income from the 2015/2016 Environmental Levy and a contribution from the Water Fund of \$50,000 towards the Orara River works. Thirty-four submissions were received requesting a total of

\$2,041,281; therefore even if criteria were met, there was insufficient funding available to fund all submissions.

Delivery Program/Operational Plan Implications

The Environmental Levy Program is funded through a special rate and is accounted for separately, therefore there is no impact on Council's Delivery Program.

Risk Analysis:

Each individual project will have individual risk profiles which will be considered by the project owners.

Consultation:

Council staff and relevant community groups have contributed individual reports which have been collated to prepare this report.

Related Policy, Precedents and / or Statutory Requirements:

Submissions are assessed in accordance with Council's *Environmental Levy Policy* which was adopted on 12 June 1997 and re-adopted on 22 August 2013. Council's Executive Leadership Team receives quarterly reports on the status of Environmental Levy Projects throughout the year.

Implementation Date / Priority:

The Environmental Levy projects will continue to be monitored to ensure their implementation.




Conclusion:





This report summarises the quarterly status of the Environmental Levy Program projects. Council should consider the information provided in the report and adopt the recommendation provided.

























PROJECT STATUS REPORT Period Ending 31 March 2016



















Program Title	Environmental Levy Program
Sponsor	Andrew Beswick
Period Ending	31 March 2016
Program Officer	Katrina O'Connell
Date Prepared	27 April 2016

Legend	
Status	
	No Issues – project complete or on schedule
	Minor Issues – possible impact on schedule
	Major Issues – schedule impacted and escalation required

Project	% Complete	Overall Status	Budget Status	Status Comment	Issues
Culturally Significant Landscapes of the CH LGA - Revote 14/15	40%			An internal CHCC project team and overall project plan has been created. A draft Memorandum of Understanding (MoU) has been created and forwarded to the NSW Office of Environment and Heritage (OEH) for review. Council has spoken with OEH, who have GIS staff available and will look to engage a consultant to undertake a history to inform the mapping. Once the MoU is finalised a contract can be entered which will expend the EL funds.	OEH have indicated that they will action this part of the process by 30 June 2016.
Koala Plan of Management – Revote 2012/13 Southern & Western Precincts	100%			The NSW Office of Environment and Heritage delivered a 'Project Plan for the Southern and Western Koala Management Precincts' in accordance with the MOU with Council. The project plan has been reviewed by Council's Local Planning Branch and Council's Section Leaders have endorsed a proposal to seek 2016/17 EL funding to implement this project. The NSW Department of Planning and Environment have advised that the Agencies SEPP Working Group has not finalised changes to SEPP44 as yet, however the Agency has advised Council's request for re-listing Coffs Harbour in the schedule to this Policy is being considered.	

Project	% Complete	Overall Status	Budget Status	Status Comment	Issues
A Kangaroo Management Strategy for CH Northern Beaches	75%			Key components undertaken include: an on-line community survey has been completed, a number of stakeholders have been directly consulted and a database has been established for future direct contact, four community information sessions have been held, seasonal kangaroo counts continue at known hot spots and drafting of the kangaroo management plan has commenced. Community engagement has emphasised raising general awareness of kangaroo-human interactions, particularly within kangaroo hot spots on the Coffs Northern Beaches. Outputs from the recent online survey of people's attitudes towards kangaroos illustrate general good will by the majority but genuine concern by some.	
Orara River Restoration Project	86%			Forty-three individual properties were worked on this quarter in addition to larger areas treated for Tropical Soda Apple and Cats Claw Creeper. The focus this quarter has been on regeneration works on properties that have already had primary weed control conducted. Five properties are currently under Land Management Agreements through Local Land Services and 266 advanced trees and 240 tube stock were planted on these properties. The current dry conditions in the Valley have resulted in watering being required to maintain these plantings. The remaining levy funds are for these properties and project officer salary. The Orara Valley Rivercare Groups Management Committee has met monthly to oversee project works.	
Conservation & Sustainable Management of Biodiversity	50%			Advancement of a composite Biodiversity Assets layer and finalisation of the Significant Tree Register is on hold pending recruitment of a new Biodiversity Officer. In the short term, Local Planning has been continuing to provide comment on relevant Development Applications, Planning Proposals and biodiversity enquiries / complaints via the engagement of external consultancy to ensure compliance with Council's Preservation of Vegetation controls.	Biodiversity Officer to commence in the fourth quarter.
Environmental Levy Coordination	75%			Monthly checks were completed, including the review of budgets to actual expenditure. The December 2015 quarterly Council report was completed in February. The 2016/17 Application Form was updated by the internal group and forwarded to the EL working group committee for review and final input. A meeting was held in February to discuss the changes to the application form and minutes of the meeting were sent to the working group. Applications opened 2 March for six weeks; ads were placed in The Advocate and the form was placed on Councils web page. A report was sent to the Group Leader Team to consider internal concepts and staff were advised of approved concepts.	
Matching Grant Funding Pool	75%			There have been no requests from this allocation this quarter. Sue Stewarts' Environmental Trust (ET) grant application result is still pending, announcements due April - June 2016. Balance held for future matching grant applications is \$20,836 less potential \$12,320 towards the ET grant leaving \$8,516 available.	

Project	% Complete	Overall Status	Budget Status	Status Comment	Issues
Green School Sustainability Fund – Revote 14/15	100%			All thirteen schools and early childcare centres successfully completed their projects. The Term 4 Sustainable Schools Network meeting at Sandy Beach Public School wrapped up a successful year for the network. In its first year, the network attracted 71 parents and teachers representing 18 primary and secondary schools (45% of CH's schools), to the quarterly meetings. Dates and host schools have been locked in for the 2016 school year, with network membership growing to include representatives from 20 early childcare centres.	
Our Living Coast Sustainable Educational Program	80%			One of twelve Green School projects is completed and the remainder are underway. All schools are expected to have completed their projects by 30 June 2016. This quarter 120 people attended one of the 12 Coffs Ambassadors Tours of the Coffs Harbour LGA. The autumn tour program was developed and promoted to the community via various media. The first Sustainable Schools Network meeting was held 23 February at Narranga Public School with 11 schools represented and a guest speaker. Each school gave an outline of sustainability work they are undertaking.	
Boambee Beach Bush Revegetation & Bush Regeneration at Jetty Foreshore & Boambee Beach	60%			The major focus in the Jetty Foreshore area has been the reduction of area affected by Turkey Rhubarb. Remaining weed grasses have been sprayed and vine weeds removed. Remerging Bitou Bush and Lantana have been treated on North Boambee Beach and Glory Lily has been reduced by manual removal. The planted bank south of the Fishing Club has been weeded and re-mulched. Weed grasses and vines have been removed amongst the native shrubs along the northern side of the vehicle beach access.	
Koala / Wildlife Corridor Bakker Dry Res Bonville Stage 1	75%			Volunteers continued weed control works in areas planted. Volunteers worked with Council's Bush Regen team in planting 100 donated tube stock habitat trees. Further mulching and planting is programmed for the last quarter in anticipation of additional rainfall.	
Supporting Community Action in the Coffs Harbour LGA	58%			After the summer break volunteers and contractors have continued their work on 35 Landcare sites in the LGA. Over 25 hectares were treated by professional bush regenerators this quarter. Contractors have been working with Green Army teams for improved outcomes at Red Rock and Mullawarra Dunecare sites. Volunteers have assisted OEH staff in compiling site plans for all active Landcare sites in the Coffs Coast Regional Park. It is hoped site plans in CHCC managed reserves will continue in the next quarter. Contractors at Mullawarra reported sightings of the threatened Square tailed Kite. The threatened species <i>Sophora tomentosa</i> is spreading well through the Woolgoolga Foreshores site.	
Ocean View Headland Access & Rehabilitation	90%			Nine hectares of natural area restoration was achieved by the Green Army team with involvement from Landcare Volunteers. Replacement paver purchase will be completed in the fourth quarter. There should be some unspent funds to be returned to EL and CCRPTB at the end.	

Project	% Complete	Overall Status	Budget Status	Status Comment	Issues
Regeneration & Restoration on Garby Country	79%			Mentoring and skill development has continued to focus on native plant identification, principles of restoration ecology, identifying and treating an increased variety of exotic weed and understanding options for utilising different herbicide across a variety of scenarios. Intensive follow up work has continued across various Headlands with good results achieved in consolidating works from previous projects. CHCC EL officer conducted a site visit at Woolgoolga Headland to monitor the progress of the EL works. Regenerator's skill capacity continues to expand with the completion of Basic Fire Fighter training and the participation in a cultural burn at two headlands with NPWS and Darrunda Wajaarr.	
Bushland Regeneration	73%			Weed control and bush regeneration works were undertaken across 18 reserves in Coffs Harbour, Sawtell and Toormina. With unseasonal dry conditions only 100 native plants were planted in the third quarter.	
Darrunda Wajaarr Repair to Country High Priority Sites	60%			Woody weeds, vine weeds including Lantana, Senna cut and paint, spraying Asparagus, Crofton, fish bone fern, coastal morning glory, white passionfruit, blue billy goat giant paspalum and paspalum, including rhodes grass have been controlled work in Woolgoolga.	
Environmental Weed Control	73%			Vine Weeds, Privet, Pinus, Celtis, Pepper Tree and Camphor Laurel, and Woody Weed control works were undertaken across 8 reserves in Coffs Harbour and Sawtell. No plantings were undertaken due to unseasonal dry conditions.	
Botanic Gardens Education Officer	80%			In the third quarter the Education officer has completed the graphics / text for the early Settlers walk, this has been sent to the printers. We are hoping to install the signs next quarter. Bookings for the AUSBIOTA program have been organised. Preliminary work on the update to the Mangrove walk has been started. A total of 514 school children visited the garden for the quarter.	
Darkum Headland Access Rehabilitation	64%			A stable and safe final beach access step to combat fluctuating beach sand level changes is programmed to be completed in the fourth quarter.	
Woolgoolga Beach Rehabilitation Project	5%			There was no work undertaken during this period for the Woolgoolga Beach Rehabilitation Project.	A survey to determine the amount of sand that can be moved is to be undertaken as sand was lost during the last east coast low. Prepare a Part V and a Heritage Assessment to enable the scraping to take place before the end of June; this is dependent on enough sand deposited onto the beach.
Restoration of Grey-headed Flying Fox Maternity Camps	80%			Works this quarter have concentrated on follow up weed control within the camps. It was noted at the February census that over 60,000 of the itinerant little red flying foxes were present at the Woolgoolga Camp. They have caused extensive damage to the canopy and potentially opened up areas for increased weed invasion. The work program for the final 3 months at Woolgoolga will be reviewed in light of this, possibly to undertake in fill planting in denuded areas.	
Arrawarra Creek Coastal Zone Management Plan	40%			Following initial community consultation the consultants BMT WBM are developing an 'Estuary Conditions and Processes Study' draft report that identifies the various values of the estuary. It will assess the different issues and threats to the estuary including erosion and foreshore structures, land use and estuary health.	The draft report is nearing completion and will be provided to council within the next 3-4 weeks.



REPORT TO ORDINARY COUNCIL MEETING

LOCAL GOVERNMENT REFORM - REVIEW OF THE LOCAL GOVERNMENT RATING SYSTEM

REPORTING OFFICER:	Director Business Services
DIRECTOR:	Director Business Services
COFFS HARBOUR 2030:	LC3.1 Council supports the delivery of high quality sustainable outcomes for Coffs Harbour
ATTACHMENTS:	ATT Review of the Local Government Rating System – Local Government – Issues Paper April 2016

Recommendation:

That Council endorses a submission to IPART's Review of the Local Government Rating System Issues Paper as outlined in the Issues section of this report.

EXECUTIVE SUMMARY

As part of the NSW State Government Local Government Reform Agenda the Independent Pricing and Regulatory Tribunal (IPART) is conducting a review of the local government rating system in NSW. The review is being conducted in accordance with terms of reference provided by the Premier, which require IPART to:

- review the current rating system and recommend reforms that aim to enhance councils' ability to implement sustainable and equitable fiscal policy, and
- recommend a legislative or regulatory approach to achieve the Government's policy that there will "be no change to the existing rate paths for newly merged councils for four years".

IPART is seeking comment on 23 specific issues identified in the issues paper as well as any other issues stakeholders may identify as relevant to the terms of reference.

This report provides Council with comments on the relevant matters (issues 1-12) in IPART's issues paper. The comments should be considered by Council, and if acceptable, included in a submission to IPART.

REPORT

Description of Item:

As part of the NSW State Government Local Government Reform Agenda the Independent Pricing and Regulatory Tribunal (IPART) is conducting a review of the local government rating system in NSW. The review is being conducted in accordance with terms of reference provided by the Premier, which require IPART to:

- review the current rating system and recommend reforms that aim to enhance councils' ability to implement sustainable and equitable fiscal policy, and
- recommend a legislative or regulatory approach to achieve the Government's policy that there will "be no change to the existing rate paths for newly merged councils for four years".

The terms of reference also set out the issues IPART must consider in making its recommendations, including:

- the rating burden across and within communities, including consideration of multi-unit dwellings
- the appropriateness and impact of current rating categories and exemptions, and mandatory concessions
- the land valuation methodology used as the basis for determining rates in comparison to other jurisdictions
- the capacity of a merged council to establish a new equitable rating system and transition to it in a fair and timely manner, and
- the objectives and design of the rating system according to recognised principles of taxation.

Also, the terms of reference specify that IPART must take account of the Independent Local Government Review Panel's Final Report, the Government response to this report, and the 2013 NSW Treasury Corporation (TCorp) report 'Financial Sustainability of the NSW Local Government Sector'.

In addition, IPART is to recognise the importance of the Integrated Planning and Reporting framework that allows NSW councils to draw various plans together and understand how they interact.

The issues paper outlines IPART proposed approach to this review and provides the following indicative timetable:

Milestone	Timeframe
Release Issues Paper	13 April 2016
Hold Public Hearing	26 April 2016
Receive submissions to the Issues Paper	13 May 2016
Provide Interim Report to Minister	17 June 2016
Release Draft Report	August 2016
Hold public hearing(s) in Sydney and possibly 1 regional town	September 2016
Receive submissions to the Draft Report	September 2016
Provide Final Report to Minister	December 2016

Issues:

IPART is seeking comment on 23 specific issues identified in the issues paper as well as any other issues stakeholders may identify as relevant to the terms of reference.

Issues 1-12 relate to taxation principles, assessing the current method for setting rates and assessing exemptions, concessions and rebates. Each of these issues are listed below with recommended comments for Council's submission to IPART.

Issues 13-23 relate to merged councils. As these matters have no direct impact on Coffs Harbour City Council it is not proposed to provide any comment on these issues.

Taxation principles

1. Do you agree with our proposed tax principles? If not, why?

Comment: The five proposed tax principles of efficiency, equity, simplicity, sustainability and competitive neutrality are accepted. It is noted that sometimes the achievement of one principle may conflict with another and therefore judgment is required to establish the most appropriate policy position.

Assessing the current method for setting rates

2. What valuation method should be used as the basis for determining the ad valorem amounts in council rates? Should councils be given more choice in selecting a valuation method, as occurs in other states, or should a valuation method continue to be mandated?

Comment: As an overall comment, Councils should be considered generally competent and therefore their rating powers should be broad and flexible within an overall state framework. Conversely, regulatory restrictions on rating powers should be minimised with Councils allowed to be responsive to their community's needs.

Specifically, a choice of valuation method for determining ad valorem amounts, particularly Unimproved Land Value (UV) and Capital Improved Value (CIV) should be permitted. This would broadly align with Victoria, South Australia and Tasmania.

Not only does CIV provide an arguably more equitable contribution to the general rate income for multi-unit dwellings, as discussed in the issues paper, it also potentially increased the equity in contribution between rural land and other land types.

Annual Rental Value (ARV) is considered an overly complex method which largely mimics CIV. Also, ARV has sometimes required special rules, such as a minimum percentage of CIV, which show that it is problematic.

A further issue which should be examined by IPART in concert with the valuation method is the frequency of the valuation cycle which is currently three years. It is known that property values can fluctuate significantly and differently by centres of population when a new valuation is recorded. This may cause temporary skewing impacts in the allocation of the rate burden that are subsequently corrected at the next valuation three years later. The development and application of value growth indices by rating category and locality, say on an annual basis, would assist in removing these value change distortions and provide a more predictable rating path for property owners.

3. Should councils be required to use the Valuer General's property valuation services, or should they also be able to use a private valuation firm (as occurs in Victoria and Tasmania)?

Comment: The issues paper only provides a passing comment on this issue. It would seem anti-competitive and less efficient to require the use of a monopoly provider for valuation services. Data for this service is able to be readily sourced by multiple suppliers and spreading the workload also assists in the timeliness of this service being provided. Therefore Councils should be able to use other suppliers as occurs in Victoria and Tasmania.

4. What changes (if any) should be made to the Local Government Act to improve the use of base and minimum amounts as part of the overall rating structure?

Comment: The current provision for the use of base or minimum amounts is supported. It is understood that limits need to be in place on both these mechanisms to ensure the rating burden is not overly flattened and therefore equity is maintained. A improvement may be to express the minimum limit as a percentage, as is the base, to remove the need for a changing regulated dollar value.

5. What changes could be made to rating categories? Should further rating categories or subcategories be introduced? What benefits would this provide?

Comment: The current four rating categories are considered adequate; however, an expansion of subcategories would provide increased flexibility and arguably improved equity in the rating system. Potential examples include distinguishing residential dwelling types, business uses such as commercial and industrial, and farmland uses such as intensive greenhouse horticulture from grazing. A sensible set of defined sub-categories in addition to centres of population or activity would provide a common understandable framework for rating purposes.

6. Does the current rating system cause any equity and efficiency issues associated with the rating burden across communities?

Comment: The issues paper makes the point that rates levied by a local Council should be used to fund the provision of infrastructure and services in that local government area, and should reflect the cost of service provision. Council wholeheartedly concurs with this position and does not support cross-subsidisation of other Councils through the rating system.

7. What changes could be made to current rate pegging arrangements to improve the rating system, and, in particular, to better streamline the special variation process?

Comment: As stated above, Councils should be considered generally competent and therefore their rating powers should be broad and flexible within an overall state framework. The paternal nature of rate pegging imposed by the state government on local government is therefore anachronistic. Councils should be accountable for their decision making in all matters, including their revenue policy, to the community they serve; not to another tier of government. To improve this accountability, common benchmarks could be published for all Councils.

Alternatively, if rate pegging is to remain, at the very least a mechanism should exist for Councils to demonstrate its responsible revenue policy approach to provide a method to be released from the rate pegging regime. Again, common benchmarks could be used for this assessment.

In any case, there is no doubt that the current process to apply and approve special rate variations is unnecessarily onerous and could be streamlined through a set of more focused criteria to support an application.

8. What changes could be made to the rating system to better encourage urban renewal?

Comment: The ability to levy special rates, as Coffs Harbour City Council has done to fund the renewal of its Central Business District (CBD), is adequate from Council perspective.

9. What changes could be made to the rating system to improve councils' management of overdue rates?

Comment: The current provisions for the management of overdue rates are considered generally adequate. Although claims are required to be proved through the Local Court, as noted in the issues paper, less than 1% of all claims for unpaid rates are defended, and therefore the process is straightforward. However, Council supports any legislative change that could further streamline the process.

The issue of deferring rates is raised in the issues paper under the discussion of pensioner concessions. However, Council considers it worthwhile to explore this concept, similar to the South Australian Postponement of Rates Scheme, for all retirees who are asset-rich and cash-poor, to provide a mechanism to manage such outstanding debt. However, due to the cashflow impacts that may affect Council, strict criteria would need to be applied to access such a scheme.

Assessing exemptions, concessions and rebates

10. Are the land uses currently exempt from paying council rates appropriate? If a current exemption should be changed, how should it be changed? For example, should it be removed or more narrowly defined, should the level of government responsible for providing the exemption be changed, or should councils be given discretion over the level of exemption?

Comment: The current exemptions in place represent a direct cost shift from state and federal governments to local government. Examples include schools, universities and hospitals. An efficient and simple approach would be to abolish such exemptions. This would also provide appropriate transparency and accountability for the true cost of service provision. The argument presented in the issues paper that the tax base of state and federal governments may be less efficient than council rates in funding public goods, even if sustained, penalises local government if say, grants of equivalent value are not provided. Also, exemptions for national parks and conservation areas should be reviewed to remove areas where commercial activities occur.

Current exemptions for public charities and land used for religious purposes are further examples where the exemptions should be narrowed. Recent case law in relation to public charities show that this exemption is quite broad and can, for instance, be applied to public housing. Again the exemption the land used for religious purpose should be restricted to places of worship, as in other jurisdictions, with land used for other related activities not exempt.

The method of applying exemptions, to the extent they remain, should be in the form of a partial rebate rather than full exemptions. Such a rebate should be standardised across local government areas to ensure consistency and reduce the likelihood of localised disputes and costly and time intensive negotiations.

11. To what extent should the exemptions from certain state taxes (such as payroll tax) that councils receive be considered in a review of the exemptions for certain categories of ratepayers?

Comment: Any review of the application of state taxes may be relevant, but not as part of this review. Rather the reform of state and local government financial relations are should be conducted through a comprehensive and holistic approach to all related taxes, levies and charges between both tiers of government. This type of reform has already occurred in other jurisdictions to remove cross-subsidies, provide transparency and increase efficiency by removing exemptions from both sides.

12. What should the objectives of the pensioner concession scheme be? How could the current pensioner concession scheme be improved?

Comment: The most efficient method to provide the assistance to pensioners would actually be to increase pensions paid by the federal government and remove the necessity for a concession system. However, in light of the current cost-shifted arrangements, Council considers the current pensioner concession scheme should be retained with the maximum indexed to maintain the relative value of relief. It is noteworthy that New South Wales is the only state that cost-shifts the funding of this concession on to local government. This should be corrected.

As stated in 9 above, in addition to the pensioner concession scheme, Council considers it worthwhile to explore a rate deferral scheme similar to the South Australian Postponement of Rates Scheme, for all retirees who are asset-rich and cash-poor, to provide a mechanism to manage such outstanding debt.

Options:

Council's options in relation to this report are to:

1. Adopt the recommendation provided to Council and provide a submission to IPART based on the comments in the Issues section above. Alternatively, some comments may be amended for inclusion in the submission.
2. Reject the recommendation provided to Council and not provide a submission to IPART on this matter.

Sustainability Assessment:

- **Environment**

There are no perceived short or long-term environmental impacts.

- **Social**

The local government rating system is the most important method by which Council raises revenue from the property rate base. Its design and application has impacts in relation to equity for the community, particularly through the methods applied, exemptions and concessions.

- **Civic Leadership**

Council lodging a submission to IPART on this matter demonstrates Council's to leadership of its community in improving where possible the rating system.

- **Economic**

Broader Economic Implications

The local government rating system is the most important method by which Council raises revenue from the property rate base. Its design and application impacts the efficiency of the broader economy and may influence to an extent land use decisions.

Delivery Program/Operational Plan Implications

The submission has no impact on the current delivery program or operational plan.

Risk Analysis:

There is negligible risk in providing a submission on the local government rating system.

Consultation:

Consultation has occurred with relevant internal stakeholders in the production of the comments which form the basis of the submission.

Related Policy, Precedents and / or Statutory Requirements:

The matters in this report are part of Council's responses to the NSW State Government's Local Government Reform Agenda known as the Fit for the Future Program.

Implementation Date / Priority:

Should Council accept the recommendation, the submission will be lodged with IPART by the due date of 13 May 2016.

Conclusion:

This report provides Council with comments on the relevant matters in IPART's issues paper on the review of the local government rating system. The comments should be considered by Council, and if acceptable, included in a submission to IPART.



Independent Pricing and Regulatory Tribunal

Review of the Local Government Rating System

Local Government — Issues Paper
April 2016



Attachment

Attachment



Independent Pricing and Regulatory Tribunal

Review of the Local Government Rating System

Local Government — Issues Paper
April 2016

Attachment

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ISBN 978-1-925340-64-8 DP187

The Tribunal members for this review are:

Dr Peter J Boxall AO, Chairman

Ms Catherine Jones

Mr Ed Willett

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Attachment

Invitation for submissions

IPART invites written comment on this document and encourages all interested parties to provide submissions addressing the matters discussed.

Submissions are due by 13 May 2016.

We would prefer to receive them electronically via our online submission form <www.ipart.nsw.gov.au/Home/Consumer_Information/Lodge_a_submission>

You can also send comments by mail to:

Review of Local Government Rating System
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Late submissions may not be accepted at the discretion of the Tribunal. Our normal practice is to make submissions publicly available on our website <www.ipart.nsw.gov.au> as soon as possible after the closing date for submissions. If you wish to view copies of submissions but do not have access to the website, you can make alternative arrangements by telephoning one of the staff members listed on the previous page.

We may choose not to publish a submission—for example, if it contains confidential or commercially sensitive information. If your submission contains information that you do not wish to be publicly disclosed, please indicate this clearly at the time of making the submission. IPART will then make every effort to protect that information, but it could be disclosed under the *Government Information (Public Access) Act 2009* (NSW) or the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW), or where otherwise required by law.

If you would like further information on making a submission, IPART's submission policy is available on our website.

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1 Introduction

The Independent Pricing and Regulatory Tribunal (IPART) is conducting a review of the local government rating system in NSW. Our aim is to recommend reforms to improve its efficiency and equity so as to ensure councils can implement sustainable fiscal policies over the longer term.

This review is part of an ongoing process of review and reform, aimed at improving local government's strength and effectiveness. Among other things, this process has included the Independent Local Government Review Panel's wide-ranging review and recommendations in 2013,¹ and the NSW Government's response to these recommendations, including its *Fit for the Future* reform package in 2014, and proposals to create new councils by merging existing councils.

The purpose of this Issues Paper is to outline how we propose to approach this review, explain how stakeholders can provide input, and to discuss the issues on which we seek comment.

1.1 What we have been asked to do

We have been asked to undertake the review under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992* in accordance with the terms of reference (ToR) provided by the Premier. These ToR ask us to:

- ▼ review the current rating system and recommend reforms that aim to enhance councils' ability to implement sustainable and equitable fiscal policy, and
- ▼ recommend a legislative or regulatory approach to achieve the Government's policy that there will "be no change to the existing rate paths for newly merged councils for four years".²

¹ Independent Local Government Review Panel, *Revitalising Local Government*, October 2013, at <http://www.localgovernmentreview.nsw.gov.au/>, accessed 1 March 2016 (Panel Report).

² NSW Government, *Media Release - Stronger Councils for Sydney and Regional NSW*, at <http://www.nsw.gov.au/media-releases-premier/stronger-councils-sydney-and-regional-nsw>, 18 December 2015, accessed 16 March 2016.

1 Introduction

These ToR set out the issues we must consider in making our recommendations, including:

- ▼ the rating burden across and within communities, including consideration of multi-unit dwellings
- ▼ the appropriateness and impact of current rating categories and exemptions, and mandatory concessions
- ▼ the land valuation methodology used as the basis for determining rates in comparison to other jurisdictions
- ▼ the capacity of a merged council to establish a new equitable rating system and transition to it in a fair and timely manner, and
- ▼ the objectives and design of the rating system according to recognised principles of taxation.

They also specify that we must take account of the Independent Local Government Review Panel's Final Report, the Government response to this report, and the 2013 NSW Treasury Corporation (TCorp) report '*Financial Sustainability of the NSW Local Government Sector*'.³

In addition, they ask us to recognise the importance of the Integrated Planning and Reporting framework that allows NSW councils to draw various plans together and understand how they interact.⁴

A copy of the ToR is provided in Appendix A. A summary of reports noted above (and other relevant work) is in Appendix B.

1.2 How we propose to approach this review

We propose to approach this review as two separate tasks. The first is to review the current rating system and recommend changes to improve its efficiency, equity and sustainability. The second is to consider and recommend the appropriate approach for implementing the Government's policy of freezing existing rate paths for newly merged councils for four years. Our approach to the review is outlined in Box 1.1.

³ NSW Treasury Corporation, *Financial Sustainability of the NSW Local Government Sector, Findings Recommendations and Analysis*, April 2013.

⁴ Office of Local Government, *Integrated planning and reporting*, at <https://www.olg.nsw.gov.au/councils/integrated-planning-and-reporting>, accessed on 1 April 2016.

Box 1.1 IPART's approach to the review

Review the performance of the current rating system and potential improvements

1. **Define the current rating system in NSW.** We set out the system that governs how current rates are set as context for this review.
2. **Establish the recognised principles of taxation that we should employ in assessing and recommending changes to the current rating system.** We will investigate and consider the objectives and design of the rating system according to our established principles.
3. **Assess the current approach for calculating the level of rates applicable to a ratepayer against these principles.** In accordance with our ToR we will consider:
 - ▼ the ratings burden across and within communities, including consideration of apartments and other multi-unit dwellings; and
 - ▼ the land valuation methodology used as the basis for determining rates in comparison to other jurisdictions.

We will also assess rating structures, including the policy related to base and minimum amounts, and options for increasing councils' flexibility in using those charges. In addition, we will consider the rating burden across communities, and whether there is scope for the rating system to better support the NSW Government's policy of encouraging urban renewal. We will assess land valuation methods and whether other methods could be more appropriate.

4. **Assess the current approach for determining who should pay rates against the principles of taxation.**

We will analyse the available exemptions and mandatory concessions, in light of the NSW Government's commitment to provide rate concessions to pensioners. In doing so, we will consider the appropriateness and impact of the current rating categories, exemptions, mandatory concessions and rebates.

5. **Recommend reforms to improve the efficiency, equity and sustainability of the current rating system based on the findings of Steps 2 to 4.**
6. **Consider the issues that might arise for merged council areas after the expiry of the rate path freeze.** We will consider their ability to establish a new equitable system of rating, and transition to it in a fair and timely manner, taking account of the NSW Government's commitment to protect NSW residents against excessive rate rises.

Recommend appropriate approach to achieve the rate path freeze policy

7. **Outline our interpretation of the Government's policy and consider how the rate path freeze might work in practice.** We will consider the implications for new special variations and impact on taxpayers, including consideration of rating structures, and rating categories.
 8. **Identify alternative legislative and regulatory approaches for implementing the rate path freeze policy.** We will assess complexity, flexibility and level of certainty of legislative amendments, in making a balanced recommendation on the appropriate approach.
 9. **Make recommendations on the legislative and regulatory approach to achieve the Government's rate path freeze policy based on our findings in Steps 7 and 8.**
-

1 Introduction

1.3 How stakeholders can provide input to this review

For this review, we will undertake our own analysis and conduct public consultation. This issues paper is the first step in our consultation process. We invite all stakeholders and interested parties to make written submissions in response to the paper by 13 May 2016. (Details on how to make a submission can be found on page iii.) We will also hold a public hearing on 26 April 2016 to give stakeholders another opportunity to respond.

Our ToR require us to provide an interim report to the Minister for Local Government in June 2016, outlining our recommendations on the appropriate approach for implementing the Government’s policy of freezing existing rate paths for four years for newly merged councils.

We will publicly release a draft report in August 2016 covering all issues, and invite stakeholders to respond by making a submission and/or attending public hearings in September 2016. We will consider all stakeholder comments before making our final decisions and providing our final report to the Minister for Local Government in December 2016.

Table 1.1 provides an indicative timetable for the review. We will update this timetable on our website as the review progresses.

Table 1.1 Indicative timetable for this review

Milestone	Timeframe
Release Issues Paper	13 April 2016
Hold Public Hearing	26 April 2016
Receive submissions to the Issues Paper	13 May 2016
Provide Interim Report to Minister	17 June 2016
Release Draft Report	August 2016
Hold public hearing(s) in Sydney and possibly 1 regional town	September 2016
Receive submissions to the Draft Report	September 2016
Provide Final Report to Minister	December 2016

Note: These dates are indicative only.

1.4 What the rest of this paper covers

The rest of this paper discusses our proposed approach to the review in more detail, as well as our preliminary views (where we have them). It is structured as follows:

- ▼ Chapter 2 provides context for the review by outlining the current rating system in NSW.
- ▼ Chapter 3 outlines the recognised principles of taxation against which we propose to assess the rating system.

- ▼ Chapter 4 analyses the current method for setting rates in NSW using the tax principles. It also explores alternative methods that could provide councils with greater flexibility in setting rates with the method for valuing property, use of base and minimum amounts, and making rating categories.
- ▼ Chapter 5 analyses current exemptions and the mandatory pensioner concession using the tax principles. It also explores alternatives to providing full exemptions for some land uses and different ways for structuring the pensioner concession.
- ▼ Chapter 6 outlines our interpretation of the Government’s policy of freezing the existing rate paths for newly merged councils, and the options for implementing this policy.
- ▼ Chapter 7 discusses options to allow merged councils to establish new and equitable rating systems in a fair and timely manner.

1.5 List of issues on which we seek comment

Throughout this paper, we have identified the issues on which we seek stakeholder comment at this stage of the review. Stakeholders may address all or some of these issues, and are also free to raise and discuss any other issues that they feel are relevant to the terms of reference. For convenience, a full list of the issues we seek comment on is provided below:

Taxation principles

- | | | |
|---|---|----|
| 1 | Do you agree with our proposed tax principles? If not, why? | 15 |
|---|---|----|

Assessing the current method for setting rates

- | | | |
|---|---|----|
| 2 | What valuation method should be used as the basis for determining the ad valorem amounts in council rates? Should councils be given more choice in selecting a valuation method, as occurs in other states, or should a valuation method continue to be mandated? | 20 |
| 3 | Should councils be required to use the Valuer General's property valuation services, or should they also be able to use a private valuation firm (as occurs in Victoria and Tasmania)? | 20 |
| 4 | What changes (if any) should be made to the Local Government Act to improve the use of base and minimum amounts as part of the overall rating structure? | 22 |
| 5 | What changes could be made to rating categories? Should further rating categories or subcategories be introduced? What benefits would this provide? | 23 |

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- 6 Does the current rating system cause any equity and efficiency issues associated with the rating burden **across** communities? 24
- 7 What changes could be made to current rate pegging arrangements to improve the rating system, and, in particular, to better streamline the special variation process? 25
- 8 What changes could be made to the rating system to better encourage urban renewal? 26
- 9 What changes could be made to the rating system to improve councils' management of overdue rates? 26

Assessing exemptions, concessions and rebates

- 10 Are the land uses currently exempt from paying council rates appropriate? If a current exemption should be changed, how should it be changed? For example, should it be removed or more narrowly defined, should the level of government responsible for providing the exemption be changed, or should councils be given discretion over the level of exemption? 33
- 11 To what extent should the exemptions from certain state taxes (such as payroll tax) that councils receive be considered in a review of the exemptions for certain categories of ratepayers? 33
- 12 What should the objectives of the pensioner concession scheme be? How could the current pensioner concession scheme be improved? 35

Freezing existing rate paths for newly merged councils

- 13 We have interpreted the rate path freeze policy to mean that in the four years after a merger, the rating path in each pre-merger council's area will follow the same trajectory as if the merger had not occurred. Do you agree with this interpretation? 36
- 14 Within the rate path freeze period, should merged councils be permitted to apply for new special variations:
 - For Crown Land added to the rating base?
 - To recover amounts that are 'above the cap' on development contributions set under the *Environmental Planning and Assessment Act 1979*?
 - To fund new infrastructure projects by levying a special rate? 39
- 15 Are there any other situations where merged councils should be able to apply for new special variations within the rate path freeze period? 39

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- 16 During the rate path freeze period, should merged councils only be able to increase base amounts and minimum amounts each year by the rate peg (adjusted for any permitted special variations)? 41
- 17 During the rate path freeze period, should merged councils be able to allocate changes to the rating burden across rating categories by either:
 - relative changes in the total land value of a rating category against other categories within the pre-merger council area, or
 - the rate peg (adjusted for any permitted special variations)? 41
- 18 Do you agree that the rate path freeze policy should act as a ‘ceiling’, so councils have the discretion to set their rates below this ceiling for any rating category? 41
- 19 What other discretions should merged councils be given in setting rates during the rate freeze period? 41
- 20 We considered several options for implementing the rate path freeze policy. Our preferred option is providing the Minister for Local Government with a new instrument-making power. What are your views on this option and any other options to implement the rate path freeze policy? 44

Establishing new, equitable rates after the 4-year freeze

- 21 Should changes be made to the LG Act to better enable a merged council to establish a new equitable system of rating and transition to it in a fair and timely manner? If so, should the requirement to set the same residential rate **within a centre of population** be changed or removed? 48
- 22 Should approved special variations for pre-merger councils be included in the revenue base of the merged council following the 4-year rate path freeze? 49
- 23 What other rating issues might arise for merged councils after the 4-year rate path freeze period expires? 49

2 | The current rating system in NSW

Local councils provide a range of infrastructure and services to ratepayers and residents in their local government area. To fund their costs, councils:

- ▼ levy rates on property owners in their area
- ▼ charge fees for the use of specific services (user charges)
- ▼ receive grants from the State and Federal governments
- ▼ generate other revenue, for example, from fines, developer charges and interest, and
- ▼ raise funds through borrowings.

This review only considers rates included in a council's general income.⁵ The system that determines how these rates are currently calculated in NSW is set out in the *Local Government Act 1993* (LG Act).⁶ The sections below outline the key features of this system, including:

- ▼ the rate structure
- ▼ the rating categories
- ▼ the treatment of high-density property
- ▼ the rate peg and special variation process
- ▼ the different types of rates included in a council's general income
- ▼ the land valuation process, and
- ▼ the infrastructure and services funded by rates.

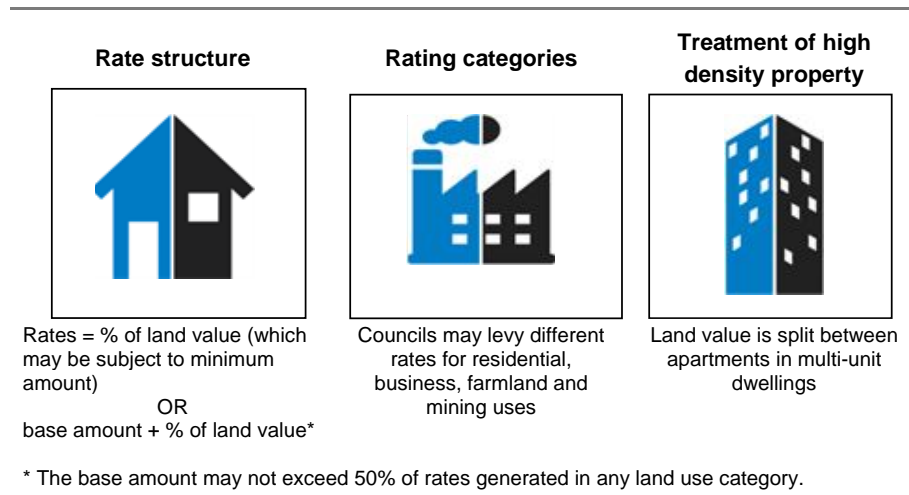
⁵ This is income derived from ordinary rates, special rates and specified annual charges (section 505 of the *Local Government Act 1993* (NSW)). Special rates and charges for water and sewerage are not included in a council's general income.

⁶ For more detailed information on the current rating system, see the LG Act (Chapter 15, Sections 491-607), and the NSW Department of Local Government, *Council Rating and Revenue Raising Manual*, 2007.

2.1 Overview of how council rates are set in NSW

Figure 2.1 provides an overview of how council rates are set in NSW.

Figure 2.1 How council rates are set in NSW



Data source: Local Government Act 1993.

2.2 Rate structure

Under the LG Act, a rate may consist of:

- ▼ an ad valorem amount (which may be subject to a minimum amount), or
- ▼ a base amount to which an ad valorem amount is added.

In NSW, an **ad valorem amount** is a variable charge set as a proportion of the unimproved land value (UV) of the rateable property – that is, the value of the property without any buildings, houses or other capital investments.

A **minimum amount**, where applied, is a flat charge which applies instead of the ad valorem amount, when it is greater than the ad valorem amount.

A **base amount**, where applied, is a fixed charge that is levied equally against all rateable properties within a given rate category, or subcategory of land use.

2 The current rating system in NSW

There is no restriction on the proportion of revenue a council can generate from the ad valorem amounts included in rates. However:

- ▼ revenue generated from the base amount cannot exceed 50% of the total revenue from any particular rating category, and
- ▼ the minimum amount cannot exceed a statutory limit (set at \$497 in 2015-16⁷).⁸

In 2013-14, the ad valorem rate on land value accounted for 75% of all NSW council rate revenue. It is the primary method for raising rating income. Base and minimum amounts accounted for an average of 15% and 10% of council rate revenue respectively across NSW (noting that not all councils apply these rates).

2.3 Treatment of high-density property

Where the rateable property consists of multiple units, such as a block of apartments, the ad valorem amount is split between the units. For example, if a block of four apartments and a house have the same unimproved land value, the rates payable by the owners of each apartment would be 25% of those payable by the house owner, assuming that no minimum or base amounts apply.

2.4 Rating categories

Councils may vary the way they calculate rates for different categories of property. For example, they can use a different percentage of the unimproved land value to calculate the ad valorem amounts, apply different minimum amounts, or add different base amounts. There are four main rating categories:

1. residential
2. business
3. farmland, and
4. mining.

Councils may also determine subcategories within each of these four categories, and vary the way they calculate rates for each subcategory. However, the degree of flexibility varies across categories. In particular, the LG Act requires that residential rates for all properties **within a centre of population** are calculated the same way. This requirement raises issues which will need to be addressed for newly merged councils in urban areas (see Chapter 7 for more detail).

⁷ This ceiling only applies to ordinary rates. A different ceiling applies to special rates: \$2 (section 548(3)(b) of the LG Act).

⁸ Councils that wish to set a minimum amount above the statutory limit are required to submit a minimum rate application to IPART for review and assessment. IPART has been delegated authority to approve minimum amount variations from the Minister for Local Government.

Finally, there are also a range of land uses which are currently exempt from paying rates (or exempt from paying a portion of rates). These include national parks, charities and education institutions (see Chapter 5 for more detail).

2.5 Rate peg and special variation process

The LG Act sets out a process that regulates the amount by which councils increase their general income, the main component of which is rates revenue from ordinary and special rates (see section 2.6 below). Each year, IPART determines the maximum percentage by which a council may increase its general income in the coming year, known as the 'rate peg'. We calculate this percentage based on the estimated annual change in NSW councils' costs, adjusted for any improvements in productivity. The total amount of general income collected from rates revenue is typically called the 'rating burden'.

Councils then set their rates for each rating category so that their annual general income does not increase in percentage terms by more than the rate peg for that year. This gives them some flexibility to vary the increase in rates across categories (eg, to increase residential rates by a higher percentage than farmland rates), as long as the total increase in revenue does not exceed the rate peg.

Councils can apply to IPART for a 'special variation' to allow them to increase general income above the rate peg for a range of reasons, including to provide additional services, to replace ageing assets, or improve financial sustainability.

The Integrated Planning and Reporting (IP&R) framework is an important part of the special variation process. As part of the IP&R framework, when applying for a special variation, councils are required to engage the community in a discussion on how the funding required will deliver services and infrastructure that meet the community's expectations about service levels. The IP&R framework is discussed further in Appendix B.

2.6 Different types of rates

There are two different types of rates included in a council's general income:

- ▼ ordinary rates – councils are required to make and levy an ordinary rate for each year on all rateable land in their area.
- ▼ special rates – councils have the discretion to levy a special rate for:
 - works or services provided or proposed to be provided, or
 - any other special purpose.

Special rates can be levied on subgroups of ratepayers. For example, a special levy could be applied to all properties in a specific area or development, even if it is within a centre of population.

2 The current rating system in NSW

2.7 Land valuation process

Councils do not undertake the land valuations used to calculate the rates applicable to each property themselves. Instead, they are required to use the unimproved land valuations provided by the NSW Valuer General.

The Valuer General values all land in NSW, and provides services to a range of users including to the NSW Government for the purpose of levying land tax.

In comparison, councils in Victoria and Tasmania have the option of using other valuers to estimate property values for the purpose of levying rates.

2.8 Infrastructure and services funded by rates

Typically, income from rates is used to fund (or partly fund) infrastructure and services that have the characteristics of 'public goods' or 'mixed goods'. Services with the characteristics of 'private goods' are generally funded through user charges (see Box 2.1 for more information.)⁹

Box 2.1 What are public, private and mixed goods?

The infrastructure and services provided by councils fall into three categories:

- ▼ **Public goods:** where one person's consumption does not prevent others from consuming it and it is difficult or not practical to charge consumers to use it. Examples include local roads, footpaths and parks.
- ▼ **Private goods:** where consumption by one person prevents another from consuming the same unit of that good. Examples include, water, sewerage and garbage collection.
- ▼ **Mixed goods:** that have a mixture of private and public good characteristics, such as libraries and community centres.

⁹ The LG Act recognises this principle in allowing direct charges for services such as water and sewerage (Section 501), mandating direct charging for waste (Section 496), and not including these user charges in the council's general income for rate base purposes (Section 505).

3 Establishing principles of taxation

The first step in our proposed approach for reviewing the current rating system is to establish the “recognised principles of taxation” that we will employ in assessing and recommending changes to this system, as required by our terms of reference.

The key tax principles that we propose to use to assess the rating system are:

- ▼ efficiency
- ▼ equity
- ▼ simplicity
- ▼ sustainability, and
- ▼ competitive neutrality.

The sections below outline each of these principles.

3.1 Efficiency

Efficiency comprises two main sub-principles: the principle that taxes should minimise changes in behaviour, and the benefits principle.

3.1.1 Taxes should minimise changes in behaviour

Taxes that minimise changes to production and consumption decisions are more efficient. The more that taxes that are designed to raise general revenue change behaviour, the greater the welfare loss.¹⁰

The Henry Tax Review found that local rates were the most efficient of all current taxes used by any level of government, because changes in behaviour from rate taxes are small. It estimated that for every dollar raised through rates, there were welfare losses of just 2 cents. In comparison, the welfare losses associated with other State and Commonwealth taxes ranged from 8 to 70 cents per dollar raised.¹¹

¹⁰ The welfare loss of taxation is known as the excess burden of taxation, and is the distortionary cost that taxes cause by reducing the amount of productive activity that would otherwise occur in a free market.

¹¹ Henry K, *Australia's future tax system – Final Report*, May 2010 (Henry Tax Review), p 13.

3 Establishing principles of taxation

3.1.2 Benefits principle

The income raised from rates is generally used to fund (or partly fund) infrastructure and services that have the characteristics of 'public goods'. The benefits principle is that each person's share of funding for public goods should be proportional to the benefits they receive from these goods.

However, the benefits principle is difficult to apply because people generally under-state their willingness to pay for the benefits that they receive from public goods.^{12,13} In practice, proxies that are correlated with people's willingness to pay for public goods are used to estimate benefits received.

3.2 Equity

Equity also has two sub-principles: the benefits principle (discussed above) and the ability to pay principle.

3.2.1 Ability to pay

People should contribute to funding public goods according to their **ability to pay**. **Ability to pay** has two components:

- ▼ The **horizontal equity principle** requires people of equal capacity to pay the same amount of tax.
- ▼ The **vertical equity principle** requires people who are better off to pay more tax than those who are worse off, so the burden of tax is proportional to the taxpayer's means.

Property-based taxes such as rates are generally regarded as equitable, because property value correlates with wealth and ability to pay.

3.3 Simplicity

Taxes should be easily understood, difficult to avoid and have low costs of compliance and enforcement. If a tax is easy to understand and is fair, compliance is generally high.

Property-based taxes such as rates are generally hard to avoid, as the government holds comprehensive land ownership records.

¹² A person's willingness to pay for goods should generally be equal to the benefits they receive from those goods.

¹³ This is due to the **free-rider** problem. People have an incentive to under-state their willingness to pay for public goods, if their stated willingness to pay is then used as the basis on which taxes are levied on them.

3.4 Sustainability

To be sustainable, the income generated by a tax should be reasonably reliable, able to withstand volatile economic conditions, and grow over time to support the future needs of government.¹⁴

3.5 Competitive neutrality

Competitive neutrality requires businesses competing with each other to be treated in a similar way. This principle is used to promote fair and efficient competition between public and private businesses.

IPART seeks comment

- 1 Do you agree with our proposed tax principles? If not, why?

¹⁴ Our consideration of sustainability will encompass the requirement of the terms of reference to consider the current financial sustainability of local government in NSW, including the findings and deliberations of NSW Treasury Corporation report *Financial Sustainability of the NSW Local Government Sector*, 2013.

4 Assessing the current method for setting rates

The second step of our approach for reviewing the current rating system is to assess the current method for setting the rates applicable to a particular property owner. This involves assessing the elements of the current system that affect the rating burden **within** communities (ie, within the same local government area) using the recognised principles of taxation (discussed in Chapter 3). These elements include:

- ▼ the valuation method used to set ad valorem amounts
- ▼ the use of base amounts and minimum amounts, and
- ▼ the rating categories.

This step also involves considering other aspects of the current rating system specified in our terms of reference, including:

- ▼ the rating burden **across** communities in NSW (in different local government areas across NSW), and
- ▼ whether the current rating system provides appropriate scope for councils to promote the Government's policy for encouraging urban renewal.

This chapter also considers how councils manage their overdue rates.

Where relevant, we will take account of the rating systems used in other jurisdictions, the findings of the Independent Local Government Review Panel (the Panel) and other matters listed in our terms of reference.

The sections below provide further information and preliminary analysis on each of these considerations.

4.1 Valuation methods used to set ad valorem amounts

As Chapter 2 discussed, the current rate structure includes an ad valorem amount (which may be subject to a minimum amount) or an ad valorem amount plus a base amount. To calculate the ad valorem amount for a particular property, the ad valorem rate (a fixed percentage) is multiplied by the assessed value of the property.

Across Australian jurisdictions, three valuation methods are used to calculate the value of property for the purpose of rating. These are:

1. The **unimproved land value (UV)** method, which values the property excluding the value of buildings, structures and other capital improvements.
2. The **capital improved value (CIV)** method, which values the property based on the market value, or the value inclusive of all capital improvements.
3. The **annual rental value (ARV)** method, which values the property based on its rental value.

One of the key differences between these methods is how they treat high-density properties that include multiple units (such as an apartment block). As Chapter 2 discussed, a UV methodology divides the land value between each unit for the purpose of rating. In contrast, the other methods use the market value or rental value of each individual unit.

4.1.1 Valuation methods across jurisdictions

As Chapter 2 discussed, NSW councils are required to use the UV method for calculating ad valorem amounts. Queensland councils are also required to use this method. However:

- ▼ in Western Australia, councils must use the ARV method in Perth, and the UV method in the rest of the state
- ▼ in other states, councils can choose any of the three methods:
 - councils in Victoria and South Australia overwhelmingly favour CIV
 - councils in Tasmania tend to employ ARV, and
 - councils in Northern Territory rely on UV because the data required to use CIV or ARV is not available.

Internationally, a CIV-type method appears more common and is mandated in the United States and the United Kingdom. In New Zealand, councils can choose between UV and CIV. Further information on the valuation methods used in selected overseas jurisdictions is provided in Appendix D.

4.1.2 Who applies the valuation method

Councils generally do not assess the value of properties themselves. In NSW and some other Australian states, they are required to use the valuation services provided by the state Valuer General. However, in Victoria and Tasmania, councils can choose to use either their state-based Valuer General or a private firm for property valuation services.

4 Assessing the current method for setting rates

4.1.3 Analysis of alternative valuation methods against tax principles

We have done some preliminary analysis on how the UV and CIV methods compare using the tax principles discussed in Chapter 3. We have not focused specifically on the ARV method, as for our purposes it is similar to the CIV method in that both methods take into account the total market value of the land and dwelling. The ARV is often determined as a percentage of the assessed CIV for administrative simplicity and/or due to data constraints. The arguments for ARV are generally similar to those for CIV.

Arguments for retaining the UV method

UV may better meet the efficiency principle, that taxes should minimise changes in behaviour, than CIV. Under a UV method, rates do not change if additional capital is invested into a property so they do not influence ratepayers' decisions to make capital improvements or develop their land. In contrast, CIV is a tax on both land and capital. Under a CIV method, rates increase as additional capital is invested in a property. This may discourage ratepayers from productive investments, and so the CIV method may be less efficient than the UV method.

UV is arguably simpler and more cost effective to implement than CIV. Because UV is the current method used in NSW, changing to an alternative method would incur costs. In addition, land valuations across NSW are currently estimated by sampling land values for a relatively small number of properties each year. Under a CIV method, an estimate of capital improvements by property would be required.¹⁵ Valuations could also be required more frequently, when additional improvements are made.

Arguments for moving to a CIV method

CIV may better meet the benefits principle. The market value of a property may better correlate with the benefits received by the owners from the provision of public goods by the council. For example, an apartment block with a number of residents will typically derive more benefits from council services than a nearby single house occupying land of equal value.

CIV may be more equitable. For example, residential ratepayers who own more expensive houses or apartments would pay higher rates than those with lower-cost homes. These ratepayers tend to have a higher ability to pay.

¹⁵ In other jurisdictions, detailed and up-to-date data on capital improvements are collected. For example, in Victoria, this information is collected through supplementary valuations. For further details, see Department of Transport, Planning and Local Infrastructure (Victoria), *2016 Valuation Best Practice Specifications Guidelines*, July 2014.

CIV is potentially more sustainable over time. Because it includes both land and capital, a CIV method would result in a broader tax base than UV. The Grattan Institute estimates, across Australia, the total value of capital improvements in 2014 was roughly equal to the total value of land, suggesting that CIV is about twice as broad a tax base as UV.¹⁶ The broader base means a lower overall ad valorem rate can be set, although it would apply to a higher property value. Over time, as the proportion of high density dwellings increases, the ratio of capital to land increases, and CIV therefore becomes more broadly based relative to UV. (See Appendix E for further details.)

CIV is likely to be more readily and easily understood by the public. As most people have a better understanding of the market value of their property than their unimproved land value, they are likely to find a CIV approach easier to understand.

4.1.4 The Panel's views on UV, CIV and the rating of apartments

The Independent Local Government Review Panel also analysed the alternative valuation methods. The Panel found that the use of UV has caused a significant issue with the rating of apartments in Sydney:

Currently, the unimproved value of the land occupied by a block of apartments is split between the owners of individual dwellings (strata titles), such that each is rated on only a small fraction of the total value. As a result, owners of apartments worth millions of dollars pay less in rates than owners of nearby houses worth much less, and all or most owners of apartments may pay the same minimum council rate irrespective of the differing market values of their properties.¹⁷

The Panel concluded this outcome was inequitable, and suggested that moving to a CIV method would be preferable in selected local government areas. Alternatively, it suggested the 'residential' land use category could be split into two new rating categories, one for detached housing and another for multi-unit dwellings. Councils could then use CIV for multi-unit dwellings only.

4.1.5 Options for the valuation method in a future NSW rating system

Based on the preliminary analysis outlined above, we consider there are a number of feasible options for the valuation method used in calculating ad valorem amounts in NSW rates. These include:

- ▼ Continuing to mandate the use of the UV method.
- ▼ Mandating the use of a CIV-type method (eg, CIV or ARV or some similar method). This could be restricted to some local government areas, as the Panel suggested and as occurs in Western Australia.

¹⁶ Daley J and Coates B, *Property Taxes*, Grattan Institute Working Paper No. 2015-5, July 2015, p 5.

¹⁷ Panel Report, p 40.

4 Assessing the current method for setting rates

- ▼ Allowing councils to choose between a UV method or a CIV-type method, as occurs in Victoria, South Australia and Tasmania.
- ▼ Allowing councils to set a new rating category for multi-unit apartments, and mandating the use of a CIV method for that category, as the Panel suggested.

In addition, there are also options related to the property valuation services councils use. These include continuing to require councils to use the NSW Valuer General's services, or allowing councils to choose whether to use private valuation firms.

IPART seeks comment

- 2 What valuation method should be used as the basis for determining the ad valorem amounts in council rates? Should councils be given more choice in selecting a valuation method, as occurs in other states, or should a valuation method continue to be mandated?
- 3 Should councils be required to use the Valuer General's property valuation services, or should they also be able to use a private valuation firm (as occurs in Victoria and Tasmania)?

4.2 Use of base amounts and minimum amounts

As Chapter 2 discussed, under the current rate structure, rates may comprise an ad valorem amount plus a base amount, or an ad valorem amount which may be subject to a minimum amount. Both base and minimum amounts are fixed charges. In addition:

- ▼ revenue generated from the base amount cannot exceed 50% of the total revenue from any particular rating category, and
- ▼ the minimum amount cannot exceed a legislated ceiling (set at \$497 in 2015-16¹⁸).

Currently, a little over half of all NSW councils use base amounts for at least one rating category.¹⁹ In 2013-14, these amounts accounted for at least 45% of ordinary rates in approximately a quarter of all NSW councils, and the maximum 50% in 12 councils. This suggests the current 50% revenue cap on base amounts could be a constraint for some councils.

In addition, about 60% of all NSW councils use a minimum amount in at least one rating category. For these councils, minimum amounts accounted for 15% of ordinary rates, on average.

¹⁸ This ceiling only applies to ordinary rates (section 548(3)(a) of the LG Act). A different ceiling applies to special rates: \$2 (section 548(3)(b) of the LG Act).

¹⁹ Data on the use of base and minimum amounts were obtained from Rating Return data which councils are required to provide to the Office of Local Government under Section 429 of the LG Act.

Most other states also give councils the option to levy base and/or minimum amounts. However, Queensland and Western Australia do not allow base amounts, and Victoria does not allow minimum amounts. (See Appendix D Table D.1 for more detail.)

4.2.1 Analysis of base amounts and minimum amounts against tax principles

Our preliminary analysis suggests that base amounts may be an **efficient** way to recover some council costs. Councils incur a range of fixed costs in supplying infrastructure and services that benefit all ratepayers, regardless of their land or property value. Base amounts can be an **efficient** method for councils to recover these fixed costs. They are also **simple** to calculate and administer.

However, base amounts may **not be equitable**, because they may not reflect the ratepayer's ability to pay or the benefits received. For example, a dwelling with one occupant pays the same base amount as a dwelling with four occupants, although it is likely that the latter will derive a larger benefit from the public goods that councils provide. Furthermore, base amounts have little relation to the per capita drivers of councils' costs.

Further, base amounts also tend to place a greater burden on less well-off ratepayers. In other words, they are regressive because owners of low value dwellings effectively pay a higher rate of tax than owners of expensive dwellings.

Our preliminary analysis also suggests that minimum amounts have fairly similar advantages and disadvantages as base amounts. They can be an efficient way to recover councils' fixed costs, but are also regressive as lower-valued properties effectively pay a higher rate of tax.

4.2.2 Options for base and minimum amounts in a future NSW rating system

Based on the preliminary analysis outlined above, there are a number of options for levying base and minimum amounts. These include:

- ▼ Giving councils further flexibility to levy base amounts on a per capita basis, per bedroom, or using some other criteria. However, this would incur implementation costs and be more administratively complicated.
- ▼ Changing or removing the restriction that revenue generated from the base amount cannot exceed 50% of the total revenue from any particular rating category. This restriction was introduced to ensure that rates are determined predominantly according to the value of rateable property.²⁰
- ▼ Changing or removing the legislated ceiling on the minimum amount, which is currently set at \$497 for ordinary rates.

²⁰ NSW Department of Local Government, *Council Rating and Revenue Raising Manual*, 2007, p 36.

4 Assessing the current method for setting rates

IPART seeks comment

- 4 What changes (if any) should be made to the Local Government Act to improve the use of base and minimum amounts as part of the overall rating structure?

4.3 Rating categories

As Chapter 2 outlined, the current rating system includes four rating categories which reflect the primary use of the land. These are residential, business, farmland and mining.²¹ Councils may elect to apply different rate structures to each category.

In addition, councils may determine subcategories within each category and apply a different rate structure for each subcategory. A subcategory may be determined for:

- ▼ **residential** property according to whether the land is rural residential land or is within a **centre of population**
- ▼ **business** according to a **centre of activity**
- ▼ **farmland** according to the **intensity of land use**, the irrigability of the land or economic factors affecting the land, and
- ▼ **mining** according to the **kind of mining** involved.²²

Other states typically class rateable land into a larger number of separate categories for the purposes of ratings. For example, South Australia has nine separate land use categories, including a category for vacant land. Tasmania has seven land use categories and allows councils to vary rates if land is vacant.

Victoria does not explicitly define a list of land use categories for rating, but instead allows councils to declare separate rate categories provided that “the objectives of the differential rate and the criteria on the basis of which that rate was declared” is specified.²³ This approach allows multiple rating categories to be used.

²¹ LG Act, section 514.

²² LG Act, section 529.

²³ *Local Government Act 1989* (Vic) section 161. That said, when councils are setting differential rates, they must have regard to Ministerial Guidelines. These guidelines **do** list types of land that are considered appropriate and inappropriate for differential rates. For more details, see Department of Transport, Planning and Local Infrastructure (Victoria), *Ministerial Guidelines for Differential Rating*, April 2013.

4.3.1 Analysis of rating categories using tax principles

The Productivity Commission review of local government revenue raising capacity provided an analysis of rating categories using standard tax principles. The review found that differentiating rates according to land use is appealing on a number of grounds. According to the report:

Differential rating provisions generally increase the capacity of councils to raise revenue from property rates. They do so by enabling councils to structure better rates payable to the different capacities to pay of, and the services received by, different categories of ratepayers.²⁴

This suggests that allowing different rating categories based on land use are consistent with the principles of efficiency and equity.

4.3.2 Options for rating categories in a future NSW rating system

Based on the preliminary analysis outlined above, there may be scope to increase the number of land use categories from four, or increase the ability of councils to define further subcategories of land use for setting rates. For example:

- ▼ Splitting the residential category into detached housing and apartment properties categories may provide for more efficient and equitable ratings of multi-unit dwellings (as suggested by the Panel).
- ▼ The business land use category is currently quite broad, encompassing all industries other than mining and agriculture.²⁵ Allowing further differentiation may increase efficiency.

Such changes could allow councils to tailor rates across a wider variety of land uses to better meet the needs and wants of their local communities.

At the same time, a system that allows for too much granularity can incur costs and increase complexity. It could also reduce the transparency of the rating system, and may result in rate structures that depart from recognised tax principles. For example, levying higher rate charges on more successful business centres of activity could undermine efficiency and competitive neutrality.

IPART seeks comment

- 5 What changes could be made to rating categories? Should further rating categories or subcategories be introduced? What benefits would this provide?

²⁴ Productivity Commission Report, p 104.

²⁵ The ABS separately identifies over 100 industries outside of agriculture and mining that would be currently classed as 'business' in the NSW rating system.

4 Assessing the current method for setting rates

4.4 Rating burden across communities

Under our terms of reference for this review, we are required to consider the rating burden **across** communities, which we understand to mean across different local government areas. The Panel also suggested the rating burden may not be spread equitably across communities in NSW.²⁶

In our view, the rates levied by a local council should be used to fund the provision of infrastructure and services in that local government area, and should reflect the costs of this provision. They should not be used to fund the services provided by councils in other local government areas.²⁷ Such cross-subsidisation would tend to reduce the efficiency, equity, simplicity and sustainability of the rating system.

IPART seeks comment

- 6 Does the current rating system cause any equity and efficiency issues associated with the rating burden **across** communities?

4.5 Rate pegging and special variations

Under the current rate pegging arrangements, IPART determines the maximum percentage by which a council may increase its general income (primarily from rates) each year, known as the 'rate peg'. If they wish to increase their general income by more than this rate, councils can apply to IPART for a 'special variation'. (See Chapter 2 for more information.)

A key issue highlighted by the Panel Report was that, in their present form, rate pegging arrangements impact "adversely on sound financial management".²⁸ It suggested three options to make the current arrangements more effective:

- ▼ streamlining the application and approval process for special variations
- ▼ introducing earned autonomy, where certain councils demonstrating consistent high performance could earn complete exemption from rate pegging, and
- ▼ replacing rate pegging with rate benchmarking.²⁹

In its response, the NSW Government said it is "committed to a rating system that protects local ratepayers from unfair rate rises. It recognises, however, the improvements in council strategic planning under IP&R [Integrated Planning and Reporting] and therefore supports removing unwarranted complexity, costs and constraints from the rate peg system".³⁰

²⁶ Panel Report, p 41.

²⁷ The Henry Tax Review reaches a similar conclusion, arguing that taxes used for redistribution should be levied by the Federal government. See Henry Tax Review, p 673.

²⁸ Panel Report, p 42.

²⁹ Panel Report, pp 43-44.

³⁰ Office of Local Government, *Independent Local Government Review Panel recommendations – NSW Government Response*, September 2014, p 5.

In line with our terms of reference, we will consider the Panel's findings on the current rate pegging arrangements, as well as the Government's response, particularly its commitment to protect NSW residents against excessive rate increases.

IPART seeks comment

- 7 What changes could be made to current rate pegging arrangements to improve the rating system, and, in particular, to better streamline the special variation process?

4.6 Policy of encouraging urban renewal

In reviewing the current rating system, our terms of reference require us to take account of the NSW Government's policy of encouraging urban renewal. The NSW Government's *A Plan for Growing Sydney* defines the Government's policy of urban renewal across Sydney as "the process of planning and delivering changes to infrastructure, streets, and the public domain to deliver the greatest community benefit".³¹ This policy includes:

- ▼ using the Greater Sydney Commission to support council-led urban infill projects
- ▼ increasing housing density in areas that are connected to an integrated transport system, and
- ▼ providing direct local infrastructure to population centres where there is growth.³²

Our preliminary view is that the current rating system provides scope for councils to partner with other levels of government to promote urban renewal.

Section 495 of the LG Act allows councils to levy special rates on any subset of rateable land within its area to meet the costs of delivering additional services, facilities or activities to ratepayers.³³

Councils can also use special variations, and the levying of special rates in distinct areas, to collect additional rates revenue to fund urban renewal projects that provide benefits to discrete areas. Special rates could also be used to partner with other levels of government in developing and funding infrastructure projects which benefit the local community.

³¹ Department of Planning & Environment (NSW Government), *A Plan for Growing Sydney*, December 2014, p 21.

³² Department of Planning & Environment (NSW Government), *A Plan for Growing Sydney*, December 2014, pp 8-11.

³³ The special rate may only be levied on those parcels of land which benefit from, have access to, or contribute to the need for the works, services, facilities or activities.

4 Assessing the current method for setting rates

IPART seeks comment

- 8 What changes could be made to the rating system to better encourage urban renewal?

4.7 How councils manage overdue rates

When rates become overdue, councils may charge penalty interest on the overdue amount. Councils may also seek a court order to require payment, and enforce the debt using debt recovery powers under the *Civil Procedure Act 2005* (NSW).³⁴

It appears that some councils might be pursuing relatively low value claims for overdue rates through the courts. The Department of Justice found that:

- ▼ just over one-third of all civil claims in the Local Court involve councils pursuing overdue rates, and
- ▼ over 80% of claims are for amounts of \$2,000 or less.³⁵

Model litigant obligations require NSW government agencies to endeavour to avoid litigation wherever possible.³⁶ However, using the Local Court as the primary means of recovering overdue rates may be an attractive option for councils, irrespective of the amount overdue, as the penalty interest rates councils are permitted to charge could mean that there is no incentive to resolve debt issues early. We understand that less than 1% of all claims for unpaid rates are defended.³⁷

Where financial hardship is the underlying cause of rates being overdue, a more sustainable and equitable approach may include councils offering more flexible payment options. We note that similar arrangements are used by water and energy utilities when their customers are experiencing financial difficulty.³⁸

IPART seeks comment

- 9 What changes could be made to the rating system to improve councils' management of overdue rates?

³⁴ For example, the council could apply for an order to seize and sell the ratepayer's personal property to settle the overdue rates.

³⁵ Personal communication, Letter from NSW Department of Justice to IPART, 5 April 2016.

³⁶ NSW Department of Justice to IPART, *Model Litigant Policy for Civil Litigation*, July 2008 (<http://www.justice.nsw.gov.au/legal-services-coordination/Pages/info-for-govt-agencies/model-litigant-policy.aspx>, accessed 7 April 2016).

³⁷ Personal communication, Letter from NSW Department of Justice to IPART, 5 April 2016.

³⁸ See for example Part 2, Division 6 of the *National Energy Retail Law* (NSW).

5 Assessing exemptions, concessions and rebates

The third step in our approach for reviewing the rating system is to assess the current method for determining who pays rates, including:

- ▼ the exemptions from rates, which are based on land type or use, and
- ▼ the concessions on rates available to pensioners.

Our assessment will involve analysing the exemptions and concessions using the tax principles discussed in Chapter 3, and identifying the potential options for reform. Where relevant, we will take account of rating systems in other jurisdictions, the findings of the Independent Local Government Review Panel (the Panel) and other matters listed in our terms of reference.

5.1 Exemptions from rates

Section 555 of the *Local Government Act 1993* (LG Act) exempts certain land uses from **all** rates (see Table 5.1). In addition, Section 556 exempts certain land uses from all rates other than water and sewerage charges (see Table 5.2).³⁹

³⁹ As discussed in Chapter 2, this review only covers the income derived from ordinary rates, special rates and some annual charges. It does not review special rates or charges for water and sewerage charges.

5 Assessing exemptions, concessions and rebates

Table 5.1 Main land uses exempted from all rates

Land type	Details
Crown land	No rates are payable unless the land is under private lease.
National parks and conservation areas	All land within a national park, historic site, nature reserve, state game reserve, karst conservation reserve, land subject to a conservation agreement and land associated with the Nature Conservation Trust of NSW.
Water corporation land	Land within a special or controlled area for Sydney Water or Hunter Water, land vested in or owned by Water NSW for installed water supply works, land within a special area for a water supply authority.
Land used for religious purposes	Land that belongs to a religious body which is used in connection with a church or other building used for public worship, a residence of a minister of religion, a building used for religious teaching or training.
Land used for schools	Land which is used in connection with a school inclusive of playgrounds, and buildings occupied as a residence by school teachers, caretakers or employees.
Land vested in an Aboriginal Council	Land vested in an Aboriginal Land Council that is not being used for a residential or commercial purpose, and land that is of spiritual or cultural significance that has been declared so by resolution with the approval of the Minister for Aboriginal Affairs.
Rail infrastructure land owned by a Public transport authority	Land vested in or owned by a public transport agency, for installed rail infrastructure facilities.
Land used for oyster cultivation	Land below high water mark and used for any aquaculture relating to oyster cultivation.

Source: *Local Government Act 1993*, section 555.

Table 5.2 Main land uses exempted from all rates other than water and sewerage charges

Land type	Details
Public places	Includes public reserves, cemeteries and free public libraries.
Mineral claims	Land that is the subject of a granted mineral claim, held under private lease from the Crown.
Public charities	Where the land is used for the purposes of the charity or public benevolent institution.
Public hospitals and other health purposes	Includes land vested in the Minister for Health, the NSW Health Foundation and the local health district.
Universities	Land vested in university or university colleges used solely for its purposes.
Special listed groups	Sydney Cricket Ground, Zoological Parks Board (exempt under regulation 123), Royal Agricultural Society, Museum of Sydney and Museum of Contemporary Art.
Cattle dipping	Land leased to the crown for cattle dipping.

Source: *Local Government Act 1993*, section 556.

5.1.1 How exemptions compare with tax principles

Exemptions are a subsidy to the exempt land use that is funded by local ratepayers. In considering exemptions, the key questions that arise are whether a subsidy is appropriate, and if so, what is the correct level of subsidy and who should pay for it.

In general, who should pay for an exemption should relate to who receives the public benefits from the goods and services provided by the exempt land use:

- ▼ If the benefits of an exempt activity are largely confined within the local government area boundary, then it may be appropriate for local ratepayers to fund the cost of the exemption.
- ▼ However, if the benefits are distributed beyond the local council area, it may be more equitable for the state government to share the funding costs of the exemption.⁴⁰

We have done some preliminary analysis on exemptions using the tax principles discussed in Chapter 3. This analysis is based on the overall impacts of exemptions on the community, businesses and other levels of government, and is discussed below.

Efficiency

Rate exemptions can have a positive or a negative impact on economic efficiency. For example, exemptions that result in larger spending on goods and services that produce large net social benefits may increase economic efficiency. This could include the exemptions provided to some education institutions and hospitals.

Exemptions may also prevent extra costs being imposed on state and federal governments when they provide public goods such as national parks, protected forests, and public places. The tax base of state and federal governments may be less efficient than council rates in funding public goods.

However, the provision of rate exemptions narrows the tax base, increasing the level of taxation for remaining ratepayers. This could have a negative impact on economic efficiency as, all else being equal, a higher rate of tax will cause larger changes in behaviour.

Exemptions may also change land use away from what would have occurred without any exemptions. Exemptions that do not provide substantial benefits to the community are inefficient if they stop land being put to its best use.

⁴⁰ An example might be the Royal Flying Doctor Service which provides health services across all outback areas.

5 Assessing exemptions, concessions and rebates

The exemptions provided to organisations may also encourage them to overuse council services, if they are not required to pay for direct costs, such as water and sewerage services.

Equity

Rate exemptions are subsidised by local ratepayers. This may be equitable when the exempt activity provides a large benefit to local ratepayers, or where the exempt organisation has limited ability to pay.

For example, some religious or charitable institutions may have limited ability to pay rates. Exemptions may allow them to spend more on social goods such as helping the disadvantaged in the local area, which results in more equitable outcomes for society.

Public schools and hospitals also can provide large social benefits and may have limited ability to pay rates without reducing service levels, or shifting additional costs onto state and federal budgets.

In addition, rate exemptions for commercial activities, such as the logging of state forests, mining or oyster cultivation, may not be equitable. The enterprises that undertake these activities generally have the ability to pay rates. Therefore, it may be more equitable to require them to make some contribution to local rates, especially where the activities are pursued for private profit.

Simplicity

Having a large number of exemptions will increase the complexity of the rating system. Increased complexity could result in higher costs of administering and monitoring exemptions. Exemptions should be kept to a minimum to promote simplicity, and only granted, or retained, where there are clear net benefits from doing so. NSW legislation has progressively provided for a larger number of exemptions. There may be scope for these to be rationalised.

Conditions that apply to exemptions should be objective, transparent and targeted to minimise the extra burden on local rate payers and the scope for disputes on eligibility. Furthermore, the costs of administering exemptions, monitoring compliance and determining eligibility should be low.

Sustainability

Broader tax bases tend to be more sustainable, as they can collect more revenue, tend to be more able to withstand volatile economic conditions and less susceptible to tax avoidance. Exemptions reduce the size and diversity of the rate base, and therefore may compromise sustainability.

Rate exemptions may especially compromise sustainability if:

- ▼ the existing rate base is small (eg, in rural and remote local government areas) and
- ▼ the exempt institutions impose substantial additional costs in the local government area (eg, forest logging causing road degradation).

Competitive neutrality

Competitive neutrality requires businesses competing with each other to be treated in a similar way. If rate exemptions are provided to government enterprises or charitable institutions that compete with the private sector, such as retirement villages or child care centres, this may result in the private sector incurring higher costs than the institutions receiving exemptions. Efficiency losses can occur if this cost disadvantage causes more efficient private providers to reduce, or to withdraw, the supply of services. In such cases, removing or narrowing the exemption may result in better outcomes.

5.1.2 Options for exemptions in a future NSW rating system

Our preliminary analysis suggests there could be several alternatives to exemptions for some of the land uses that are currently exempt from rates. These include removing the exemption for some land use categories, narrowing the exemption, giving councils discretion over the level of exemption, and replacing some exemptions with rebates.

Removing exemptions

There are several reasons that it could be appropriate to remove an exemption for a land use category. These include where:

- ▼ the exemption does not provide sufficient public benefits for the local community
- ▼ commercial activity is being carried out on the land providing the land owner with the capacity to pay rates
- ▼ the use of the land is contributing to substantial extra costs for the council, or
- ▼ the land owner is receiving substantial private benefits from council services.

Narrowing the exemption

Exempt land is sometimes used for more than one activity. In situations where a commercial activity is located on exempt land, it may be appropriate to levy rates on the portion of land used in profit generating activities. For example, this could allow commercial activities located within education or charitable institutions to be separately identified and have rates levied on the land associated with the activity, while the remainder of the institution retains the exemption.

5 Assessing exemptions, concessions and rebates

Tighter targeting of exemptions may have merit on equity and competitive neutrality grounds, and may lead to more efficient land use decisions being made. However, it might sometimes be difficult in practice to identify the proportion of the land used in profit-generating activities.⁴¹

Giving councils more discretion over the level of exemptions

Local councils do not have discretion on the granting or level of exemption for land use types listed under sections 555 and 556 of the LG Act. For some of these land use types, such as public charities, it may be more equitable if councils were given some scope to reduce the level of exemption below 100%. Councils could determine the level of exemption depending on factors such as whether public benefits flowed mainly to the local community or more broadly.

Flexibility could be achieved either by allowing councils to determine the level of exemption for certain activities, or allowing them to make additional rating categories and subcategories for these activities. However, this additional flexibility could result in an increased number of disputes if ratepayers disagree with the level of exemption offered by council.

Replacing exemptions with rebates

It may be appropriate to replace some exemptions with rebates. A rebate could be a partial reduction in rates payable for those land users that meet eligibility criteria, or who make an application to the council.

Some of the advantages of using rebates are that they:

- ▼ make the associated costs more transparent, and tend to receive greater scrutiny, ensuring the original intent of the policy is maintained
- ▼ can better and more narrowly target particular activities and land uses that generate high public benefits
- ▼ provide a mechanism to give varying levels of rate relief rather than the 'all or nothing' approach under the current exemptions, and
- ▼ can provide a mechanism for state and local governments to share costs in granting rate relief, which may be appropriate where the public benefits from the activity flow widely.

Examples where rebates may be a better policy than a full exemption include government land supplying services that are sold, such as rail infrastructure land, water corporation land, the Sydney Cricket Ground, and the Museum of Sydney.

⁴¹ An example where this may be difficult is where a university partners with a private firm in undertaking research.

5.1.3 Councils also receive exemptions from tax

Local government also receives exemptions from paying state and federal government taxes, such as payroll tax, stamp duty and income tax. Therefore, in conducting further analysis we will take a holistic approach. That is, we will also look at the consistency and efficiency of tax arrangements between levels of government overall – including the exemptions councils receive as well as those they are required to provide.

If some exemptions councils are required to provide are changed, it may also be appropriate to review some exemptions they receive. Any changes should improve overall efficiency, equity and competitive neutrality.

IPART seeks comment

- 10 Are the land uses currently exempt from paying council rates appropriate? If a current exemption should be changed, how should it be changed? For example, should it be removed or more narrowly defined, should the level of government responsible for providing the exemption be changed, or should councils be given discretion over the level of exemption?
- 11 To what extent should the exemptions from certain state taxes (such as payroll tax) that councils receive be considered in a review of the exemptions for certain categories of ratepayers?

5.2 Concessions for pensioners

Our terms of reference require us to consider the appropriateness and impact of mandatory concessions, and also take account of the NSW Government's commitment to providing rate concessions to pensioners.⁴²

The Government introduced mandatory pensioner concessions for council rates and charges in 1989. Under the current scheme, eligible pensioners⁴³ are required to apply to their local council to receive a 50% discount on their combined ordinary council rates and waste service charges, up to a maximum of \$250 per annum.⁴⁴ The cost of providing this discount is shared between the NSW Government (55% or \$76 million) and the local council (45% or \$62 million).⁴⁵

⁴² Office of Local Government, *Independent Local Government Review Panel recommendations – NSW Government Response*, September 2014, p 4.

⁴³ Eligible pensioners are residential property owners who hold a pensioner concession card (PCC), hold a Gold card embossed TPI (Totally and Permanently Incapacitated), hold a Gold card embossed EDA (Extreme Disability Adjustment), or are a war widow or widower or wholly dependent partner entitled to the DVA income support supplement.

⁴⁴ See Office of Local Government, *Factsheet: Pensioner Concessions on Council Rates and Charges*, 2011. Available at: <https://www.olg.nsw.gov.au/sites/default/files/Pensioner-concession-factsheet-2011.pdf>, accessed 17 March 2016.

⁴⁵ Panel Report, p 40.

5 Assessing exemptions, concessions and rebates

NSW councils can also voluntarily offer additional concessions to pensioners.

5.2.1 What pensioner concessions are available in other jurisdictions

Table 5.3 compares the NSW concession scheme with pensioner concessions available in other states. While the quantum of concession offered is comparable, there are a few key differences in pensioner concessions across states:

- ▼ In all states other than NSW, the funds for the concession are wholly provided by the relevant state or territory government. In NSW, these costs are partially recovered from other ratepayers.
- ▼ In South Australia and Western Australia, there are arrangements for pensioners to defer the payment of a portion of their rates.

Table 5.3 Pensioners' concessions on rates across Australia

	Type of Relief	Value of relief	Funding source
NSW	Concession only	50% discount, up to \$250 pa	55% state 45% council
VIC	Concession only	50% discount, up to \$213 pa	100% state
QLD	Concession only	20% discount, up to \$200 pa	100% state
WA	Concession or rate deferral	50% discount	100% state
SA	Rate deferral only	All rates in excess of \$500 pa	100% state
NT	Concession only	62.5% discount, up to \$200 pa	100% state
TAS	Concession only	30% discount, up to \$425 pa	100% state

Note: Figures as at 16 March 2016.

Sources: NSW *Local Government Act 1993*, NSW *Local Government Regulation 2005*, *Local Government Act 1989* (VIC), *Local Government Act 2009* (QLD), *Local Government Regulation 2012* (QLD), *Local Government Act 1999* (SA), *Local Government (General) Regulation 2013* (SA), *Local Government Act 1995* (WA), *Local Government (Financial Management) Regulation 1996* (WA), *Local Government Act 1993* (Tas), *Local Government Act 2008* (NT), NTPCCS Policy Manual, January 2016.

In South Australia, the Postponement of Rates Scheme allows retirees to postpone paying council rates and finance them through a loan against the equity in the home.^{46,47} Ratepayers incur interest on the outstanding amount set at the council's average borrowing cost and compounded monthly. This accrued debt is payable when the property is sold or transferred to someone else.

⁴⁶ For details, see *Local Government Act 1999* (SA), section 182A and *Local Government (General) Regulations 2013* (SA), regulation 18.

⁴⁷ Prior to 2015, the South Australian government also offered a pension concession of up to \$190. In 2015, this pensioner concession was replaced with a broader 'cost of living' concession of up to \$200 for pensioners and low income earners. For more details, please see: Government of South Australia, *Cost of Living Concession*, available at: <http://www.sa.gov.au/concessions/costofliving>, accessed 23 March 2016.

5.2.2 Analysis of pensioner concessions using tax principles

Pensioner concessions have a number of impacts on both local councils and other ratepayers.

- ▼ To the extent they are not financed by the state government, they reduce the contribution pensioners make towards council revenue. This narrows the rate base, and thus reduces economic efficiency.
- ▼ Pensioner concessions also result in a subsidy to pensioners who own property, and those who will inherit their estate. The cost is borne by taxpayers and other ratepayers. Such a redistribution can be inequitable.
- ▼ The impact of the pensioner concession is not evenly distributed as it results in a greater burden on councils and ratepayers in areas with a high proportion of pensioners. These may be low income areas, particularly in rural areas which have seen a net emigration of younger households.

The design of the current concession scheme in NSW (ie, a 50% or \$250 discount, whichever is lower) promotes equity because the discount it provides is likely to be worth relatively more to pensioners with lower value properties and less ability to pay. It also ensures the overall growth in the cost of the scheme is contained over time. However, it also decreases the real value of the concession by inflation or about 2.5% per year.

5.2.3 Options for pensioner concessions in a future NSW rating system

There are several options that could be considered for pensioner concessions, each of which will achieve different objectives. These include:

- ▼ **Retaining the current concession scheme.** This option meets current welfare objectives and is consistent with the NSW Government's commitment to providing rate concessions to pensioners. However, the Panel suggested "it is doubtful whether funding such a concession ought to be a local government (or even state government) function within Australia's federal system".⁴⁸
- ▼ Replacing the current concession scheme with a **rate deferral scheme** as occurs in South Australia. This option could better ensure asset-rich, income-poor ratepayers are not adversely affected by council rates. This option would also lower the cost to councils and government.
- ▼ **Introducing an asset test** that limits eligibility for the concession where the property is over a certain value (for example, \$1 million). This option prevents ratepayers subsidising pensioners who are asset-rich.

IPART seeks comment

- 12 What should the objectives of the pensioner concession scheme be? How could the current pensioner concession scheme be improved?

⁴⁸ Panel Report, p 40.

6 Freezing existing rate paths for newly merged councils

For councils that merge as part of the *Fit for the Future* process, the NSW Government has announced a policy of freezing their existing rate paths for four years. The aim of this policy is to provide ratepayers with certainty about their rates.⁴⁹ Our second task in this review is to recommend a legislative and regulatory approach to implement this policy.

The sections below outline:

- ▼ our interpretation of the policy and how it affects each element of the rating system for newly merged councils, and
- ▼ the legislative and regulatory options for implementing this policy.

6.1 IPART's interpretation of existing rate path freeze policy

We interpret the Government's policy to mean that for the four years after a *Fit for the Future* merger, rates would continue to be set in each pre-merger council area so that the rate path in that area follows the same trajectory as if the merger had not occurred. That is, this rate path should comprise the pre-merger council's general income⁵⁰ in the year the merger takes place,⁵¹ adjusted by the following two external factors:

1. the rate peg OR any special variation approved for the council prior to its merger, and
2. the expiry of any temporary special variations that applied to the council prior to its merger.

IPART seeks comment

- 13 We have interpreted the rate path freeze policy to mean that in the four years after a merger, the rating path in each pre-merger council's area will follow the same trajectory as if the merger had not occurred. Do you agree with this interpretation?

⁴⁹ NSW Government, *Media Release – Stronger Councils for Sydney and Regional NSW*, at <https://www.nsw.gov.au/media-releases-premier/stronger-councils-sydney-and-regional-nsw>, 18 December 2015, accessed 16 March 2016.

⁵⁰ This is income derived from ordinary rates, special rates and specified annual charges (section 505 of the *Local Government Act 1993* (NSW)). Special rates and charges for water and sewerage are not included in a council's general income.

⁵¹ That is, the financial year beginning 1 July.

6.1.1 What about new special variations?

Under our interpretation of the rate path freeze policy, a merged council would generally not be eligible for new special variations during the rate path freeze period. However, we propose they should retain the discretion to apply for new special variations in three limited circumstances. Specifically, new special variations:

1. where former Crown Land has been added to their rating base during the freeze period⁵²
2. for development contributions that are 'above the cap' under the *Environmental Planning and Assessment Act 1979* (NSW),⁵³ and
3. to fund new infrastructure projects in their area by levying of a special rate.⁵⁴

Adding former Crown Land to a merged council's rating base may lead to higher demand for its services and an increase in its costs. Therefore, merged councils should have the discretion to apply for a special variation to their general income (above the rate peg limit) to take account of this cost increase.

Development contributions are payments by developers to councils that are used to fund community facilities and infrastructure for new developments. If a council's development contributions for an area exceed the relevant cap,⁵⁵ the council may seek to fund the gap by applying for a special variation.^{56,57} Merged councils should be able to apply for this type of special variation during the freeze period, otherwise it could limit the funds available for a new development's facilities and infrastructure.

Similarly, merged councils should be able to apply for special variations to fund new infrastructure projects. While such special variations may reduce certainty for some ratepayers about the amount of their rates during the freeze period, the alternative may cause councils to reduce their infrastructure development below that required by the community during this period.

⁵² Provided that the special variation only applies to the general income of the council whose pre-merger area now includes the former Crown Land.

⁵³ Provided that the contributions are only recovered through special rates on parcels of land that will benefit from the development.

⁵⁴ The special rate would be levied under Section 495 of the LG ACT.

⁵⁵ Local development contributions are capped at \$30,000 per residential lot or dwelling for greenfield areas, and \$20,000 per residential lot or dwelling for all other areas (Minister for Planning direction under section 94E of the *Environmental Planning and Assessment Act 1979* (NSW)).

⁵⁶ Office of Local Government, *Guidelines for the preparation of an application for a special variation to general income for 2016/17*, January 2016, p 23.

⁵⁷ Alternatively, a council may seek to fund this gap by applying for government funds under the Local Infrastructure Growth Scheme (<http://www.planning.nsw.gov.au/About-Us/Our-Programs/Local-Infrastructure-Growth-Scheme>, accessed 30 March 2016).

6 Freezing existing rate paths for newly merged councils

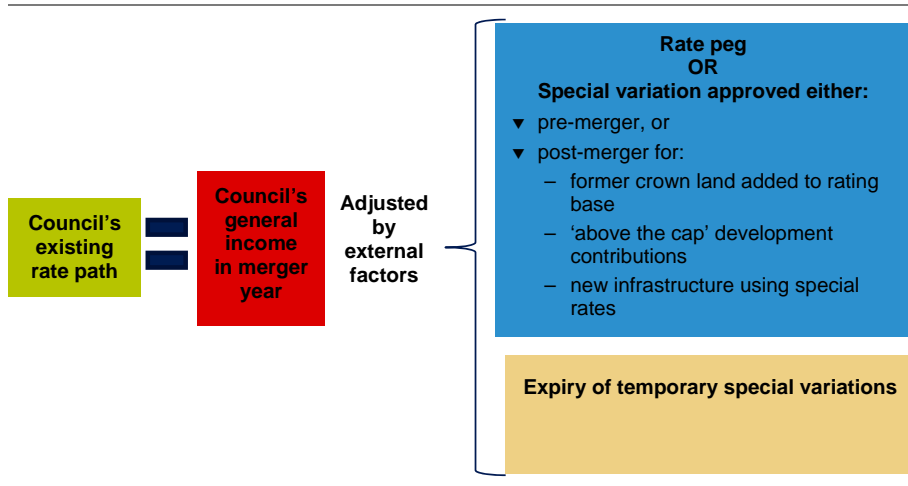
This third discretion, if allowed, would be granted only in very limited circumstances. That is:

- ▼ to fund **new infrastructure**
- ▼ using a **special rate**, and
- ▼ the special rate would only be levied on parcels of **land that benefit** from the infrastructure.

Councils would need to apply under the special variation process for approval of this special rate.

Figure 6.1 illustrates our interpretation of a pre-merger council's existing rate path, including new special variations that it would be able to apply for in limited circumstances.⁵⁸

Figure 6.1 A pre-merger council's existing rate path over the rate path freeze period (including new special variations)



⁵⁸ The merged council would be the actual entity that applies for the new special variation. This special variation, if approved, would then only impact on revenue that the merged council can recover from the pre-merger council area that contains the former Crown Land, new development or new infrastructure project (as applicable).

6 Freezing existing rate paths for newly merged councils |

IPART seeks comment

- 14 Within the rate path freeze period, should merged councils be permitted to apply for new special variations:
- For Crown Land added to the rating base?
 - To recover amounts that are ‘above the cap’ on development contributions set under the *Environmental Planning and Assessment Act 1979*?
 - To fund new infrastructure projects by levying a special rate?
- 15 Are there any other situations where merged councils should be able to apply for new special variations within the rate path freeze period?

6.1.2 What discretions will merged councils have in setting rates during the rate path freeze period?

Under our interpretation of the rate path freeze policy, the rates⁵⁹ payable on each parcel of land should only change as a result of external factors (eg, rate peg), and **not** as a result of the council merger. In other words, the pre-merger council’s existing rate paths for all categories and sub categories of land will **also** follow the same trajectory as if the merger had not occurred.

Therefore, merged councils will have limited discretion as to how they set rates. For example, during the freeze period, merged councils would not be able to redistribute their rating burden between:

- ▼ the pre-merger council areas that make up the new merged council area
- ▼ base or minimum amounts and ad valorem amounts, or
- ▼ rating categories⁶⁰ within the pre-merger council areas.

Otherwise, the rates collected from each ratepayer may not be consistent with the Government’s objective of providing rate certainty.

Changes to the amounts within a rate structure

As Chapter 2 outlined, local councils may calculate rates using an:

- ▼ **ad valorem amount** (ie, a variable charge calculated as a percentage of the unimproved land value of the rateable property), which may be subject to a **minimum amount**, or
- ▼ **ad valorem** amount plus a **base amount** (ie, a fixed fee levied equally on all properties within a given category).

⁵⁹ That is, those rates that generate the rate revenue that is included in a council’s general income.

⁶⁰ In this section, each reference to ‘category’ should be read as ‘category (or subcategory)’.

6 Freezing existing rate paths for newly merged councils

We consider that merged councils should only be able to increase base amounts and minimum amounts each year by the rate peg percentage, subject to:

- ▼ base amounts and minimum amounts being adjusted for any relevant existing or expiring special variations, and
- ▼ where the minimum amount is set at the maximum limit under the LG Act, it continue being set at this limit.

Changes to rates by rating categories

Ordinary rates are levied on rateable land. This land is divided into four categories: residential, business, farmland and mining. Councils may further divide these categories into subcategories.⁶¹

Changes to a council's rating burden arise from increasing its general income by the rate peg each year.⁶² This changed rating burden then needs to be distributed among ratepayers. We propose that merged councils should not have the discretion to determine which rating category should bear the changed rating burden. Instead, rates for each category should either vary according to:

- ▼ the relative change in the total land value of that rating category against other categories within the pre-merger council area (**relative change method**), or
- ▼ the rate peg, to fix the percentage share of rates revenue in each rating category (**fixed share method**).

Under the relative change method, the increase in rates for each category would be determined by relative changes in land value. Business and residential land categories would bear the change in rates in proportion to their relative change in land values. For example, if business land values increased by more than residential land values, business rates would increase by more than residential rates. The combined increase in these rates would then match the increase in council rates permitted under the rate peg. Under this method, changes in rates would be driven solely by the rate peg and changes in relative land values.

Under the fixed share method, rates for each category of land would be increased by the rate peg (irrespective of changes in land values).

We propose councils would have discretion to allocate the changed rating burden each year either by the **relative change method** or the **fixed share method**.

⁶¹ Only on the basis of criteria specified in the *Local Government Act 1993* (NSW).

⁶² In this section, each reference to 'the rate peg' should be read as 'the rate peg (or any applicable special variation)'.

6 Freezing existing rate paths for newly merged councils |

Discretion to set rates below the maximum

The rate path freeze policy acts as a 'ceiling' on rate increases, in that it determines the maximum rates that merged councils can charge in each pre-merger council area during the freeze period.

However, councils would have the discretion to set their rates below this ceiling for any rating category,⁶³ particularly in view of the substantial financial savings that could be generated by the mergers.⁶⁴ This option provides councils with the flexibility to begin implementing a fair and equitable rating system in the lead up to the end of the freeze period. This issue is discussed in detail in Chapter 7.

IPART seeks comment

- 16 During the rate path freeze period, should merged councils only be able to increase base amounts and minimum amounts each year by the rate peg (adjusted for any permitted special variations)?
- 17 During the rate path freeze period, should merged councils be able to allocate changes to the rating burden across rating categories by either:
 - relative changes in the total land value of a rating category against other categories within the pre-merger council area, or
 - the rate peg (adjusted for any permitted special variations)?
- 18 Do you agree that the rate path freeze policy should act as a 'ceiling', so councils have the discretion to set their rates below this ceiling for any rating category?
- 19 What other discretions should merged councils be given in setting rates during the rate freeze period?

To further explain our interpretation of the Government's policy, Table 6.1 outlines how each element of the current rating system would operate during the freeze period.

⁶³ Under our proposed approach, if a council chooses to charge a rating category below the maximum, it would not be able to charge another rating category above its maximum to recover the foregone revenue.

⁶⁴ According to a report prepared by KPMG on behalf of the NSW Government, the proposed mergers have the potential to generate a net financial benefit to councils of around \$2.0 billion across over the next 20 years (NSW Government, *Local Government Reform: Merger impacts and analysis*, December 2015, p 2).

6 Freezing existing rate paths for newly merged councils

Table 6.1 Rating system during the rate path freeze period

Element of rating system	How element would operate during rate path freeze period
Rate peg	<ul style="list-style-type: none"> ▼ The rate peg would continue to be set in the current way.
General income	<ul style="list-style-type: none"> ▼ The maximum general income of a merged council would be the sum of the 'maximum general incomes' calculated for each pre-merger council area, which are calculated separately using general income in merger year adjusted by the rate peg and other external factors listed in Figure 6.1. ▼ Where a pre-merger council area is split between multiple newly merged councils, calculation of the 'maximum general income' would require the newly merged councils to consider all land within the entire pre-merger council area.
Ordinary rates, rate structure	<ul style="list-style-type: none"> ▼ Different rate structures would apply within merged council areas. Rates revenue would be set based on the rates in each pre-merger council area, and would only vary according to the rate peg, changes in land values, and other external factors listed in Figure 6.1. ▼ The ad valorem amount in any ordinary rate would only be adjusted for changes in the rate peg and other external factors. ▼ The base amount or minimum amount in any ordinary rate would only be adjusted by the rate peg. ▼ Councils would not be eligible to apply to set their minimum amount above the level set out in the LG Act and LG Regulation. ▼ Where any active variations of minimum amounts have been already approved, these could also increase by the rate peg. ▼ Merged councils would not be able to determine new categories or subcategories of land, or to combine existing subcategories of land, for existing ratepayers.
Ordinary rates, rating categories	
Special rates, within general income	<ul style="list-style-type: none"> ▼ Where a special rate is not the subject of an existing temporary special variation, it would be treated in the same way as an ordinary rate. ▼ Where a special rate is the subject of a temporary special variation, it would remain at the level approved under the special variation until the special variation ends. After that, the council would no longer be able to levy the special rate.
Annual charges and special rates, outside of general income	<ul style="list-style-type: none"> ▼ Annual charges and special rates outside of general income would continue to be set as they are currently set. ▼ The Planned Emergency Services Property Levy, announced by the NSW Government on 10 December 2015, would not be affected by the rate path freeze policy.
Special variations	<ul style="list-style-type: none"> ▼ Any existing temporary special variations would continue to apply until they expire. ▼ Merged councils would generally not be able to apply for special variations during the freeze period. However, we propose that special variations could be allowed: <ul style="list-style-type: none"> – where former Crown Land has been added to the rating base – for development contributions that are 'above the cap' under the <i>Environmental Planning and Assessment Act 1979</i> (provided that the contributions are only recovered through special rates on parcels of land that will benefit from the development), or – for other special rates for new infrastructure (provided the special rate is levied on parcels of land that will benefit from the new infrastructure).

6.2 Options for implementing the rate path freeze policy

Legislative change would be required to implement the rate path freeze policy. It could not be achieved under the *Local Government Act 1993* (LG Act) in its present form.

We have identified three possible approaches to implementing the rate path freeze policy. These approaches are outlined below, in IPART's order of preference.

6.2.1 Option 1: Amend the LG Act to introduce a new instrument-making power

The LG Act could be amended to provide for a new instrument or regulation-making power. This instrument would need to be able:

- ▼ to vary or displace current provisions in the LG Act as they apply to a newly merged council during the four years following the merger, and
- ▼ to impose obligations during the four years following the merger for the purpose of implementing the rate path freeze policy.

For example, the instrument-making function could be given to the Minister for Local Government. Amendments to the LG Act could require the instrument to set out a methodology that merged councils must apply when setting their rates.

This broader instrument-making power would need to strike a balance between providing the flexibility to implement a complex rate-setting mechanism that may require adjustments, and providing some certainty around the rate path freeze policy.

6.2.2 Option 2: Amend the LG Act to expand the Governor of NSW's proclamation power

This option would broaden the Governor's existing merger proclamation power under section 218A of the LG Act. To implement the rate path freeze policy, the expanded proclamation power would allow the Governor to displace certain provisions of the LG Act as applied to merged councils, and impose obligations during the four years following the amalgamation – the same as the instrument-making power under Option 1.⁶⁵

⁶⁵ Such a proclamation-making power would be closer in scope to the power to make 'restructuring orders' under Part 10C of the *Local Government Act 1989* (Vic).

Attachment

6 Freezing existing rate paths for newly merged councils

For this option to be effective, the legislative amendments would need to commence before the Governor makes any merger proclamation. While Option 2 would require slightly less substantial amendments to the LG Act than Option 1, it provides less flexibility in relation to timing. It would also require the mechanism for the rate path freeze to be duplicated in each merger proclamation.

6.2.3 Option 3: Providing for the rate path freeze entirely through amendments to Chapter 15 of the LG Act and LG Regulation

This approach would involve substantial amendments to the LG Act and LG Regulation. While this would provide greater certainty than the previous options, it would increase the complexity of these instruments, as the entire rate-setting mechanism to apply during the freeze period would need to be set out in these instruments.⁶⁶

IPART seeks comment

- 20 We considered several options for implementing the rate path freeze policy. Our preferred option is providing the Minister for Local Government with a new instrument-making power. What are your views on this option and any other options to implement the rate path freeze policy?

⁶⁶ The amendments would need to create temporary, sometimes partial, exceptions that apply only to newly merged councils where existing provisions conflict with the rate path freeze (such as sections 493(2), 495, 497, 498(3), 499(1) and (4), 529(1) and (3) and 548(1)).

7 Establishing new, equitable rates after the 4-year freeze

After the 4-year rate path freeze expires, merged councils will be required to set new rates across the whole post-merger area. As part of our review, we will consider any issues that might arise in setting equitable rates or transitioning to them in a fair and timely manner, and analyse how these issues could be addressed. In doing so, we will take account of the NSW Government's commitment to protect NSW residents against excessive rate increases.

At this stage, we have identified two issues related to:

- ▼ the current requirement to set a single residential rate within a centre of population (rate equalisation), and
- ▼ the treatment of special variations approved for a pre-merger council.

The sections below discuss each of these issues and the options for addressing them.

7.1 Residential rate equalisation within a centre of population

There are no specific provisions in the LG Act addressing the levying of rates following a merger of several councils. However, Section 529(2)(b) of the LG Act specifies that councils are only allowed to set different residential rates within a local government area on the basis of two subcategories, specifically "whether the land is rural residential land or is **within a centre of population**".⁶⁷

⁶⁷ The Office of Local Government revenue raising manual provides guidelines for interpreting the "within a centre of population" definition. It states that:

- "Separate towns or villages may be regarded as discrete centres of population.
- A centre of population should not be a device intended to enable rating variations within an homogeneous suburb or suburbs, or by street, or by any special feature such as proximity to water.

It is clear that subcategorisation on the basis of centres of population may have limited application within the suburbs of the main urban centres."

For more details, see Department of Local Government, *Council Rating and Revenue Raising Manual*, 2007, p 23.

7 Establishing new, equitable rates after the 4-year freeze

In practice, this means councils must set the same residential rate **within a centre of population**. As a merged council within Sydney would comprise one centre of population, it could not set different residential rates within the post-merger area after the 4-year freeze expires. Instead, it would have to instantaneously set the **same** residential rate structure for the whole area when the ordinary rate is made on 1 July 2020 after the rate path freeze expires.⁶⁸

Rate equalisation may cause excessive rate change

The requirement to equalise residential rates within a centre of population could expose some Sydney residential ratepayers to large rate increases following the expiry of the rate path freeze. The issue may also arise with some regional mergers. That said, council mergers are expected to deliver cost savings for the merged council areas, so these cost savings could be used to offset rate increases. Nevertheless, large residential rate increases could still occur in some instances.

For example, when a council that levies low residential rates per dollar of land value merges with another that levies high residential rates per dollar of land value, it could lead to substantial rate increases for some homeowners and commensurate decreases for others.

To illustrate this, consider two merging councils, Council A and Council B, that:

- ▼ each collected the same amount of local rate revenue prior to their merger, but
- ▼ Council A levied residential rates at 0.1% per dollar of land value, and Council B levied residential rates at 0.2% per dollar of land value.

Under the current LG Act, residential rates need to be equalised in first the year after the rate path freeze ends, which could cause a once-off increase in rates of 33% in Council A's area and a once-off fall of 33% in Council B's area.⁶⁹

During our *Fit for the Future* assessments in 2015, some councils provided evidence to IPART that under rate equalisation their residents may be exposed to rate rises of between 20% and 50%.⁷⁰

⁶⁸ In contrast, councils will be able to levy different rates for businesses in different centres of activity. In other words, councils will be able to charge different rates for businesses in different suburbs.

⁶⁹ These rate changes may be reduced if the council adopted base amounts in the new rating structure.

⁷⁰ Please refer Council Improvement Proposals, available at the IPART Fit for the Future website: http://www.ipart.nsw.gov.au/Home/Industries/Local_Govt/Fit_for_the_Future

Other examples include:

- ▼ When councils that have different rating structures merge, rate equalisation could result in sizeable rate changes for individual residential ratepayers. This could occur when a pre-merger council which extensively used minimum or base amounts merges with another council that only used ad valorem amounts.
- ▼ When councils that set different residential rates based on higher/lower service levels merge, the equalised post-merger rates could increase substantially in the lower service/lower rate pre-merger council area. Thus, ratepayers in that area would cross-subsidise those in the higher service council area over the short to medium term.

These issues are less likely to arise for rural councils that merge, as residential rural land typically comprises separate towns or villages, and the LG Act states that these can be regarded as discrete centres of population. Thus, there is no requirement for merged rural councils to set a single residential rate for the whole merged area.

7.1.2 Options for addressing issues related to rate equalisation

We have identified several options for addressing the issues arising from rate equalisation across merged council areas after the rate freeze expires. These include:

- ▼ removing the rate equalisation requirement from the LG Act
- ▼ allowing merged councils to gradually equalise rates after the rate freeze expires, and
- ▼ using other potential changes to the rating system to offset the impact of rate equalisation.

Remove the rate equalisation requirement

If the requirement to set the same residential rate within a centre of population was removed, a merged urban council would be able to prevent excessive rate rises by setting different residential rates within the enlarged post-merger area.

If implemented, the existing merger proposals would result in much larger council areas in Sydney. This raises the question whether rate equalisation within a population centre remains an appropriate principle. Larger councils may need to have some capacity to charge different residential rates based on local considerations.⁷¹

⁷¹ Different local rates could be based on local factors such as the demand for, or cost of supply of, local government services.

7 Establishing new, equitable rates after the 4-year freeze

However, if this requirement were removed, it may be important to place additional obligations on councils to protect local ratepayers from inequitable rates.⁷² For instance, councils might only be allowed to set rates within a defined range.

Allow merged councils to gradually equalise rates

Instead of requiring merged councils to instantaneously equalise residential rating structures after the rate path freeze expires, councils could be allowed a longer time period to adjust rates for the merged council. This could:

- ▼ allow the council to smooth rate changes for residents, especially if the council is also implementing other rating or merger reforms
- ▼ give the council more time to adjust service levels across the enlarged post-merger area, and
- ▼ provide greater time for the merger savings to be realised which could reduce the size of any rate increases that may be needed.

A local council could be given the option when transitioning to the new system of restricting real rate changes to no more than 5% per year (or some other percentage).

Use other changes to the rating system to offset rate increases

In this Issues Paper, we have identified a number of options for reform to the current rating system. If implemented, these changes would have impacts on the distribution of the rating burden across merged council areas. These changes could also offset the impact of the rate equalisation requirement.

For example, Chapter 4 identified a number of options to provide councils with more flexibility to choose a valuation base for levying rates, and with varying base and minimum amounts. This flexibility could be used by merged councils to smooth the impact of the merger on the ratings burden within the local community.⁷³

IPART seeks comment

- 21 Should changes be made to the LG Act to better enable a merged council to establish a new equitable system of rating and transition to it in a fair and timely manner? If so, should the requirement to set the same residential rate **within a centre of population** be changed or removed?

⁷² Section 8(1) of the LG Act does require councils “to raise funds for local purposes by the fair imposition of rates”.

⁷³ For example, a shift to CIV would be expected to reduce the gap between the value of apartments and houses for the purposes of rating. To the extent that properties with higher assessed land values – typically houses – could face large rate increases following the expiry of the rate path freeze, a shift in the ratings method could reduce the magnitude of rate increases for these properties.

7.2 Approved special variations for merged councils and other issues

A council that has been merged may have had a special variation approved prior to the merger. As discussed in Chapter 6, under our interpretation of the rate path freeze, the general income of a merged council during the rate path freeze would include any extra revenue from special variations that have been approved for pre-merger councils. As the pre-merger council ceases to exist after a merger, the special variation approved prior to the merger, and the extra permissible revenue associated with it, also legally ceases to exist.

To address this issue, IPART interprets the rate path freeze to mean that the general income of the larger merged council should include any extra revenue from special variations that have been approved pre-merger. The extra revenue from approved special variations would be included in the merged council's rate base both during the 4-year rate freeze and afterwards.⁷⁴

This policy would apply to both approved special variations operating only during the 4-year rate freeze and those of longer duration.

To do this, the Governor's merger proclamation power could be used to include any approved special variations in the rate base of the merged council.⁷⁵

IPART seeks comment

- 22 Should approved special variations for pre-merger councils be included in the revenue base of the merged council following the 4-year rate path freeze?
- 23 What other rating issues might arise for merged councils after the 4-year rate path freeze period expires?

⁷⁴ Temporary special variations would drop out of the rate base when they expire as would have occurred if a merger had not taken place.

⁷⁵ The Governor's proclamation could include facilitating provisions that allow the merged council to recover the additional revenue the pre-merger council would have recovered under an already approved special variation.

Attachment

Attachment



Appendices

Attachment

Attachment

A Terms of Reference



Dr Peter Boxall AO
Chairman
Independent Pricing and Regulatory Tribunal
PO Box K35
HAYMARKET POST SHOP NSW 1240



Reference: A1444504

18 DEC 2015

Dear Dr Boxall

Pursuant to section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992*, I am writing to request the Tribunal undertake a review of the Local Government rating system in accordance with the attached Terms of Reference.

The implementation of an efficient and equitable rating system is a key component of the Government's *Fit for the Future* reforms, and will ensure all councils are able to implement sustainable fiscal policies and reforms over the longer-term.

Critically, the Tribunal's review should seek to recommend a legislative or regulatory approach to support the Government's policy of freezing existing rate paths for a period of four years for councils that merge as part of the *Fit for the Future* process.

An interim report outlining options and recommendations to achieve this commitment should be provided to the Minister for Local Government within six months. A final report addressing all aspects of the terms of reference should be provided to the Minister within 12 months.

Should you have any questions or wish to discuss this matter further, please contact Mr John Clark, Executive Director, Local Government Reform on 9228 3570 or john.clark@dpc.nsw.gov.au

Yours sincerely

A blue ink signature of Mike Baird.

MIKE BAIRD MP
Premier

Encl: Terms of Reference, Local Government Rating System in NSW

A Terms of Reference

Terms of Reference

The Local Government Rating System in NSW

I, Mike Baird, Premier of New South Wales, approve the provision of services by the Independent Pricing and Regulatory Tribunal (IPART) under section 9 of the *Independent Pricing and Regulatory Tribunal Act 1992 (IPART Act)* to the Minister for Local Government for the review of the local government rating system in accordance with these 'terms of reference'.

General

IPART is to undertake a review to identify and make recommendations for potential reforms to the rating system for local government in NSW. These recommendations will aim to:

- Enhance the ability of councils to implement sustainable and equitable fiscal policy and
- Provide the legislative and regulatory approach to achieve the Government's policy of freezing existing rate paths for four years for newly merged councils.

In investigating and making recommendations for this review, IPART is to consider:

- a) the performance of the current rating system and potential improvements, including consideration of:
 - the rating burden across and within communities, including consideration of apartments and other multi-unit dwellings;
 - the appropriateness and impact of current rating categories and exemptions, mandatory concessions and rebates;
 - the land valuation methodology used as the basis for determining rates in comparison to other jurisdictions;
 - the impact of the current rating system on residents and businesses of a merged council and the capacity of the council to establish a new equitable system of rating and transition to it in a fair and timely manner.
 - the objectives and design of the rating system according to recognised principles of taxation.
- b) current examples of municipal best practice rating policies and schemes;
- c) the impact of the current and alternative frameworks for the rating system on communities and businesses and their capacity to pay; and
- d) any other matter IPART considers relevant.

In undertaking its review under these Terms of Reference, IPART is to take account of:

Attachment

A Terms of Reference

- the importance of Integrated Planning and Reporting in determining the revenue required to deliver services and infrastructure;
- the current financial sustainability of local government in NSW, including the findings and deliberations of the NSW Treasury Corporation report Financial Sustainability of the NSW Local Government Sector, 2013;
- the findings and deliberations of the Independent Local Government Review Panel and subsequent Government response;
- the NSW Government's policy of encouraging urban renewal; and
- the NSW Government's commitment to protect NSW residents against excessive rate increases and to providing rate concessions to pensioners.

Public consultation

IPART should consult with relevant stakeholders and NSW Government agencies by releasing an Issues Paper and Draft Report for their review on the IPART website. IPART should also consult with the Fit for the Future Ministerial Advisory Group.

IPART may also hold public hearings for the purposes of this review.

Timeframe

An interim report with recommendations on the legislative and regulatory approach to achieve the Government's policy of freezing existing rate paths for four years for newly merged councils should be submitted to the Minister for Local Government within 6 months of signing of the Terms of Reference.

A final review report should be formally submitted to the Minister for Local Government within 12 months of signing of the Terms of Reference.

Governance

IPART should provide progress briefings at regular intervals or as requested to the Chief Executive, Office of Local Government.

The Minister for Local Government will decide on the timing of release of the final report.

Supporting information and recommendations

IPART is to collect relevant material and data to establish the impacts to councils, communities and NSW of the current rating system, and to provide reasons for any recommendations for reform.

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A Terms of Reference

Background

The Independent Local Government Review Panel (Panel) made a number of recommendations regarding general reform of the local government system in NSW, including options to strengthen the revenue base of local government.

As part of its response to the Panel, the NSW Government has agreed to commission IPART to undertake a further review of the rating system reflecting on issues raised by the Panel regarding the equity of the current system.

The Government also committed to introduce a new Local Government Act from 2016. This review will inform the rating provisions in the new Act.

B Reports to be considered by IPART

B.1 TCorp Report on Financial Sustainability

Following an assessment of 152 NSW councils, the 2013 TCorp report into financial sustainability of NSW councils⁷⁶ made a number of key findings, including:

- ▼ Operating deficits are unsustainable - only one third of councils in 2012 reported an operating surplus. Over the period 2009 to 2012, the cumulative operating deficit of NSW councils totalled \$1.0 billion.
- ▼ The total infrastructure backlog of NSW councils had reached \$7.2 billion by 2012.
- ▼ Financial sustainability is deteriorating with 50% of councils' financial outlook likely to be rated 'weak' or lower by 2016-17.
- ▼ A large asset management gap exists within the sector with a \$389 million deficit in 2012 alone.
- ▼ Councils need to start consulting their communities about ways to either increase revenue, lower existing service levels and or standards, and pursue efficiency savings.

Fit for the Future council submissions showed improved financial sustainability

IPART assessed 144 Fit for the Future (FFTF) proposals from NSW councils against a number of criteria, including financial criteria, and published its final report, *Assessment of Council Fit for the Future Proposals* in October 2015.

In its FFTF assessments in 2015, IPART only found 27 of 144 councils, or 19%, as not meeting the financial criteria because of continuing operating deficits over the next five to 10 years.

In addition, the infrastructure backlog had substantially reduced since the TCorp report. The TCORP backlog of \$7.2 billion in 2012 corresponded to an average backlog ratio of about 13%. By contrast, in FFTF councils reported an average backlog ratio of 6.5% in 2014, with councils' forecasting this ratio to fall to about 2.5% by 2020.

⁷⁶ NSW Treasury Corporation, *Financial Sustainability of the NSW Local Government Sector, Findings Recommendations and Analysis*, April 2013.

B Reports to be considered by IPART

A major driver for this reduction was a re-estimation of depreciation schedules. Councils in FFTF typically used depreciation lives of between 55 to 100 years.

B.2 Independent Local Government Review Panel Final Report (Panel Report)

The NSW Government in April 2012 appointed the Independent Local Government Review Panel to review the NSW Local Government sector, including a review of the local government rating system. The Panel Report contained a number of key recommendations, which are summarised in Box B.1 below.

Box B.1 Independent Local Government Review Panel – key reform recommendations relating to the rating system

- ▼ Set local rates for apartments and other multi-unit dwellings more equitably and efficiently, in order to raise more revenue. Councils could be given the option of using Capital Improved Value (CIV) or the market value of the property to levy residential rates (p 40).
- ▼ Reduce or remove excessive rating exemptions and concessions that are contrary to sound fiscal policy and jeopardise councils' long-term sustainability (p 39).
- ▼ Some concessions for disadvantaged ratepayers are justified, but social welfare should not be a local government responsibility. Arrangements for pensioner concessions should be reviewed (p 40).
- ▼ Streamline the special variation process, or provide earned autonomy from rate-pegging for some councils, or replace rate-pegging with a new system of 'rate benchmarking' (p 42).
- ▼ Reduce the number of councils, particularly in Sydney, to create higher capacity councils that can better partner with the State Government in developing Sydney (p 72).
- ▼ The government consider giving larger councils in inner Sydney expanded responsibilities. These councils could use increased rates revenue to contribute more to sub-regional infrastructure and transport projects, freeing up state resources to be spent elsewhere (p 102).
- ▼ Commission IPART to undertake a review of the rating system (p 55).

Source: Independent Local Government Review Panel, *Revitalising Local Government*, October 2013.

B.3 NSW Government response to the Panel

The Government response to the Panel Report's recommendations on the rating system is set out below.

Table B.1 Government response to selected ILGRP Recommendations

Recommendation on a review by IPART	Commission IPART to undertake a further review of the rating system focused on: <ul style="list-style-type: none"> ▼ Options to reduce or remove excessive exemptions and concessions that are contrary to sound fiscal policy and jeopardise councils' long term sustainability. ▼ More equitable rating of apartments and other multi-unit dwellings, including giving councils the option of rating residential properties on Capital Improved Values, with a view to raising additional revenues where affordable.
Position	Supported
Government Response	The Government notes the issues raised by the Panel in relation to the equity of the current rating system. It remains committed however to protecting ratepayers from unfair rate rises and to providing rate concessions for pensioners. The Government will commission IPART to conduct a rating review to reflect these issues.
Recommendations on current rating system	Either replace rate-pegging with a new system of 'rate benchmarking' or streamline current arrangements to remove unwarranted complexity, costs, and constraints to sound financial management.
Position	Supported
Government Response	The Government is committed to a rating system that protects local ratepayers from unfair rate rises. It recognises however the improvements in council strategic planning under IP&R and therefore supports removing unwarranted complexity, costs and constraints from the rate-peg system, where there is evidence that the council has taken steps to reduce unnecessary costs before seeking to impose an increased burden on ratepayers. The OLG will work with IPART to amend the guidelines to develop a streamlined process for <i>Fit for the Future</i> councils wanting to increase rates above the rate peg, and to offset revenue loss through Financial Assistance Grants (FAGs) redistribution.

Source: Office of Local Government, *NSW Government Response: Independent Local Government Review Panel recommendations and Local Government Acts Taskforce recommendations*, September 2014, pp 4-5.

The Government also responded to the Panel's analysis on council mergers by commissioning IPART to conduct an analysis of councils' FFTF proposals. The IPART *Assessment of Council Fit for the Future Proposals* released in October 2015 found 57 councils were fit and 87 councils were not fit.

B.4 Integrated Planning and Reporting

The Integrated Planning and Reporting (IP&R) framework requires NSW councils to prepare:

- ▼ a 10-year Community Strategic Plan, which identifies long term priorities
- ▼ a Resourcing Strategy (comprising a Long Term Financial Plan of at least 10 years, an Asset Management Plan and a Workforce Plan)

Attachment

B Reports to be considered by IPART

- ▼ a 4-year Delivery Program, which identifies service and works at a program level that are to be funded, and
- ▼ a 1-year Operational Plan (containing an annual budget).

IP&R enables councils to better achieve community priorities from effective planning, to meet the community's expectations about service levels and funding priorities. IP&R should underpin decisions on the revenue required by each council.

The special variation guidelines and IPART's assessment process are based on an expectation councils will have engaged the community in a discussion on the funding required through the IP&R process.

C Recent reviews relating to council rates

Productivity Commission Review (2008)

The Productivity Commission report, *Assessing Local Government Revenue Raising Capacity*,⁷⁷ released a number of findings regarding the local government rating system.

- ▼ Rates are a relatively efficient tax base, creating no or few distortions in choice (p 139).
- ▼ Metropolitan councils have good capacity to increase revenue through raising residential rates (p 64).
- ▼ Council rate revenue is not constrained by the valuation methodology adopted (p 102).
- ▼ Differential rating provisions increase the capacity of councils to raise revenue from property rates, by allowing councils to structure rates based on capacity to pay and benefits received (p 104).
- ▼ In principle, using UV is more economically efficient than CIV, as CIV may distort land use decisions away from capital improvements. In practice, the low level of rates across Australia means the efficiency effect of one methodology over another is likely to be relatively small (p 102).
- ▼ Rate pegging in NSW and the partial reimbursement of concessions has limited NSW councils' ability to increase their level of own source revenue (p XXXIII).

IPART Review of State Taxation (2008)

IPART was asked to recommend reforms to the NSW tax system. The Final Report, *Review of State Taxation, Report to the Treasurer*, was published in October 2008.⁷⁸ Among other matters, the report recommended the NSW Government should:

- ▼ increase reliance on broader based, simpler and more transparent taxes that facilitate modern business practices (p 7)

⁷⁷ Productivity Commission, *Assessing Local Government Revenue Raising Capacity*, Research Report (Productivity Commission Report), April 2008.

⁷⁸ IPART, *Review of State Taxation - Final Report*, October 2008.

Attachment

C Recent reviews relating to council rates

- ▼ reduce reliance on inefficient, distorting taxes in favour of more neutral taxes. Payroll and land taxes are reasonably efficient, whereas stamp duty and insurance taxes are inefficient (p 7)
- ▼ over the long term develop a strategy for increasing property holding taxes (eg, broadening the land tax base, increasing the land tax rate and/or increasing municipal rates on land values) to fund substantial reductions in purchaser transfer duty and insurance taxes on a revenue-neutral basis (p 10)
- ▼ remove the payroll exemption for councils and lower the rate over time (p 8)
- ▼ remove the levy on insurance companies to fund the fire service and instead fund fire services with an increase in council rates⁷⁹ (p 9)
- ▼ broaden the base of land tax to include owner occupiers to fund a reduction in purchaser transfer duties (p 119), and
- ▼ introduce new environmental levies, congestion taxes, parking charges and road pricing (p 11).

IPART Revenue Framework for Local Government (2009)

The NSW Government requested IPART to review the framework for regulating council rates and charges.⁸⁰

- ▼ The report found whilst rate pegging had limited NSW councils' rates revenue to a level below that of the other states, when user fees and charges were taken into account, rises in total council own source revenue was broadly the same for NSW and the other States (p 4).
- ▼ IPART recommended a more flexible approach to rate increases rather than just rate pegging. The Government subsequently adopted IPART's recommendations in establishing the system that is currently in place where (p 8):
 - each year IPART calculates the percentage change in the local government cost index – adjusted for productivity, and advises the Minister
 - the Minister advises the rate peg for the following year, and
 - the Special Variation process allows councils to apply for one or multi-year price paths above the rate peg.

⁷⁹ This recommendation has subsequently been adopted by the NSW Government. For more details, please see NSW Government, Media Release – Stronger Councils for Sydney and Regional NSW, at <https://www.emergency.nsw.gov.au/media-releases/2015/nsw-moves-to-a-fairer-system-for-funding-fire-and-emergency-services.html>, 10 December 2015, accessed 16 March 2016.

⁸⁰ IPART, *Revenue Framework for Local Government - Final Report*, December 2009.

Henry Tax Review (2010)

The Report on Australia's Future Tax System (Henry Tax Review)⁸¹ had a number of findings and recommendations in relation to the local government rating system.

- ▼ Council rates are an effective and efficient broad based tax.
- ▼ Councils should be given more autonomy in setting rates (ie, as councils are answerable to residents there is no need to impose rate pegs) (Recommendation 120).
- ▼ There are arguments for and against using either Capital Improved Value (CIV) or Unimproved Value (UV) as a rate base (p 692).
 - Under the 'benefits tax' view, CIV is the better approach because it recovers spending on local public goods that benefit the property owner.
 - Under the 'capital tax' view, UV is better as it does not distort the decision to invest.
- ▼ Distortions and efficiency costs from CIV are small.
- ▼ Over time, many inefficient state taxes such as stamp duty should be abolished, and the revenue collected as an integrated rates bill (Recommendation 121).
- ▼ Government grants to councils should be on a needs basis with no minimum guaranteed grant (p 694).
- ▼ As the owners of 80% of Australia's roads, councils should be entitled to receive money from congestions charges, and a proportion of the money collected from heavy vehicle mass distances charges (p 696).

New Zealand Local Government Funding Review (2015)

A discussion paper by the National Council of Local Government New Zealand in February 2015, *Local Government Funding Review*, highlighted the following.⁸²

- ▼ The report recommended New Zealand councils make greater use of existing revenue tools particularly user charges for services such as water, waste management and sewage disposal (p 43).
- ▼ Debt funding, particularly for inter-generational asset investment is underutilised meaning that current generations of ratepayers are disproportionately covering the cost of infrastructure (p 77).
- ▼ General rates are roughly progressive: higher value properties pay more. However, land based businesses such as farming may be disproportionately affected (p 54).

⁸¹ *Australia's future tax system*, Final Report, May 2010.

⁸² National Council of Local Government New Zealand, *Local Government Funding Review*, Discussion Paper, February 2015.

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C Recent reviews relating to council rates

- ▼ The report is critical of rate exemptions imposed by the central government, arguing that they are in effect a forced contribution by the local government to the funding of these services. Where these exemptions exist the report argues that they should be the result of a localised exemption decided at the local council level (p 58).
- ▼ New Zealand councils have the authority to set their own rates remission policies, including rate postponement for ratepayers over 65. This gives older 'asset rich/cash poor' ratepayers the option of postponing some or all of their rates for a fixed or indefinite period subject to interest charges and administrative costs (p 62).

Attachment

D | Rating Practices in Other Jurisdictions

Table D.1 Council rating methodology across Australian

	NSW	VIC	QLD	SA	WA	TAS	NT
Valuation method	UV	Councils may choose from: <ul style="list-style-type: none"> • UV • CIV • ARV 73 of 79 Councils use CIV, the rest use ARV	UV	Councils may choose from: <ul style="list-style-type: none"> • UV • CIV • ARV 60 out of 68 councils use CIV	<ul style="list-style-type: none"> • Rural land – UV • Non-rural land – ARV • UV mandatory for mining and petroleum interests 	Councils may choose from: <ul style="list-style-type: none"> • UV • CIV • ARV 24 out of 29 Councils use ARV, the remaining 5 use CIV	Councils may choose from: <ul style="list-style-type: none"> • UV • CIV • ARV All councils use UV
Base amount (Fixed charge)	Option for base amounts by land use category, up to 50% of general revenue for that category	Option for 'municipal charge' up to 20% of sum total of general revenue and revenue from municipal charges	No option for base amount	Option for base amount, up to 50% of general rates	No option for base amount	Option for base amount of up to 50% of general rates	Multiple base amounts for different purposes according to land use/location categories
Minimum amount or rate	Option for minimum amount up to a legislated ceiling for ordinary and special rates	No option for minimum amount	Option for differential minimum amount by land use categories	Option for minimum amount application for up to 35% of properties. It cannot be used in addition to a base amount	Option for differential minimum amounts for up to 50% of premises, unless capped at \$200	Option for minimum amount, but it cannot be used on top of a base amount	Option for different minimum amounts according to land use/location categories
Rate categories	Option for differential rates across four land use categories and multiple subcategories	Option for differential rates across multiple land use categories	Option for differential rates across multiple land use categories	Option for differential rates across nine land use categories, with option for specified land location categories	Option for differential rates across multiple land use categories	Option for differential rates across eight land use categories; no restriction on land location categories	Option for differential minimum amounts in addition to fixed charge

Sources: IPART staff research, NSW *Local Government Act 1993*, NSW *Local Government Regulation 2005*, *Local Government Act 1989* (VIC), *Local Government Act 2009* (QLD), *Local Government Regulation 2012* (QLD), *Land Valuation Act 2010* (Qld), *Local Government Act 1999* (SA), *Local Government (General) Regulation 2013* (SA), *Local Government Act 1995* (WA), *Local Government (Financial Management) Regulation 1996* (WA), *Local Government Act 1993* (Tas), *Local Government Act 2008* (NT).

Notes: UV denotes Unimproved Value, CIV denotes Capital Improved Value, ARV denotes Annual Rental Value.

Table D.2 International Jurisdictions

Country	Method	Comments
New Zealand	CIV, UV or ARV	Revalued every 3 years with values approved by NZ Valuer General.
Canada	CIV	Market value is assessed by relevant bodies. Average rates vary widely across Canada.
UK	CIV using bands	The UK uses banded market value, with the number of bands varying throughout the UK.
Ireland	CIV using bands	20 bands of property value are defined and rates are charged progressively. The first 19 bands cover properties valued up to €1.0m, with rates for each band 0.18% of the mid-point of the band. The 20th band covers properties valued above €1.0m, with a tax rate of 0.18% applied to first €1.0m, and 0.25% on remaining value above €1.0m. Councils can reduce the LPT charge, and in 2016, 11 local authorities reduced their LPT rate by 1.5% to 15%.
USA	CIV	The median rate in each state varies between 0.18% to 1.89% of market value of the property.
Denmark	UV	The municipal real estate tax rate is levied on the land value. The tax rate is between 1.6% and 3.4%, varying depending on the location.
Singapore	ARV	Property tax rates on owner-occupied (7 bands) and non-owner occupied (5 bands) residential properties are applied on a progressive scale. All other properties continue to be taxed at 10% of the ARV.
Hong Kong	ARV	Rateable values are reviewed annually. Exemption is available to premises below a prescribed rateable value. No distinction made between owner occupied property or otherwise.

Sources: IPART staff research;

<http://www.localcouncils.govt.nz/lqip.nsf/wpgurl/About-Local-Government-Local-Government-In-New-Zealand-Council-funding>

http://www.cscd.gov.bc.ca/Lgd/library/revenue_source_review/An%20Analysis%20of%20Property%20Taxation.pdf

<https://www.gov.uk/government/statistics/council-tax-levels-set-by-local-authorities-in-england-2011-to-2012>

<http://www.revenue.ie/en/tax/lpt/liability.html>

<http://www.tax-rates.org/taxtables/property-tax-by-state>

<http://www.globalpropertyguide.com/Europe/Denmark/Taxes-and-Costs>

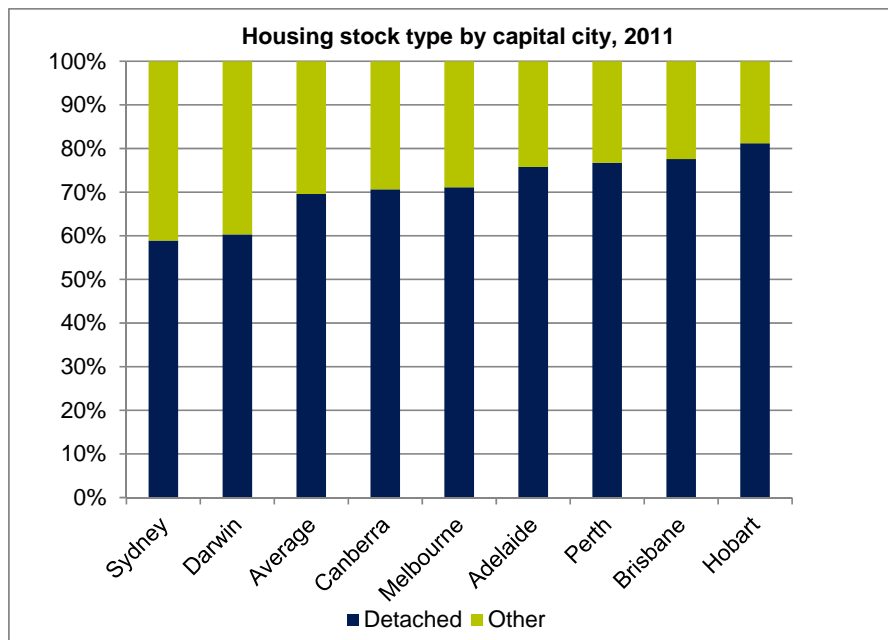
<https://www.iras.gov.sg/IRASHome/Property/Property-owners/Working-out-your-taxes/Property-Tax-Rates-and-Sample-Calculations/>

<http://www.rvd.gov.hk/en/faqs/rates.html>

E Housing Composition in Sydney

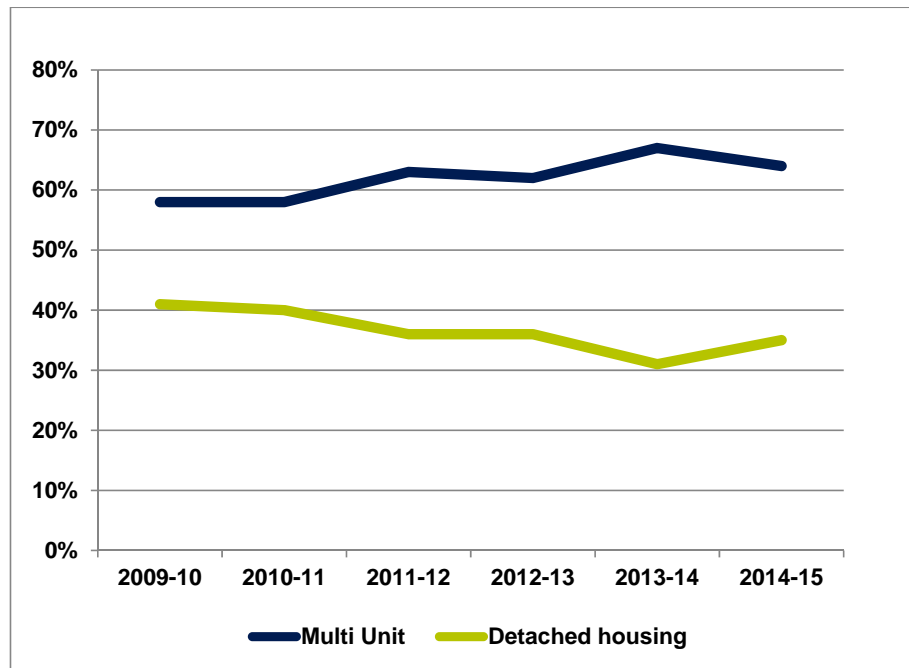
Figure E.1 shows Sydney has the highest proportion of multi-unit dwellings of Australia's capital cities at 40%, compared with 20% to 30% in other capital cities, and 30% Australia wide.

Figure E.1 Dwelling type percentages by capital city



Data source: ABS, 2011 Census of Population and Housing.

Figure E.2 Dwelling approvals by type in Sydney



Data source: Department of Planning & Environment, Annual Report 2014-15; ABS, Building Approvals, Australia, Cat. No. 8731.0.

The proportion of apartments in Sydney is rising over time. Figure E.2 shows:

- ▼ In 2009-10, detached housing was 41% of total Sydney approvals and multi-unit dwellings comprised 58%.
- ▼ By 2014-15, detached housing was just 35% of approvals with multi-unit dwellings comprising 64%.⁸³

Consequently, the appropriate treatment of multi-unit dwellings in council rate bases will be an increasingly important issue for NSW, and Sydney in particular, because the proportion of apartments is rising over time.

⁸³ *Department of Planning & Environment Annual Report 2014-15*, p 30. Multi-unit dwellings include apartments, villas, townhouses, terraces and semi-detached homes.



REPORT TO ORDINARY COUNCIL MEETING

CULTURAL FACILITY DEVELOPMENT - LIBRARY AND GALLERY PLANNING ADVISORY GROUP - TERMS OF REFERENCE

REPORTING OFFICER:	Group Leader Community and Cultural Services
DIRECTOR:	Director Sustainable Communities
COFFS HARBOUR 2030:	LP 1.2 Promote the Local Government area as a lifestyle location for e-workers. LP 3.2 Develop the city centre as a social and cultural focus for Coffs Harbour LP 5.1 Promote and support a culture of lifelong learning. LC 4 We have many opportunities to enjoy life together LC 1.1 Build pride and identity in Coffs Harbour as a community and a place. LC 1.6 Promote opportunities for all to fulfill their potential. LC 4.1 Support local artistic and cultural expression. LC 4.2 Support opportunities for artistic and cultural growth and enjoyment
ATTACHMENTS:	ATT Library and Gallery Planning Advisory Group Terms of Reference

Recommendation:

That Council endorse the Terms of Reference for the Library and Gallery Planning Advisory Group.

EXECUTIVE SUMMARY

The Library and Gallery Planning Advisory Group (LGPAG), consisting of six community members and three Councillors, is a key component of community engagement supporting the development of detailed research and concept planning for a new Central Library and Regional Gallery for Coffs Harbour.

The LGPAG met for the first time on Wednesday, 27 April 2016 and confirmed their agreement with the Terms of Reference as attached.

REPORT

Description of Item:

At its meeting of 26 November 2015, Council resolved to commence detailed facility research and concept planning for an expanded Harry Bailey Memorial Library and Coffs Harbour Regional Gallery facilities.

At its meeting of 14 April 2016, Council considered a report on the formation of the LGPAG and resolved the following:

That Council:

1. *Appoints the following:*

*Ms Heather McKinnon
Mr Garry Murray
Ms Leonie Henschke
Mrs Judith Hibberd
Mr John Murray
Mr Rod McKelvey*

to membership of the Library and Gallery Planning Advisory Group.

2. *Appoints three Councillors (one as Chair) of the Library and Gallery Planning Advisory Group.*

3. *Notes the timeframes in which subsequent reports will be available.*

At that meeting, Council also resolved the following:

That Councillor Townley be appointed as Chairperson of the Library and Gallery Planning Advisory Group

It is noted that notwithstanding Council resolved to appoint three Councillors to LGPAG, it subsequently only nominated Councillor Townley as Chair. Hence, there are currently two Councillor vacancies on the LGPAG.

Issues:

1. Library and Gallery Planning Advisory Group (LGPAG)

The role of the LGPAG is to provide community feedback for research and concept planning for a new library and gallery. Its role is advisory only. It consists of six (6) community members and three (3) Councillors and is chaired by Cr Townley.

The Terms of Reference for the Advisory Group are attached.

2. Terms of Reference

The vision of the LGPAG is:

“To plan together as a community and present to Council detailed facility research and a concept plan for a new Central Library and Regional Gallery for the Coffs Harbour Local Government area.”

The LGPAG's role is to:

- provide advice and feedback on the detailed facility research and concept planning project, including siting and prioritisation of facility functions;
- advocate on behalf of the community; and
- advise on the planning for community engagement and funding options and activities.

As an advisory group, LGPAG will constitute an important component of the community engagement around this project.

3. Community Engagement

Community engagement commenced with the Library Strategic Plan and Cultural Plan 2013-2016 and the community cultural facilities engagement processes in 2012, 2013 and 2014. Further community engagement is planned to start in May/June 2016, once a site is identified and endorsed by Council.

Options:

1. Adopt the recommendation provided to Council.
2. Adopt the recommendation provided to Council and fill the vacant Councillor roles.
3. Amend the Terms of Reference provided to Council.
4. Reject the recommendation provided to Council.

Sustainability Assessment:

- **Environment**

Given that the scale and site of building and services required for this project is as yet undefined, it is not possible to assess full environmental impacts at this stage.

- **Social**

Both the existing central library and regional gallery provide clear social, economic and cultural benefits and outcomes to the community. The planned expansion of facilities enables these social, economic and cultural outcomes to continue with an increasing and diverse population and addresses areas of need clearly identified in both existing library and cultural strategic plans.

- **Civic Leadership**

Civic leadership is shown through the ongoing implementation of the Coffs Harbour 2030 Plan which includes the following objectives:

- LP 3 Our city centre is a place where people can live, work and play.

Specific strategies addressed by this project include:

- LP 1.2 Promote the Local Government area as a lifestyle location for e-workers.
- LP 3.2 Develop the city centre as a social and cultural focus for Coffs Harbour.
- LP 5.1 Promote and support a culture of lifelong learning.
- LC 1.1 Build pride and identity in Coffs Harbour as a community and a place.
- LC 1.6 Promote opportunities for all to fulfill their potential.
- LC 4.1 Support local artistic and cultural expression.
- LC 4.2 Support opportunities for artistic and cultural growth and enjoyment

- **Economic**

Broader Economic Implications

Should the project proceed to the construction phase it will have a positive impact on construction employment in Coffs Harbour and continue to contribute to the CBD Masterplan and the 2030 Community Strategic Plan outcomes.

An enhanced library and gallery facility is likely to have a positive benefit in cultural tourism visitation and expenditure in the locale.

Delivery Program/Operational Plan Implications

Capital Costs

Full costing of the facility or facilities form part of the research and concept planning that will be included in the final feasibility report.

Identification of funding sources and a complete fundraising strategy will be included in the final feasibility report.

Recurrent Costs

Future operational and staffing costs and asset lifecycle costing for any proposed facility will be assessed as part of this research.

Research and Concept Planning Project Costs

The cost for the current research and concept planning project is estimated at \$120,000. This has been funded within the 2015/16 and 2016/2017 budgets.

Risk Analysis:

The function of the LGPAG and the whole community engagement process will allow the views and needs of the community to be factored into the design of the facilities and the services which they provide.

Consultation:

LGPAG and Governance Services have reviewed the Terms of Reference.

Related Policy, Precedents and / or Statutory Requirements:

- The Cultural Policy and Cultural Plan 2013 -2016
- The Coffs Harbour City Library Strategic Plan 2012-16
- Local Government Act 1993

Implementation Date / Priority:

The Terms of Reference would take effect immediately. The LGPAG would serve for two (2) years or until construction tenders are let, whichever is sooner.

Conclusion:

This report recommends the endorsement by Council of the attached Terms of Reference for the LGPAG.

Library and Gallery Planning Advisory Group (LGPAG) Terms of Reference

1. THE VISION

To plan together as a community and present to Council detailed facility research and a concept plan for a new Central Library and Regional Gallery for the Coffs Harbour Local Government area.

2. SCOPE/ROLE

At its meeting on 26 November 2015, Council resolved to commence detailed facility research and concept planning for an expanded Harry Bailey Memorial Library and Coffs Harbour Regional Gallery facilities including:

- 1.1 Development of functional specifications to meet future facility and population needs;
- 1.2 Assessment of CBD sites and co-location options;
- 1.3 Preparation of an overall concept and elevation plans;
- 1.4 Concept estimate to include costs relating to the site, construction, fit out, landscaping, civil works and professional fees;
- 1.5 Ongoing and full lifecycle costing;
- 1.6 Funding options and recommended strategy; and
- 1.7 Community and staff engagement.

The LGPAG's role is to:

- provide advice and feedback on the detailed facility research and concept planning project, including siting and prioritisation of facility functions;
- advocate on behalf of the community;
- advise on the planning for community engagement and funding options and activities;

3. DELEGATIONS

The Committee has no delegations from Council.

4. COMPOSITION OF THE COMMITTEE

- 3 x CHCC Councillors (one as Chair); and
- 6 x community representatives

Community members will have skills and experience in:

- cultural activity and/or
- visual arts and/or
- libraries, literature or publishing and/or
- tourism and/or
- business and/or
- the ability to represent a relevant group of stakeholders e.g. older people, young people, diverse communities etc.

Members are selected based on:

- The depth and range of their experience in one or more of the categories above
- Their business, cultural, arts or community involvement in Coffs Harbour, knowledge of the local region and experiences in other communities.

Attachment 1

Selection will be made so that the group as a whole will have the best range and depth of expertise.

Individuals will not be appointed as representatives of any organisation, but in their own right.

5. MEETINGS OF THE COMMITTEE

Meetings shall be held as required.

A quorum of members is required at all meetings and shall be 50% plus one of all voting members.

The LGPAG Chair is the Councillor appointed by Council.

In the absence of the Chair at an LGPAG meeting an interim Chair will be endorsed by the Committee to Chair the meeting. .

Coffs Harbour City Council will provide a secretariat for LGPAG meetings.

6. TERM OF OFFICE

The Committee will serve a term of 2 years or until the tenders for construction of the facility are let (whichever is sooner) from the time of the relevant Council resolution (14 April 2016).

The Committee's Terms of Reference will be reviewed in accordance with the Local Government Act after the next Council election (September 2016).

Council reserves the right to dissolve the LGPAG at any time by a resolution of Council.

7. RECORD KEEPING

- 7.1 Agenda and minutes from the previous meeting will be circulated to members at least 3 days prior to the meeting.
- 7.2 Members must declare in writing any interest in any report tabled at the meeting.
- 7.3 A copy of the minutes are to be provided to Council within 7 days of each meeting.

8. CODE OF CONDUCT AND CONFIDENTIALITY

Members of the LGPAG will be required to sign a Coffs Harbour City Council Confidentiality Agreement and are bound by Council's Code of Conduct.

9. MEDIA AND SPOKESPERSONS

All media activities, releases and commentary will be undertaken by the Council project team in accordance with the Council Media Policy.

Members of the LGPAG are not authorised to speak with media regarding the LGPAG or the project unless approved by Council.



REPORT TO ORDINARY COUNCIL MEETING

DRAFT NORTH COAST REGIONAL PLAN – SUBMISSION

REPORTING OFFICER:	Section Leader Local Planning
DIRECTOR:	Director Sustainable Communities
COFFS HARBOUR 2030:	LP1 - Coffs Harbour is a regional centre for future-driven, innovative and green business and industry LP2 - We have a strong and diverse economy LC3 - We have strong civic leadership and governance LE3 - Our natural environment and wildlife are conserved for future generations LE4 - We reduce our impact on the environment MA1 - We have an integrated, accessible and environmentally-friendly mixed mode transport system servicing the region PL1 - Our infrastructure and urban development is designed for sustainable living PL2 - Our public spaces are enjoyed by all our people
ATTACHMENTS:	ATT1 Coffs Harbour City Council's Submission to the Draft North Coast Regional Plan ATT2 draft North Coast Regional Plan ATT3 North Coast Subregions Background Paper

Recommendation:

That Council endorses the attached submission (Attachment 1) to the draft North Coast Regional Plan.

EXECUTIVE SUMMARY

The objective of this report is to provide Council with:

- an overview of the draft North Coast Regional Plan as exhibited by the NSW Government; and
- a submission to the draft Plan for lodgement with the State government (see Attachment 1).

The recently announced draft North Coast Regional Plan is the State government's blueprint for both the Mid and Far North Coast of NSW for the next 20 years. If adopted, it will replace the Mid North Coast Regional Strategy 2009. The draft Plan is currently on display for public consultation until 2 June 2016. The documents on display include the draft Plan (Attachment 2) and the North Coast Subregions Background Paper (Attachment 3).

This report provides details of the contents of the draft Plan, as well as a submission to be lodged with the State government in response to the public consultation process.

REPORT

Description of Item:

The draft North Coast Regional Plan was released by the NSW Government in March 2016 and is currently on exhibition until 2 June 2016.

The draft Plan outlines a 20-year vision for the future, centred on a prosperous community, healthy environment and attractive lifestyle choices. The draft Plan identifies five goals for the region including:

- Goal 1 - A natural environment, and Aboriginal and historic heritage that is protected, and landscapes that are productive;
- Goal 2 – Focus growth opportunities to create a great place to live and work;
- Goal 3 - Housing choice, with homes that meet the needs of changing communities;
- Goal 4 - A prosperous economy with services and infrastructure; and
- Goal 5 - Improved transport connectivity and freight networks.

The draft Plan consolidates strategic planning for the Far North Coast and Mid North Coast into a single region, while recognising subregional differences in communities along the coast.

The draft Plan identifies that achieving the vision and goals of the final Plan will be a shared responsibility that will require the ongoing commitment of all stakeholders, including councils, State agencies and the development and services sectors. The implementation of the final Plan will be undertaken by a Coordination and Monitoring Committee, which will:

- drive the delivery of actions;
- identify potential policy interventions;
- establish a framework to monitor issues;
- provide recommendations for land use and infrastructure funding priorities; and
- provide input to review and update the Plan every 5 years.

Coffs Harbour, Tweed Heads and Port Macquarie are each identified as a regional city within the draft Plan. The draft Plan proposes the establishment of a Regional Cities Steering Committee, chaired by the Department of Planning and Environment and including council officers and representatives from relevant State agencies. The Committee will coordinate the delivery of public sector investment and infrastructure in the three regional cities.

The draft Plan proposes the preparation of a Regional Cities Action Plan, which will identify opportunities to attract additional investment in the regional cities and growth precincts such as infrastructure; public domain projects to support new development; opportunities to unlock surplus and under-utilised government land for more housing and jobs; and assistance to local government with staging and sequencing of infrastructure.

Submissions on the draft Plan are invited throughout the consultation period. A Council submission has been prepared for lodgement with the State government in response to the public consultation process and is included as Attachment 1.

The documents on display are located on the Department of Planning and Environment's website at www.planning.nsw.gov.au/NorthCoast, and include the draft North Coast Regional Plan (Attachment 2) and the North Coast Subregions Background Paper (Attachment 3).

Issues:***Mapping Details***

The draft Plan includes a number of figures at very fine detail, making legibility difficult (example, Attachment 2, Figure 1 High Environmental Values and Figure 7 North Coast Resources and Farmland). Council has sought to obtain more comprehensive details from the Department during the exhibition period. A number of these data sets have been provided to staff for use in analysing the content of the draft Plan. The draft Plan acknowledges that some of these layers will be systematically updated by the State government at a future date (example, Action 1.2.3, Attachment 2, page 22, references a review of the Northern Rivers and Mid North Coast farmland mapping projects). It is anticipated that these information sets will be provided to Council as they are updated.

State and Regionally Significant Farmland Interim Variation Criteria

Whilst the draft Plan identifies that State and regionally significant farmland should be protected, it also recognizes that some small pockets of such mapped farmland may be more suited to other land uses. The draft Plan proposes some Interim Variation Criteria (Attachment 2, page 23) to allow land to be used for purposes other than farmland in certain circumstances. It is considered this is a very helpful criteria assessment which should be supported by Council for inclusion in the final Plan.

High Environmental Values Map

The draft Plan identifies that the High Environmental Values Map (Figure 1, Attachment 2) will be used to consider opportunities for biodiversity certification and to inform council planning strategies and local environmental plans. The NSW government will require councils to identify and implement appropriate planning controls for these areas. These maps have been prepared at a regional overview scale and contain much less detail than current Class 5 vegetation maps held by Coffs Harbour City Council. The draft Plan will allow councils to use their own information for such future planning processes in instances where it is more detailed than the regional scale maps, and by negotiation with the NSW government in each instance.

Transition Areas

The draft Plan includes a number of "Transition Areas" on Figure 7 North Coast Resources and Farmland Map (Attachment 2, page 32-33). At this stage, these mapped transition areas relate to the location of identified or potential mineral resources in the region. These transition areas intrude into the mapped growth area boundaries at Woolgoolga, North Boambee Valley, Ulong and Coffs Harbour. These identified or potential mineral resources and their transition areas will need to be considered when Council is undertaking planning projects within the mapped growth areas in these localities.

Coal Seam Gas

Figure 6 of the draft Plan (Attachment 2, page 30) identifies areas of the North Coast which have had coal seam exploration titles bought back by the NSW government between 2011 and 2016. The NSW government has confirmed that the draft Plan does not propose issuing coal seam gas exploration licenses for the North Coast Region. The Coffs Harbour Local Government Area does not contain any such coal seam gas resources.

Population Projections

The draft Plan identifies that Coffs Harbour, as a regional city, will be expected to provide 14.3% of the regional population by 2036; with 40% of this target as higher density multi-unit housing. The draft Plan identifies that the State government will assist regional cities to provide for a greater mix of dwelling types and healthy living.

Regional Cities Action Plans

The draft Plan proposes that a Regional Cities Action Plan be developed for each of the three regional cities identified in the draft Plan (Coffs Harbour, Tweed Heads and Port Macquarie). The NSW government will prioritise planning for housing and infrastructure in these regional cities, via the establishment of a Regional Cities Steering Committee to oversee the delivery of the Regional Cities Action Plan. This is a new concept which is considered worthy of support by Coffs Harbour City Council.

Accelerated Supply of Proposed Urban Land

Action 3.1.2 of the draft Plan proposes to support and accelerate the supply of proposed urban land to meet residential demand in high growth areas. The NSW government will work with councils to identify where upfront investment in local infrastructure can accelerate the take-up of housing commencements; and will assist to either provide funding or support applications for grant funding for new infrastructure projects for housing supply.

Appendix A of the draft Plan (page 81) nominates sites around the North Coast where investment in local infrastructure may assist in the creation of housing supply. Whilst Coffs Harbour is listed as one of three regional cities on the North Coast, it has no sites listed in the table of Appendix A. It is considered that North Boambee Valley should be added to this table, because of the need to forward fund the construction of a detention basin to provide for future development (as reported to Council on 10 December 2015). Listing in Appendix A of the draft Plan may assist council in seeking grant funding from various government sources. The draft submission (Attachment 1) has included this request.

Growth Areas

The draft Plan contains Figure 13 Coffs Harbour Regional City and Growth Precincts (Attachment 2, page 44), which identifies the area from North Coffs to South Coffs and west to North Boambee Valley as the Growth Precinct for Coffs Harbour. The Growth Precincts identified for both Tweed Heads (page 43) and Port Macquarie (page 45) stretch across a much larger area than that identified for Coffs Harbour. It is considered that the Coffs Harbour map should be adjusted to show the wider area from Moonee to Bonville, so as to capture the significant long term growth expected north and south of the City Centre. The draft submission (Attachment 1) has included this request.

Appendix B of the draft Plan also contains Urban Growth Area maps, which are very similar to those contained within the existing Mid North Coast Regional Strategy. The draft Plan includes Urban Growth Area Variation Principles (Attachment 2, page 49), which allow councils to vary the urban growth area boundaries as new information becomes available or to correct anomalies. These can be justified through councils' strategic planning or rezoning processes. The draft submission (Attachment 1) has identified that these variation principles are supported by Council for inclusion in the final Plan.

Holiday Letting

The draft Plan supports expansion of the tourism sector on the North Coast, however it is silent on holiday letting. Conflicts between residents and tourists in residential areas has been an ongoing problem on the North Coast, and it is considered that the draft Plan could provide mechanisms to assist Council to resolve these issues. The draft submission (Attachment 1) has included this request.

Options:

1. That Council endorse the attached submission for lodgement with the State government on the draft North Coast Regional Plan.
2. That Council not endorse the attached submission and provide an amended submission to the draft North Coast Regional Plan.
3. That Council provide no submission to the draft North Coast Regional Plan.

This report recommends Option 1.

Sustainability Assessment:

- **Environment**

The draft Plan requires councils to identify and implement appropriate planning controls to protect areas of high environmental values. The State government will work with councils to assist in the identification and mapping of significant areas.

- **Social**

The draft Plan requires councils to ensure sufficient supplies of zoned land stocks are available to meet demand; and to deliver more opportunities for affordable housing. It proposes that the State government assist councils to prepare housing strategies that provide housing choice and that accelerate the supply of urban land to meet demand in high growth areas.

- **Civic Leadership**

The draft Plan is generally consistent with most of the objectives of the Coffs Harbour 2030 Community Strategic Plan (CSP) documents, including:

- LP1 Coffs Harbour is a regional centre for future-driven, innovative and green business and industry
- LP2 We have a strong and diverse economy
- LP4 We are recognised as a model of sustainable living
- LC1 Coffs Harbour is a strong, safe and adaptable community
- LC3 We have strong civic leadership and governance
- LE1 We share our skills and knowledge to care for our environment
- LE2 We reduce our greenhouse gas emissions and adapt to climate change
- LE3 Our natural environment and wildlife are conserved for future generations
- LE4 We reduce our impact on the environment
- MA1 We have an integrated, accessible and environmentally-friendly mixed mode transport system servicing the region
- MA2 We have a system of well-maintained and safe roads for all users
- MA3 We have developed integrated regional freight hubs
- PL1 Our infrastructure and urban development is designed for sustainable living
- PL2 Our public spaces are enjoyed by all our people

The final Plan will help in informing subsequent reviews of the Coffs Harbour CSP.

- **Economic**

- Broader Economic Implications**

- The draft Plan aims to prepare a Regional Cities Action Plan, to grow regional cities as a focus for economic activity and population growth, and to assist councils in creating prosperous economies.

- Delivery Program/Operational Plan Implications**

- The draft Plan aims to ensure the NSW government supports local councils and regional cities provide for infrastructure and growth to 2036. This will potentially assist in resourcing for council's Delivery Program.

- Risk Analysis:**

The draft Plan provides a commitment from the NSW government to assist in the development of the North Coast region and Coffs Harbour as a regional city. There are no immediate risks to council from the delivery of the draft Plan.

- Consultation:**

Submissions on the draft Plan are invited throughout the consultation period from 2 March to 2 June 2016. A submission has been prepared by Council for lodgement with the State government in response and is included as Attachment 1.

The documents on display are located on the Department of Planning and Environment's website at www.planning.nsw.gov.au/NorthCoast, and include the draft North Coast Regional Plan (Attachment 2) and the North Coast Subregions Background Paper (Attachment 3).

- Related Policy, Precedents and / or Statutory Requirements:**

The draft North Coast Regional Plan, if adopted, will replace the Mid North Coast Regional Strategy 2009. Relevant documents of Council include:

- Coffs Harbour Our Living City Settlement Strategy 2008
- Coffs Harbour Rural Residential Strategy 2009
- Coffs Harbour Employment Lands Strategy 2009
- Coffs Harbour Industrial Lands Strategy 2009
- Coffs Harbour Business Lands Strategy 2010
- Coffs Harbour Business Centres Hierarchy Review 2011
- Coffs Harbour City Centre Masterplan
- Coffs Harbour Developer Contributions Plans (various)

- Implementation Date / Priority:**

If endorsed by Council the Coffs Harbour City Council submission (Attachment 1) will be lodged immediately.

The public consultation period for the draft Plan runs until 2 June 2016. It is likely that the final Plan will be adopted by the NSW government toward end 2016.

Conclusion:

This report has provided Council with:

- an overview of the draft North Coast Regional Plan as exhibited by the NSW Government; and
- a submission to the draft Plan for lodgement with the State government in response to the public consultation process.

**SUBMISSION BY COFFS HARBOUR CITY COUNCIL
TO THE DRAFT NORTH COAST REGIONAL PLAN
May 2016**

1. General

This submission has been prepared by Coffs Harbour City Council for lodgement with the NSW State government, in support of the Draft North Coast Regional Plan. The draft Plan is currently on exhibition until 2 June 2016. Council acknowledges the issues raised in the draft Plan, and commends the initiative of the NSW government in continually updating its planning strategies for the region. Council is generally supportive of the Draft North Coast Regional Plan as exhibited.

2. Regional City

Council is encouraged that the draft Plan recognises Coffs Harbour as one of three cities in the region. Council is fully supportive of this approach.

3. Vision and Goals

Council endorses the 20-year vision for the region's future, which is centred on a prosperous community, healthy environment and attractive lifestyle choices. Council also endorses the five goals identified for the region:

- Goal 1 - A natural environment, and Aboriginal and historic heritage that is protected, and landscapes that are productive;
- Goal 2 – Focus growth opportunities to create a great place to live and work;
- Goal 3 - Housing choice, with homes that meet the needs of changing communities;
- Goal 4 - A prosperous economy with services and infrastructure; and
- Goal 5 - Improved transport connectivity and freight networks.

4. Regional Cities Steering Committee

The draft Plan proposes the establishment of a Regional Cities Steering Committee, chaired by the Department of Planning and Environment and with council officers and State government agencies included in membership. Council agrees with the establishment of the Regional Cities Steering Committee in the draft Plan, and also agrees that there should be representation by council on this Committee.

5. Regional Cities Action Plans

Council supports the development and delivery of a Regional Cities Action Plan for Coffs Harbour, overseen by the Regional Cities Steering Committee. The opportunities of the draft Plan to attract additional investment in the regional cities and growth precincts; to provide input to public domain projects supporting new development; to unlock surplus and under-utilised government land for more housing and jobs; and to provide assistance to local government with staging and sequencing of infrastructure are all supported by Council.

6. Mapping Details

The Draft Plan includes a number of figures at very fine detail, making legibility difficult (example, Attachment 2, Figure 1 High Environmental Values and Figure 7 North Coast Resources and Farmland,). Council has sought to obtain more comprehensive details from the Department during the exhibition period. A number of these data sets have been provided to staff for use in analysing the content of the draft Plan. The draft Plan acknowledges that some of these layers will be systematically updated by the State government at a future date (example, a review of the Northern Rivers and Mid North Coast

Attachment 1

farmland mapping projects). Council supports the ongoing review and updating of mapping as it becomes available.

7. State and Regionally Significant Farmland Interim Variation Criteria

Council agrees that whilst State and regionally significant farmland should be protected, that some small pockets of such mapped farmland may be more suited to other land uses. Council supports the inclusion of the Interim Variation Criteria in the draft Plan, to allow land to be used for purposes other than farmland in certain circumstances.

8. High Environmental Values Map

The draft Plan identifies that the High Environmental Value Map will be used to consider opportunities for biodiversity certification and to inform council planning strategies and local environmental plans; and that the NSW government will require councils to identify and implement appropriate planning controls for these areas. These maps have been prepared at a regional overview scale and contain much less detail than current vegetation maps held by Coffs Harbour City Council. Council prefers to use its own data for future planning processes in instances where it is more detailed than the regional scale maps, and by negotiation with the NSW government in each instance; and seeks to ensure this is retained in the final Plan.

9. Population Projections

The draft Plan identifies that Coffs Harbour, as a regional city, will be expected to provide 14.3% of the regional population by 2036; with 40% of this target as higher density multi-unit housing. The draft Plan identifies that the State government will assist regional cities to provide for a greater mix of dwelling types and healthy living. Council is eager to receive further input from the Department to allow a better understanding of mechanisms which will be offered by the State government to assist in achieving these objectives.

10. Accelerated Supply of Proposed Urban Land

Appendix A of the draft Plan (page 81) nominates sites around the North Coast where investment in local infrastructure may assist in the creation of housing supply. Whilst Coffs Harbour is listed as one of three regional cities on the North Coast, it has no sites listed in the table of Appendix A. It is considered that North Boambee Valley should be added to this table, because of the need to forward fund the construction of a detention basin to provide for future development (as reported to Council on 10 December 2015). Listing in Appendix A of the draft Plan may assist council in seeking grant funding from various government sources.

11. Growth Areas

The draft Plan contains Figure 13 Coffs Harbour Regional City and Growth Precincts (Attachment 2, page 44), which identifies the area from North Coffs to South Coffs and west to North Boambee Valley as the Growth Precinct for Coffs Harbour. The Growth Precincts identified for both Tweed Heads (page 43) and Port Macquarie (page 45) stretch across a much larger area than that identified for Coffs Harbour. It is considered that the Coffs Harbour map should be adjusted to show the wider area from Moonee to Bonville, so as to capture the significant long term growth expected north and south of the City Centre.

Council supports the inclusion of the Urban Growth Area Variation Principles (page 49) to allow councils to vary the urban growth area boundaries as new information becomes available or to correct anomalies.

Attachment 1

12. Holiday Letting

The draft Plan supports expansion of the tourism sector on the North Coast, however it is silent on holiday letting. Conflicts between residents and tourists in residential areas has been an ongoing problem on the North Coast, and it is considered that the draft Plan could provide mechanisms to assist Council to resolve these issues.



Planning &
Environment

An aerial photograph of a beach. A large, dark, craggy rock formation dominates the left side of the frame. The sand is light-colored and shows some tracks. In the lower-left, a person in a yellow swimsuit carries a colorful surfboard. In the lower-right, two more people are visible, one with a yellow surfboard and another with a red and white striped surfboard. The water is shallow and reflects the sky. A white line with circular endpoints runs diagonally across the image, passing through the text boxes.

**Draft
North**

**Coast
Regional Plan**

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ISBN 987-1-76039-212-3

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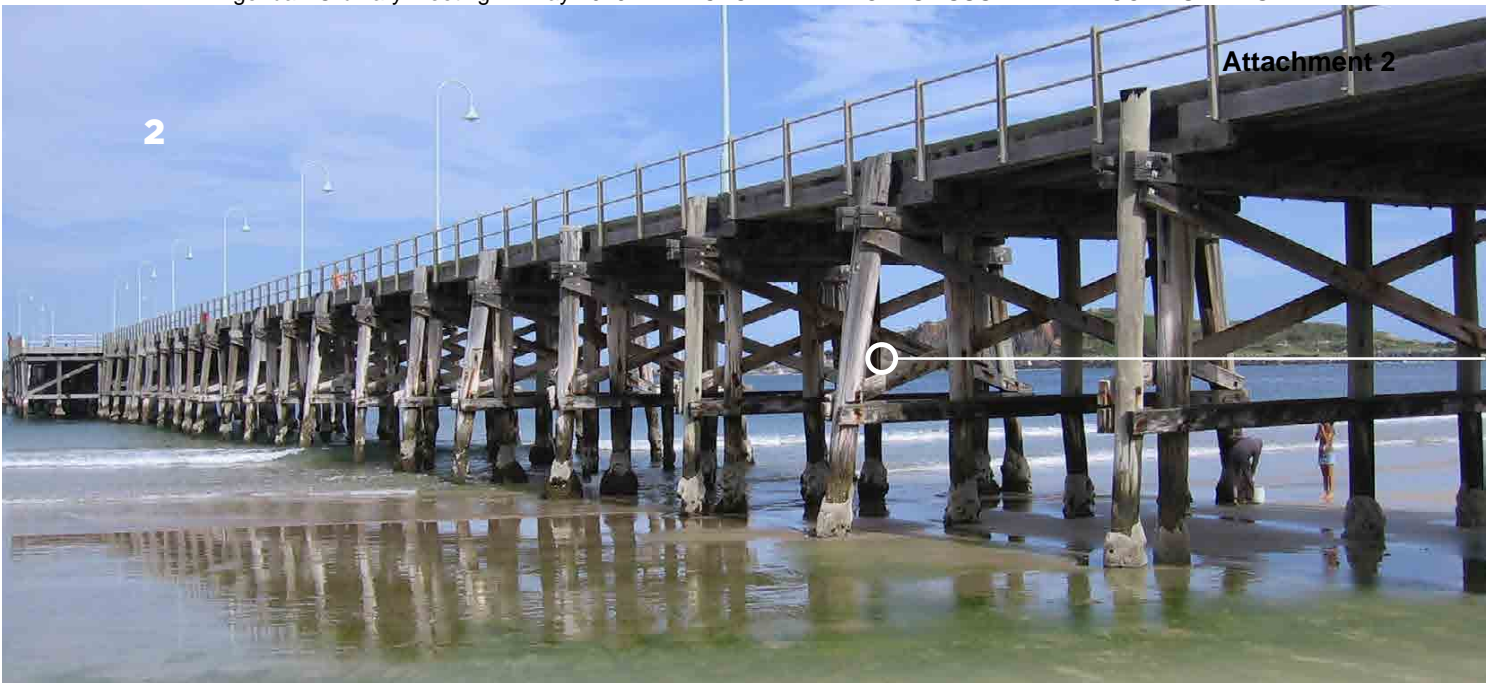
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Draft North Coast Regional Plan
Locked Bag 9022, Grafton NSW 2460.

Cover image: South West Rocks near Kempsey

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Foreword

The natural environment of the North Coast is one of the most popular features of the State. It is one of the main reasons residents choose to live in the region and 11 million tourists come to visit each year. The region will continue to be an appealing place for new residents and visitors and we need to plan for its future.

The *Draft North Coast Regional Plan* is our proposed blueprint for the next 20 years and it is a plan for both the Mid North Coast and the Far North Coast.

The draft Plan outlines a vision, goals and actions that focus on a sustainable future for the region as it grows that protects the environment, builds a prosperous community and offers attractive lifestyle choices for residents.

New homes, jobs and services will be directed primarily to the region's cities – Port Macquarie, Coffs Harbour and Tweed Heads – where two-thirds of the population growth over the next 20 years will be accommodated.

New housing will be accelerated in the cities and in other centres across the region to make the most of existing services, to meet the community's different housing needs – particularly the ageing community – and to improve affordability. New release areas, including Cumbalum, Kings Forest, Cobaki, Brimbin and Thrumster will also provide for more housing and greater housing choice.

By focusing growth in cities and centres we can protect the sensitive coastal area with its productive farmland and significant environmental and cultural values.

The draft Plan proposes diversifying the economy by providing high-skilled job opportunities in health, education and aviation services; expanding nature-based activities, events and cultural tourism; and leveraging the Pacific Highway upgrade and connections to Sydney and South East Queensland to improve transport across the region and to identify suitable locations for freight facilities along the highway.

Let us know what you think about the proposals outlined in the *Draft North Coast Regional Plan* so that we can make sure the North Coast of NSW remains one of the great places to live and visit.

Have your say.

Chris Gulaptis

Parliamentary Secretary for the North Coast

Top:
Coffs Harbour Jetty

Centre:
Surfing at Evans Head

Bottom:
Grafton



Introduction

The *Draft North Coast Regional Plan* (draft Plan) applies to 13 councils - Tweed, Byron, Ballina, Lismore, Richmond Valley, Kyogle, Clarence Valley, Coffs Harbour, Bellingen, Nambucca, Kempsey, Port Macquarie-Hastings and Greater Taree.

The coastal and rural landscapes of the North Coast define the distinctive environment, character and lifestyles of this region. These areas also underpin the agriculture and tourism sectors which contribute \$4.1 billion each year to the economy and attract over 11 million visitors each year.¹ This is the most biologically diverse region in NSW and one of the most diverse in Australia. Fifteen of the region's reserves have World Heritage status (see Figure 1).

Most people live along the coastal strip, many in centres that are separated by rural or high value environmental land.

Over the next 20 years to 2036, the population is expected to grow by over 97,000 to almost 645,000. Tweed, Coffs Harbour and Port Macquarie-Hastings are experiencing the fastest population and economic growth rates in the region. Around 67 per cent of the growth is projected to occur in these three local government areas.

Over 90 per cent of the region's population growth to 2036 will comprise people aged over 65 years. Currently, 20 per cent of residents are aged over 65 years, but this will rise to 31 per cent by 2036. The people in this age group are likely to be healthier, more active and more productive than previous generations, which means there are opportunities to harness their skills and knowledge so they remain engaged in the workforce in varying capacities. There are also opportunities to expand the products and services on offer to this age group, including

education and training, supported housing, health and leisure, tourism and recreation, and home services. The ageing population will also have land use and transport implications.

Outside Port Macquarie, Coffs Harbour and Tweed Heads, the proportion of young people (aged up to 19 years) and working-age people (20-64 years) will decline. This will have implications in terms of the number of people available for jobs, and the likely concentration of jobs growth in health care and social assistance.

Health and education are the fastest growing sectors on the North Coast - there were an extra 1,500 jobs each year in these sectors from 2006 to 2011. In the past five years, the NSW Government spent more than \$268 million on health and education infrastructure in the region.

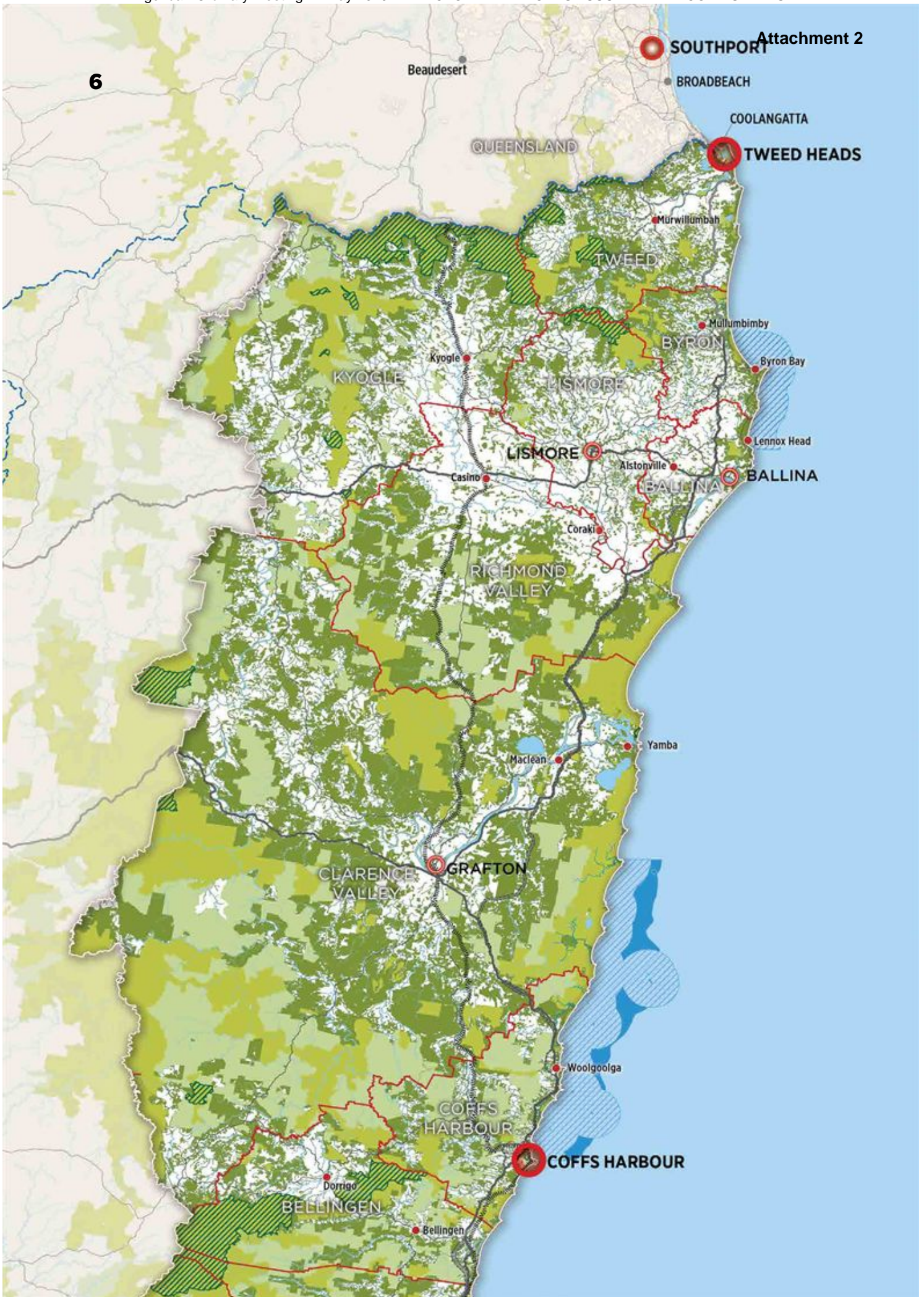
The NSW and Australian Governments have already invested around \$8.6 billion on the Pacific Highway upgrade between Newcastle and Queensland. This is one of Australia's most significant infrastructure investments, with an estimated \$6.4 billion committed to complete the program.² Travel times and safety have improved on the highway, which carries the second-highest level of freight of any road in Australia, with volumes expected to increase.

The draft Plan provides the strategic policy, planning and decision-making framework to guide the region to sustainable growth over the next 20 years. It integrates economic, environmental and social considerations to achieve ecologically sustainable development - a high priority for the region.

The draft Plan integrates land use planning across State and Local Governments to strengthen partnerships and regional identity.

Top:
Bangalow Billycart
Derby 2015

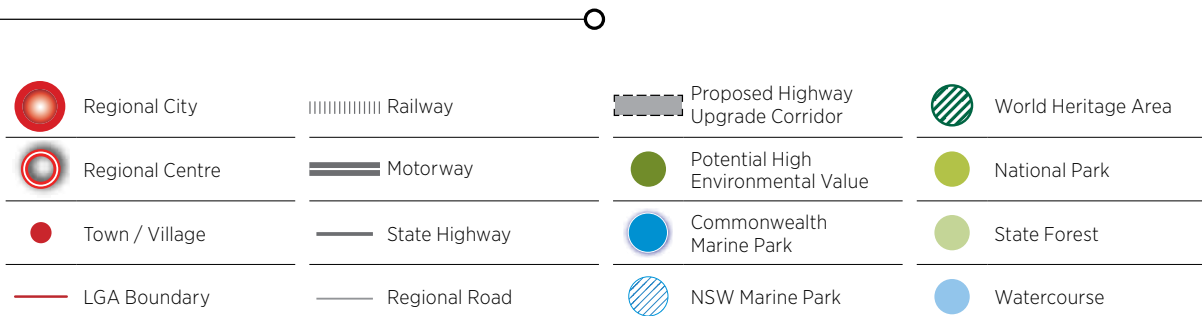
Bottom:
Mt Warning rainforest



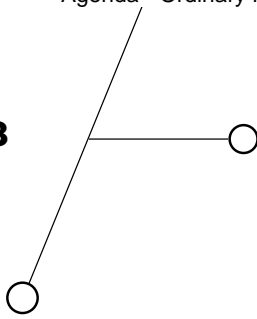


7

FIGURE 1: HIGH ENVIRONMENTAL VALUES



8



Underpinning the planning framework for this draft Plan are key principles. Regional plans will:

- facilitate economic growth, environmental management and social wellbeing;
- respond to the region’s landscape, environmental assets, and natural and cultural resources;
- respond to long term structural, economic and demographic changes, with a focus on ageing, migration patterns and productivity;
- address the implications of a changing climate and build resilience to natural hazards;
- guide the locations for new housing and provide a diversity of housing choice;
- facilitate economic activities consistent with changing market demands and industry needs;
- inform infrastructure and services investment, coordinated with land use; and
- integrate cross-border drivers of change and coordinate responses Statewide and nationally.

FIGURE 2: BUILDING THE DRAFT PLAN



North Coast subregions

The North Coast has three discrete landscapes that are focused on specific centres and reflect shared interests, geographical proximity, social links and existing services. These areas operate as subregions. The draft Plan highlights areas where the NSW Government will work with councils across these different landscapes to provide an adequate supply of housing and job opportunities.

These landscapes are:

- **Far North Coast** – comprising Tweed, Byron, Ballina, Lismore, Richmond Valley and Kyogle Councils;
- **Mid North Coast** – comprising Clarence Valley, Coffs Harbour, Bellingen and Nambucca Councils; and
- **Lower North Coast** – comprising Kempsey, Port Macquarie-Hastings and Greater Taree Councils.

Developing the draft Plan

The *Draft North Coast Regional Plan* is underpinned by a strong evidence base. Data and evidence on population growth and change, the regional economy, the housing and employment markets, and the location of important environmental and resource areas, and natural hazards was gathered and analysed.

Background research that has informed the draft Plan includes:

- Department of Planning and Environment (2014), *Population, Household and Dwelling Projections* – identifies the population and housing numbers for the North Coast to 2036;
- MacroPlan Dimasi (2015), *Mid North Coast and Far North Coast Housing Submarkets* – identifies the housing submarkets, the demographic profile of each, and the relationship to housing choice and the type of housing needed to meet future needs;
- MacroPlan Dimasi (2015), *North Coast Employment Land Review* – analysis of trends, drivers, and the supply and demand for employment lands;

- Department of Planning and Environment (2016), *Mid North Coast and Far North Coast Housing and Land Monitors* – monitors land and housing supply and is developed with input from all councils;
- Department of Planning and Environment (2006 and 2008 respectively), *Northern Rivers Farmland Protection Project* and *Mid North Coast Farmland Mapping Project* – identifies State or regionally significant land that is to be retained for existing or future agricultural production; and
- Department of Planning and Environment (2016), *North Coast Subregions Background Paper* – summarises strengths and opportunities for the three subregions, including journey to work, migration, land supply and economic sectors.





















Additional evidence was also considered:

- Transport for NSW (2013), *Mid North Coast Regional Transport Plan* and *Northern Rivers NSW Regional Transport Plan* – provides a strategic direction for delivering transport infrastructure and services in the State's regions over the next 20 years;
- Bureau of Transport Statistics (2011), journey to work data – analyses and forecasts changes in employment and commuting patterns;
- Office of Environment and Heritage (2015), *Potential High Environmental Value Land Mapping* – identifies areas for conservation; native vegetation of high conservation value; threatened species and populations; significant wetlands, rivers, estuaries and coastal features; and sites of geological significance. The mapping provides guidance on regionally important conservation priority areas, along with potential regional priority offset areas that may have the same or similar biodiversity to that predicted in areas identified for future development; and
- Department of Industry (2015), *Economic Development Strategy for Regional NSW* – sets out clear goals, comprehensive actions, and an economic profile of the North Coast.

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FIGURE 3: NORTH COAST REGIONAL PLAN

-  Regional City
-  Regional Centre
-  Town / Village
-  Health Services Precinct
-  Commercial Port
-  Education Precinct
-  Harbour
-  Airport
-  LGA Boundary
-  Railway
-  Proposed Highway Upgrade Corridor
-  State Highway
-  Regional Road
-  World Heritage Area
-  Commonwealth Marine Park
-  NSW Marine Park
-  Coastal Area
-  National Park
-  State Forest
-  Watercourse



Vision

The vision for the North Coast is for a sustainable future, centred on a prosperous community, healthy environment and attractive lifestyle choices.

Residents and visitors will continue to enjoy the region's natural environment, World Heritage-listed rainforests, rivers and waterways, landscapes and heritage. New housing will be located in identified regional cities and urban growth areas, to protect environmentally sensitive coastal and rural landscapes.

The coastal landscape and fertile floodplains that provide attractive lifestyles and support farming and fisheries will be managed so that future generations continue to benefit from the productive and environmental values that define this significant area of the North Coast.

The regional cities of Tweed Heads, Coffs Harbour and Port Macquarie will continue to grow and provide greater housing choice and jobs, supported by key services and educational opportunities.

The North Coast will have a diverse economy. Opportunities will be provided to cluster complementary health and education activities into growth precincts, more high-skilled jobs and provide better access to services. Nature-based and cultural heritage tourism will be expanded through complementary land uses, infrastructure and services.

The region's diverse agricultural sector will remain a major contributor to the economy and landscape values. Regionally significant farmland will be preserved to support a wide variety of farming practices.

The completion of the Pacific Highway upgrade will make it easier for residents to get to jobs, for visitors to access the wide range of tourist activities, and for industries to expand through better access from the region to Sydney and Brisbane.

The growth of South East Queensland will provide job opportunities and services for adjoining communities. The North Coast will capitalise on these economic opportunities as investors and business seek development opportunities to provide greater housing choice and affordability, and land with good access to local, national and international markets.

The Gold Coast Airport will continue to allow business and industry in the region to access international export and tourism markets, and major regional airports will continue to attract tourists and provide access to metropolitan centres.

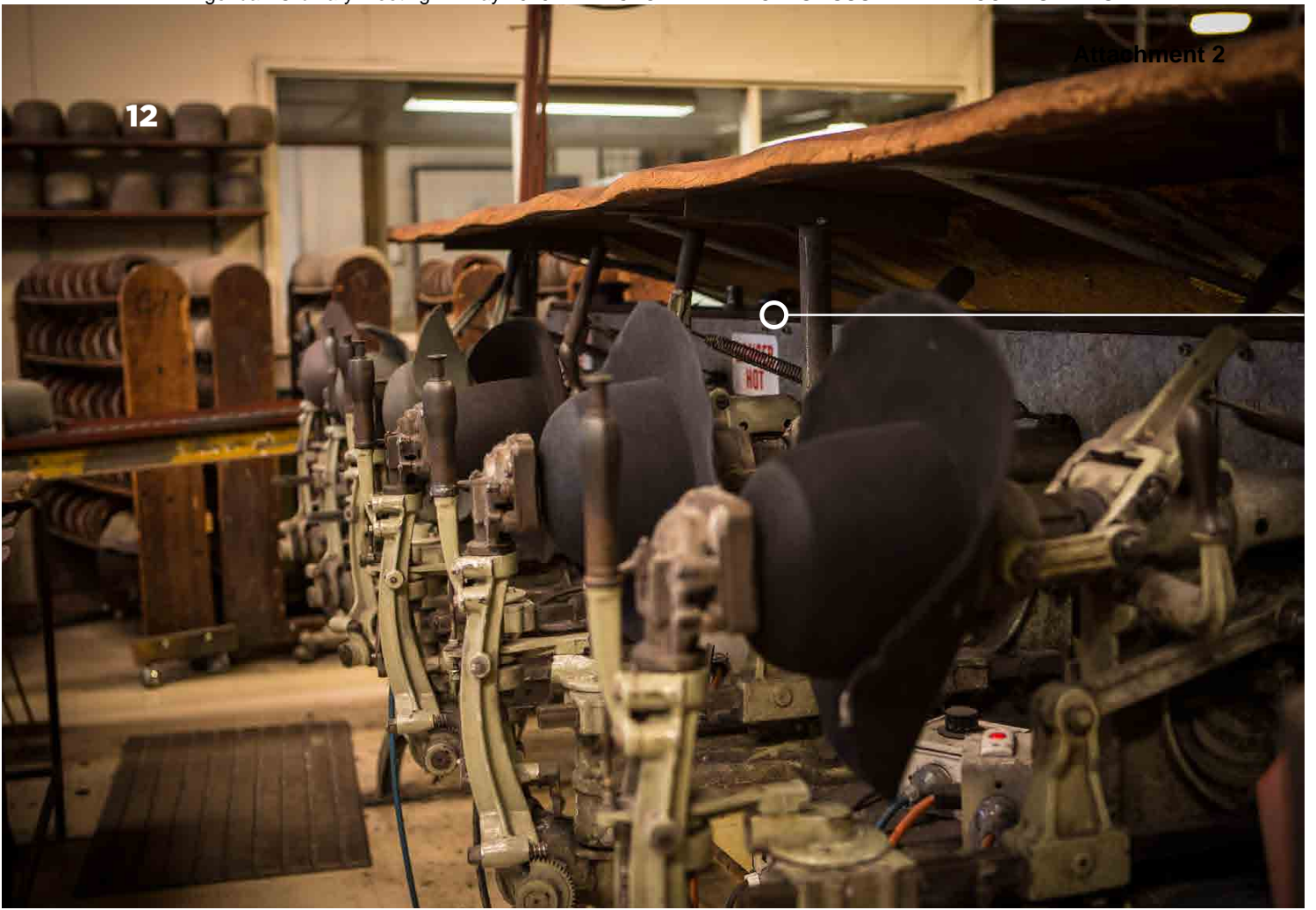
The competing demands of environmental protection, Aboriginal and historic heritage protection and conservation, population growth, and economic development will be sustainably managed so that sensitive environmental and coastal areas are protected for future generations. Future development will be directed to the least constrained areas.

To achieve this vision, five goals have been set:

- GOAL 1 – A natural environment, and Aboriginal and historic heritage that is protected, and landscapes that are productive;
- GOAL 2 – Focus growth opportunities to create a great place to live and work;
- GOAL 3 – Housing choice, with homes that meet the needs of changing communities;
- GOAL 4 – A prosperous economy with services and infrastructure; and
- GOAL 5 – Improved transport connectivity and freight networks.

The vision will be achieved through this draft Plan and is reflected in the *Draft North Coast Regional Plan Map* (Figure 3).

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Delivering the Plan

Achieving the vision and the goals of the final North Coast Regional Plan (final Plan) will be a shared responsibility that will require the ongoing commitment of all stakeholders, including councils, State agencies and the development and services sectors.

Governance

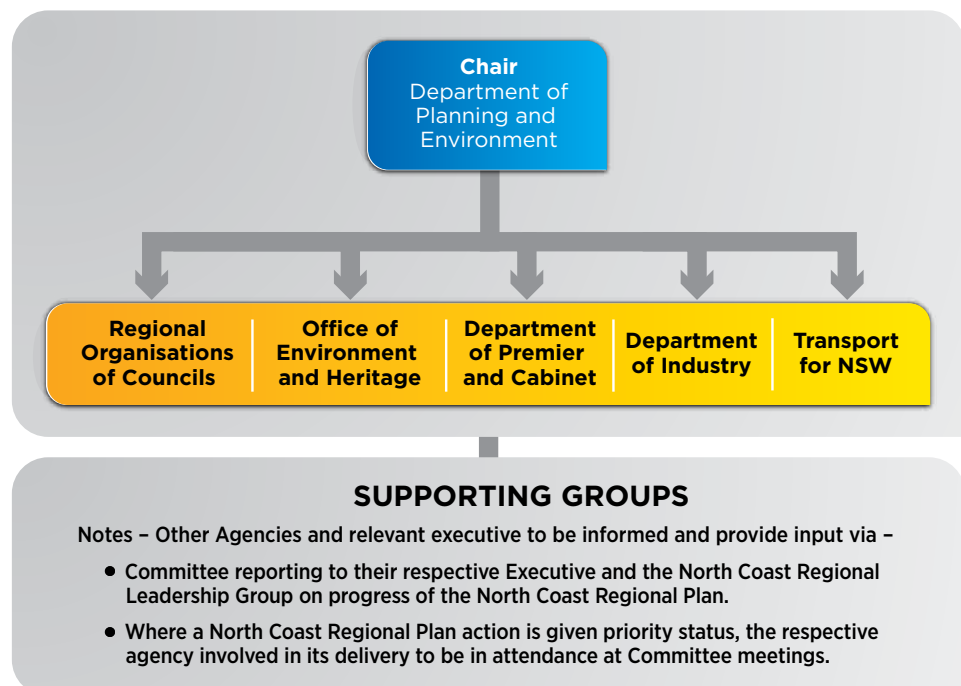
A Coordination and Monitoring Committee will be established to oversee the implementation of the final Plan. It will be chaired by the Department of Planning and Environment and comprise two Local Government representatives determined by the Regional Organisations of Councils (or Joint

Organisations once established), and representatives from the Department of Premier and Cabinet, Office of Environment and Heritage, Transport for NSW and the Department of Industry.

The committee will:

- coordinate and drive the delivery of actions, supported by an Implementation Plan;
- identify potential policy interventions or resourcing issues;
- establish a framework to monitor issues such as:
 - population;
 - housing;

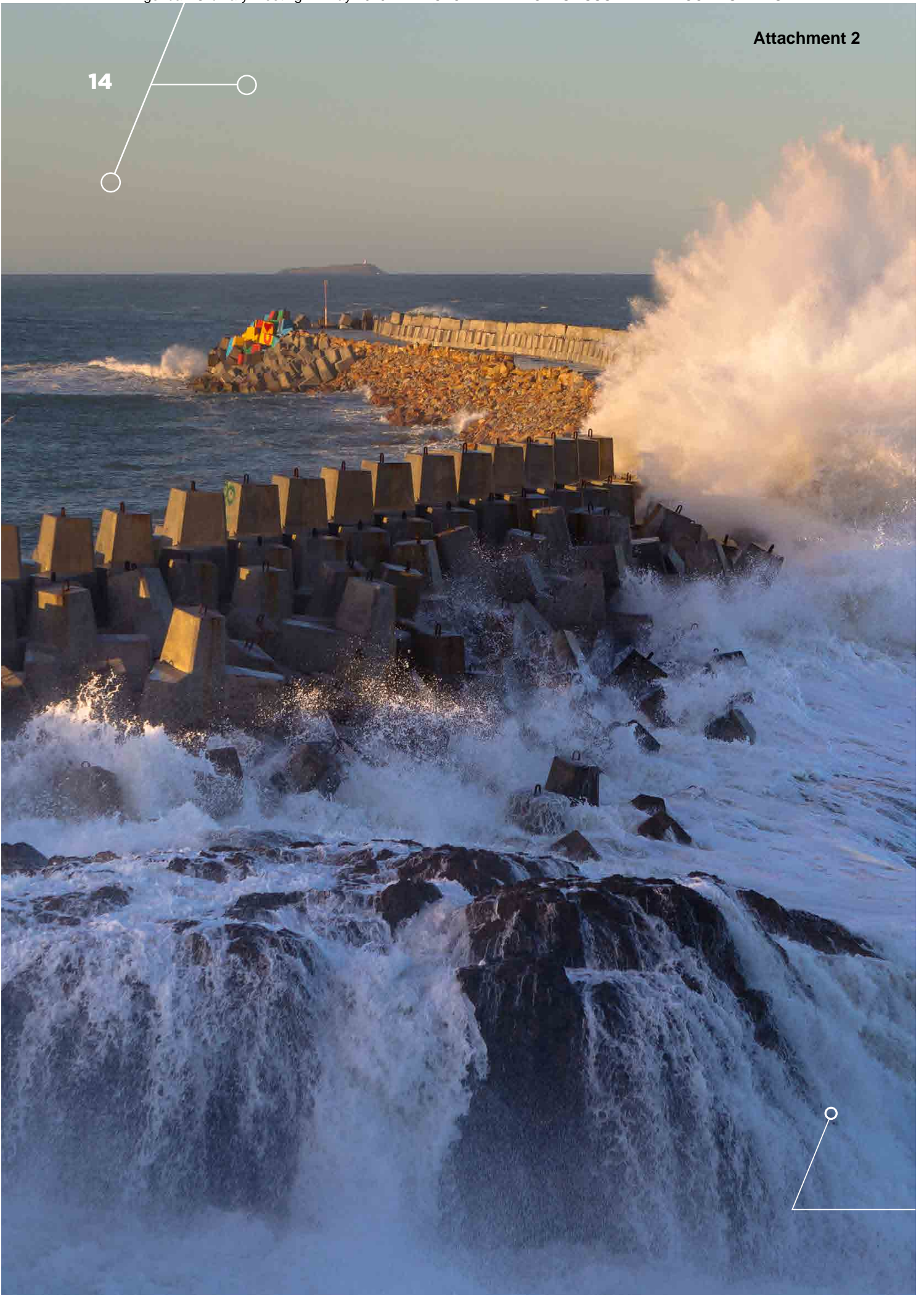
FIGURE 4: COORDINATION AND MONITORING COMMITTEE



Top:
Akubra hats, Kempsey

Bottom:
Agriculture, Bellingen area

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- economy and employment, and;
- natural environment and resources;
- prepare an annual report on the implementation of the actions identified in the final Plan, and to provide recommendations for land use and infrastructure funding priorities; and
- provide input to the review, and update and revise the Plan every five-years, or as necessary.

The committee will be supplemented by outcome-specific groups to provide advice on particular issues or projects in the Plan.

A Regional Cities Steering Committee will be established that will report to the Coordination and Monitoring Committee on progress towards meeting actions under Goal 2 of the final Plan.

Implementing the actions in the Regional Plan

The actions in the final Plan will be implemented through a number of mechanisms including:

- local planning directions – under Section 117 of the *Environmental Planning and Assessment Act 1979* – issued by the Minister for Planning that ensure council planning strategies and controls are consistent with the targets and aspirations of the final Plan;
- whole-of-government policy alignment; and
- regional collaboration across government, business, key stakeholders and the wider community for specific projects and processes.

The NSW Government will be responsible for implementing these actions and will work with councils on relevant initiatives.

Infrastructure for the region's growth

The draft Plan aligns regional planning for housing and economic activity to existing and planned infrastructure investments. The infrastructure context and priorities in this draft Plan are drawn from the *Rebuilding NSW – State Infrastructure Strategy (2014)*, *NSW Long Term Transport Master Plan (2012)*, *Mid North Coast Regional Transport Plan (2013)*, *Northern Rivers Regional Transport Plan (2013)*, *NSW Freight and Ports Strategy (2013)*, local water utilities' strategic business plans and the operational plans of electricity providers.

The NSW Government will use the final Plan and the annual monitoring of development activity to advise infrastructure agencies about the timing of new developments to inform ongoing planning and delivery of infrastructure, asset management and services. Opportunities for private sector delivery of infrastructure will also be explored to support growth.

The NSW Government will continue to work with State infrastructure providers to plan and deliver infrastructure that responds to place and community needs across regional NSW. This includes:

- aligning future infrastructure priorities to support planned growth and change;
- coordinating infrastructure delivery to support strategic employment and housing land; and
- exploring innovative design and delivery approaches across infrastructure sectors.

Local Planning Initiatives

A Ministerial Direction will require all councils to implement the objectives and actions of the final Plan, appropriate to their local area, in their council planning strategies and local environmental plans.

Reviews of and amendments to planning strategies and local environmental plans will need to be consistent with the policies and actions in the final Plan.

In addition to implementing statutory mechanisms, councils will lead and participate in relevant strategic projects such as urban design and public domain improvement projects to deliver the outcomes of the final Plan.

Once finalised, the Plan will replace the following strategic plans in the region:

- *Far North Coast Regional Strategy 2006–31*, released by the NSW Government in 2006 for Tweed, Byron, Ballina, Lismore, Richmond Valley and Kyogle Local Government Areas; and
- *Mid North Coast Regional Strategy 2006–31*, released by the NSW Government in 2008 for Clarence Valley, Coffs Harbour, Bellingen, Nambucca, Kempsey, Port Macquarie-Hastings and Greater Taree Local Government Areas.

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GOAL 1 – A natural environment, and Aboriginal and historic heritage that is protected, and landscapes that are productive

The North Coast has a wealth of environmental, heritage and natural resources that underpin the region’s economy and create a unique and enviable lifestyle for its residents.

The natural environment plays an important role in the identity, spirituality, and resource base of the Bundjalung, Gumbaynggirr, Dunghutti, Biripi and Yaegl Aboriginal peoples.

The region’s beaches, nature and outdoor activities are identified in *North Coast of NSW Destination Management Planning – June 2013* as key attractions. It is important that growth is managed sustainably to protect the region’s environmental and cultural heritage for current and future generations.

The draft Plan:

- aims to protect potentially high environmental value areas and significant farmland by identifying them in planning strategies or local environmental plans;
- identifies and maps areas of potential environmental, Aboriginal and historic heritage and natural resources at the local scale in urban growth areas to inform future land release;
- reviews the methodology of the existing *Northern Rivers Farmland Protection Project* and *Mid North Coast Farmland Mapping Project* to apply consistent standards across the region;

Top:
Clarence River, Grafton

Centre:
Manning River at
Manning Point

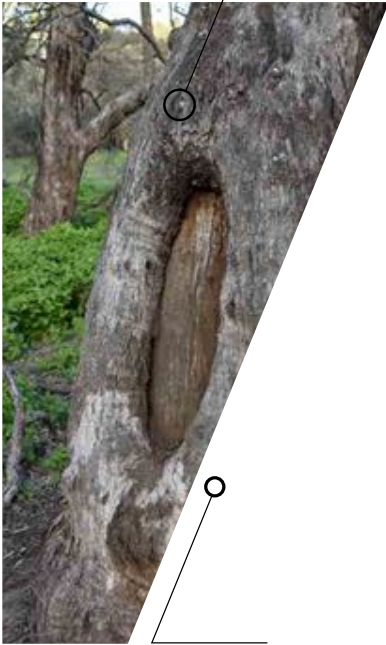
Bottom:
Dairy farming, Casino

Urban Growth Areas and the Coastal Area

Coastal and other environmentally sensitive locations are under pressure due to high demand for housing and employment land. If not appropriately managed, population growth and the spread of low density urban and rural residential development could degrade these assets.

The draft Plan identifies and defines ‘urban growth areas’ and a ‘coastal area’ to achieve a balance between urban expansion and protecting coastal and other environmental assets. Limits are imposed on the location of additional rural residential development in the coastal area (see Goal 2).

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A Scar tree

- permits minor variations to the mapped farmland – prior to finalising the review – to allow isolated pockets of land to be included in urban growth areas where the land does not contribute to agricultural productivity. This provides flexibility and promotes efficient development outcomes;
- reduces potential land use conflict in rural areas by limiting rural fragmentation and additional rural dwellings; and
- limits potential conflicts over land use and impacts on the ability to extract resources.



DIRECTION 1.1 Protect the environment, and Aboriginal and historic heritage

The North Coast is one of the most biologically diverse regions in Australia and contains the greatest number of endemic plants and animals of any region in NSW.³ Fifteen of the region’s reserves have World Heritage status. The World Heritage listed Gondwana Rainforests of Australia include the most extensive areas of

subtropical rainforest in the world, large areas of warm temperate rainforest and nearly all of the Antarctic beech cool temperate rainforest.

Many of these important environmental lands are protected in national parks, nature reserves and conservation areas. The NSW Government continues to expand its reserve system on the North Coast. The Everlasting Swamp National Park was created in late 2014 to protect around 1,700 hectares of coastal floodplain wetlands near Maclean. This park will protect and enhance internationally significant water bird habitats and estuarine biodiversity, and support sustainable fishery stocks.

The North Coast has a rich and diverse Aboriginal and historic heritage, with many important places, objects and landscapes. More than 2,500 important State or local items are heritage listed, including iconic sites such as the Cape Byron Lighthouse, Trial Bay Gaol and the convict-built St Thomas’ Anglican Church in Port Macquarie. Over 70,000 hectares of Crown reserves has been set aside on behalf of the community for a wide range of public purposes.

Environmental features and heritage values define the distinctive character and lifestyles of the North Coast, and they underpin the tourism sector that attracts 11 million visitors each year⁴ and an agricultural sector that generates around \$840 million.⁵ Protecting these environmental values will keep the North Coast a great place to live and work.

ACTION 1.1.1 Identify and manage areas of high environmental value

Many of the region’s natural features and environmental values are already protected through existing legislation. Land use planning can assist by indicating locations where high environmental value areas are likely to occur. Strategic planning can assist in protecting these values by identifying and implementing controls to avoid or minimise impacts to these values from the outset.

Locations within the region with high environmental values have been mapped (see Figure 1) using criteria established by the Office of Environment and Heritage.

TABLE 1: NORTH COAST RESERVE SYSTEM

North Coast Reserve System	
LAND USE	SIZE - hectares
National Parks	552,256
Nature Reserves	101,876
State Conservation Areas	43,761
Historic Sites	934
Regional Parks	442
Aquatic Reserves & Marine Parks	94,728
Total	793,997

Groundwater dependent ecosystems and aquatic and marine habitats also have high environmental values. Maps of these areas are available from the Department of Primary Industries.

Identifying natural environment and heritage assets and using an evidence-based approach to planning will allow the region to meet its future housing and employment needs without adversely affecting the environment.

The NSW Government will:

- require councils when they are preparing planning strategies or local environmental plans for new or more intensive development to:
 - identify and implement appropriate planning controls to protect areas of high environmental value; and
 - implement the 'avoid, minimise, offset' hierarchy, by striving to avoid and minimise impacts on areas of high environmental value and where impacts cannot be avoided, identify and secure appropriate biodiversity offsets through an offset strategy.

The maps of high environmental value areas will also be used to consider opportunities for biodiversity certification and to inform council planning strategies and local environmental plans, as well as the fish community status and aquatic threatened species distributions, the key fish habitat, and marine protected areas maps from the Department of Primary Industries, Fisheries.

Explanatory note: High Environmental Values map

A range of criteria were used to map high environmental values land including:

- existing conservation areas, including national parks and reserves, marine parks, declared wilderness areas, Crown reserves dedicated for environmental protection and conservation, and flora reserves;
- native vegetation of high conservation value, including vegetation types that have been over-cleared or occur within over-cleared landscapes, old growth forests and rainforests;
- threatened ecological communities and key habitats;
- important wetlands, coastal lakes and estuaries; and
- sites of geological significance.

Some areas not identified on the map, including terrestrial and aquatic environments, may still require environmental assessment.

The data used to identify high environmental values in this draft Plan is intended to provide a regional-level overview for the purposes of strategic planning. This data will continue to be updated as new information becomes available. Interested parties should contact relevant agencies, including the Office of Environment and Heritage, Local Land Services and the Department of Primary Industries, for current data and further support.



Left: Wetland, Evans Head
Right: Macadamia farming, Lismore

ACTION 1.1.2 Identify and map areas of potential high environmental value and Aboriginal and historic heritage in proposed urban and employment land

The Office of Environment and Heritage will review proposed urban and employment land identified in the urban growth area maps, to identify sites highly likely to have significant environmental, and Aboriginal and historic heritage values that may constrain development.

The NSW Government will:

- review proposed urban and employment land in the urban growth areas identified in the draft Plan; and
- prepare maps to identify sites of potentially high environmental value and, where culturally appropriate, areas of Aboriginal or historic heritage in urban growth areas. These maps will also be used to consider opportunities for biodiversity certification and to inform council planning strategies and local environmental plans.

ACTION 1.1.3 Review and update planning controls and heritage studies to protect Aboriginal and historic heritage assets

Aboriginal and historic heritage items are generally protected by the *National Parks and Wildlife Act 1974*, the *Heritage Act 1977* or council local environmental plans. It is likely that the number of items, particularly Aboriginal items, is under-recorded and documented, and therefore vulnerable to damage or destruction.

When preparing planning strategies or local environmental plans, councils will review or prepare local cultural heritage studies to

identify and protect places of Aboriginal and historic heritage significance. This work will be undertaken in consultation with local communities.

Where impacts from new development near heritage items and areas cannot be avoided, proposals that reduce impacts through sympathetic design should be developed in accordance with relevant statutory processes.

The NSW Government will:

- work with councils to review and update their planning controls and heritage studies to identify and protect Aboriginal and historic heritage items and to make sure that appropriate opportunities for the adaptive or sympathetic use of heritage items are promoted and available.

DIRECTION 1.2 Protect and enhance productive farmland

The North Coast's rich soils, relatively reliable rainfall and range of landscapes support a diverse and important agricultural sector. This includes over 20 different agricultural industries, including beef and sugar (Far North Coast), bananas, blueberries and fishing (Mid North Coast), and dairy and oyster farming (Lower North Coast). These industries support a range of value-adding industries, such as milk processing, abattoirs, sugar mills and packaging and processing. The NSW Government is committed to ensuring the long-term profitability and sustainability of our forests and forestry industries. The region's forests provide tourism and recreation activities, habitat and wood products through harvesting, and environmental services such as good water quality, native habitat and connectivity with other forests (such as national parks).

The NSW Government mapped approximately 420,600 hectares of State and regionally significant farmland through the *Northern Rivers Farmland Protection Project* and *Mid North Coast Farmland Mapping Project* in 2006 and 2008 respectively. This mapping identifies the region's important farmland, which is protected from future urban and rural residential development by council controls in planning strategies and local environmental plans. This mapping is shown in Figure 7.

Biophysical Strategic Agricultural Land on the North Coast was also mapped in 2014 as part of the NSW Government's *Strategic Regional Land Use Policy*. This land is capable of sustaining high levels of production for a variety of agricultural industries due to its high-quality soil and water resources. More than 248,000 hectares of this land has been mapped on the North Coast. The policy requires that any significant mining or coal seam gas proposals on this land have to be scrutinised through the independent Gateway process, before a development application can be lodged.

Protecting agricultural land has historically been achieved by limiting rural land subdivision. Councils will need to apply minimum subdivision standards for rural zones to limit rural land fragmentation. They will also need to apply provisions to limit dwellings in rural zones that are not associated with agriculture, or outside of rural residential areas, to avoid potential land use conflicts with agricultural activities.

Niche agriculture, such as horticulture, is common on smaller holdings throughout the North Coast. Identifying suitable areas for smaller agricultural holdings can minimise conflict between land uses. Councils should investigate mechanisms to support this type of agriculture, while preventing widespread fragmentation in the rural zone.

Councils that permit secondary dwellings or detached dual occupancies in their rural areas should consider, at the development application stage, possible land use conflicts, and the potential impacts on local agricultural activities.

The NSW Government will also implement the *Agriculture Industry Action Plan (2014)* prepared by the Department of Primary Industries to drive growth in the sector across the State.

ACTION 1.2.1 Investigate complementary activities in rural zones

The NSW Government supports the development of farms that can adapt to changing agricultural trends and practices, while also accommodating agritourism, and processing, packaging and associated retail services.

Some councils permit with consent, a number of non-agricultural core activities, such as niche commercial, tourist and recreation activities, in primary production areas. These include:

- animal boarding and training establishments;
- bed and breakfast and farm stay accommodation;
- camping grounds and recreation areas;
- cellar door premises and roadside stalls;
- eco-tourism facilities;
- restaurants and cafes; and
- nurseries.

These activities will promote a stronger agricultural sector by building greater economic diversity within farm businesses, and providing greater resilience and capacity to adapt to changing circumstances.

The NSW Government will:

- work with councils to investigate appropriate complementary activities in rural zones that promote the development of a stronger agricultural sector and will not adversely affect agricultural activities.

ACTION 1.2.2 Increase the region's biosecurity through the use of buffers and land use conflict risk assessment

Improving biosecurity is important to protect the economy, environment and community from the negative impacts of animal and plant, pests, diseases and weeds. Biosecurity issues can occur when extending the interface between urban and rural areas, increasing the risk of animal and plant pests and diseases affecting food production, the environment (particularly wildlife) and human health.



Attachment 2

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Left: Sugar Cane, North Coast
Right: Dairy farming, Casino

These land use conflicts can often be avoided by applying buffers to separate different land uses, for example, through distance, vegetation or topography.

The NSW Government will:

- work with councils to identify opportunities to minimise biosecurity risks for current and future industries through biosecurity plans, and strategic planning, including the review of zones in local plans;
- promote the application of buffer areas to minimise biosecurity risks when assessing the potential impacts of new development; and
- apply consistent and coordinated regional planning and local delivery of the *NSW Biosecurity Strategy 2013-2021*, *NSW Weeds Action Program 2015-2020* and *Draft NSW Invasive Species Plan 2015 – 2022*.

ACTION 1.2.3 Review the Northern Rivers and Mid North Coast farmland mapping projects

A review of the consistency, methodology and application of the *Northern Rivers Farmland Protection Project* and *Mid North Coast Farmland Mapping Project* will provide an opportunity to:

- finalise the current interim farmland mapping for the Greater Taree area; and
- establish consistent standards and application for regionally significant farmland across the North Coast.

The NSW Government will:

- review the *Northern Rivers Farmland Protection Project* and *Mid North Coast Farmland Mapping Project* to deliver appropriate management of regionally significant farmland across the region.

ACTION 1.2.4 Adopt State and regionally significant farmland interim variation criteria

The NSW Government recognises that some small pockets of State and regionally significant mapped farmland may be more suited to other land uses. Pending finalisation of the farmland mapping review (discussed above), this draft Plan establishes interim significant farmland variation criteria. When councils are preparing planning strategies or local environmental plans they can use these criteria to assess suitability of the land for continued rural land use.

The NSW Government will:

- allow councils to make a minor variation to the mapped farmland boundary, where State or regionally significant farmland is unlikely to contribute significantly to future agricultural production.

Biosecurity

Biosecurity means protecting the economy, environment and community from the negative impacts of pests, diseases and weeds. The Department of Primary Industries has developed the *Biosecurity Strategy 2013 – 2021*. The strategy identifies a number of outcomes for implementation to better manage the risks of pests, diseases and weeds entering, establishing and spreading in Australia, including the following:

- review existing NSW legislation, taking into consideration legislation in other jurisdictions;
- support the development of best practice guidelines; and
- develop clear guidelines outlining the roles and responsibilities of stakeholders in biosecurity management.



State and Regionally Significant Farmland Interim Variation Criteria

Land may be suitable for uses other than farmland if:

AGRICULTURAL CAPABILITY

- the land is isolated from other important farmland and is not capable of supporting sustainable agricultural production;

LAND USE CONFLICT

- the land use does not increase the likelihood of conflict and does not impact on current or future agricultural activities in the locality;*

INFRASTRUCTURE

- the provision of infrastructure (utilities, transport, open space, communications and stormwater) required to service the land is physically and economically feasible at no cost to State and Local Government. Adverse impacts on adjoining farmland must be avoided;

ENVIRONMENT AND HERITAGE

- the proposed land uses do not have an adverse impact on areas of high environmental value, and Aboriginal or historic heritage significance; and

AVOIDING RISK

- risks associated with physically constrained land are avoided and identified, including:
 - flood prone;
 - bushfire prone;
 - highly erodible;
 - severe slope; and
 - acid sulfate soils.

* An evaluation may be required in accordance with the NSW Department of Primary Industry *Land Use Conflict Risk Assessment Guide* (2011).

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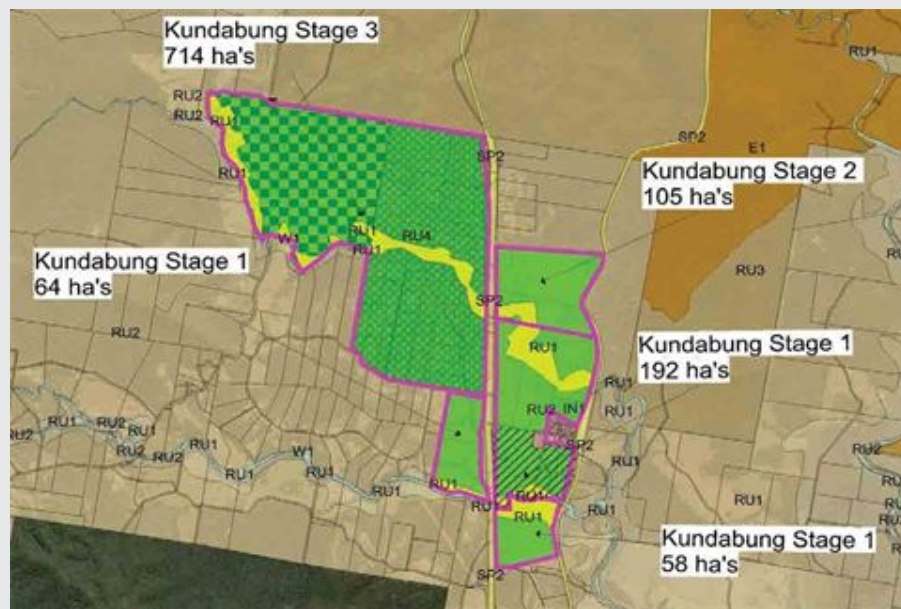
Manning River, Taree

Case study: Kempsey

Kempsey Shire Council has identified a possible rural residential expansion area at Kundabung in its 2014 *Rural Residential Land Release Strategy*. This area contains two small and isolated corridors of regionally significant farmland, shown in yellow on the map. These corridors will eventually be surrounded by rural residential development (shown in green) and could be serviced effectively and efficiently by adjoining infrastructure as the surrounding land is developed.

Retention of these lands for agricultural purposes would not serve an economic or agricultural benefit and would miss the opportunity to take advantage of any adjoining infrastructure.

Current policy would prevent this outcome as the regionally significant farmland has been excluded from the rural residential release area. The new interim policy would allow Kempsey Shire Council to consider varying this mapped farmland by applying the criteria.



DIRECTION 1.3 Safeguard aquatic habitats and water catchments

The region's aquatic habitats and water catchments contribute to the character of the North Coast; support urban and economic growth; offer significant aquaculture, commercial and recreational fishing opportunities; and are a major tourist attraction.

Aquaculture relies on high-quality fresh water catchments, along with estuarine and marine waters. Protecting the aquaculture environment

from activities that affect water quality is crucial to the long term future of the industry. New development will be appropriately located to minimise impacts, including downstream impacts, on fish and aquaculture, commercial and recreational fishing habitats (waterways, wetlands and tidal lands). The NSW Government has several strategies to protect aquatic resources. Councils should consider the following strategies when developing local planning strategies and local environmental plans:

- *Policy and Guidelines for Fish Habitat Conservation and Management (2013)* provides guidance and helps manage and protect important marine resources;

- *NSW Oyster Industry Sustainable Aquaculture Strategy (2014) and the NSW Land Based Sustainable Aquaculture Strategy (2009)* identify areas suitable for the development of marine-based aquaculture on the North Coast; and
- *Marine-Based Industry Policy – Far North Coast & Mid North Coast NSW (2015)* guides government and industry on the establishment of marine-based industries on North Coast navigable waterways, and identifies criteria to minimise the impact of this type of development on the environment, water quality and amenity.

ACTION 1.3.1 Protect marine environments, water catchment areas and groundwater sources

The North Coast has a number of important aquatic environments, water catchments and groundwater aquifers that support its urban areas, agriculture, environment, economy and lifestyle. Protecting water quality, managing access to water supplies, and avoiding activities that interrupt natural ecological processes are essential for the health of the region’s marine environments, water catchments and to support continued population and economic growth.

Ballina, Byron, Lismore, Richmond Valley, Clarence Valley, Coffs Harbour and Tweed Councils have already included planning provisions in their local environmental plans to avoid or mitigate potential impacts on drinking water catchments from developments. Any development should have a neutral or beneficial effect on the region’s water quality.

The NSW Government will:

- work with councils to apply appropriate planning provisions in local environmental plans to protect marine environments, water catchment areas and groundwater sources from potential development impacts.

ACTION 1.3.2 Finalise water sharing plans for rivers and groundwater systems on the North Coast

The NSW Department of Primary Industries is developing water sharing plans that form the basis for sharing and allocating water in NSW.

They establish rules for sharing water between the environmental needs of the river or aquifer and water users, and also between different types of water use such as town supply, rural domestic supply, stock watering, industry and irrigation.

These plans are being progressively developed for rivers and groundwater systems on the North Coast. The Tweed, Richmond and Coffs whole-of-catchment water sharing plans are already in use and a number of other plans are being prepared. These plans will set rules to regulate the extraction of surface water and groundwater, as well as the use of water. The plans provide increased opportunities to trade water through separation of land and water and will give security to licence holders through the application of equitable conditions and clear access rules.

The NSW Government will:

- finalise and continue to update water sharing plans for rivers and groundwater systems on the North Coast.

ACTION 1.3.3 Investigate opportunities to integrate the marine estate and adjacent coastal land uses

The *Marine Estate Management Act 2014* provides for strategic and integrated management of the whole marine estate – marine waters, coasts and estuaries. The NSW Government will improve the coordination of marine and coastal (land-based) activities to minimise potential impacts that may influence natural systems along the coast.

The NSW Government will:

- prepare a Marine Estate Strategy for NSW in partnership with key stakeholders to respond to the outcomes of threat and risk assessments for the Manning Shelf bioregion. This will consider the marine estate, including its social, economic and ecological values, and will determine the management priorities for the estate; and
- develop regional boating plans to improve boating safety, boat storage and waterway access on major waterways.

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Grafton Flood Sign on the Clarence River, January 2013

DIRECTION 1.4 Adapt for natural hazards and climate change

The North Coast is prone to natural hazards, including bushfires, coastal erosion, rising sea levels, storms, floods, acid sulfate soils and landslips (see Figure 5). Climate change may worsen many of these hazards. The *2014 North Coast Climate Change Snapshot* estimates climate change will raise maximum temperatures on the North Coast by 0.7 degrees by 2030 and by 1.9 degrees by 2070. This is projected to increase the number of severe fire weather days in spring and summer, decrease rainfall in winter, and increase rainfall in spring and autumn.

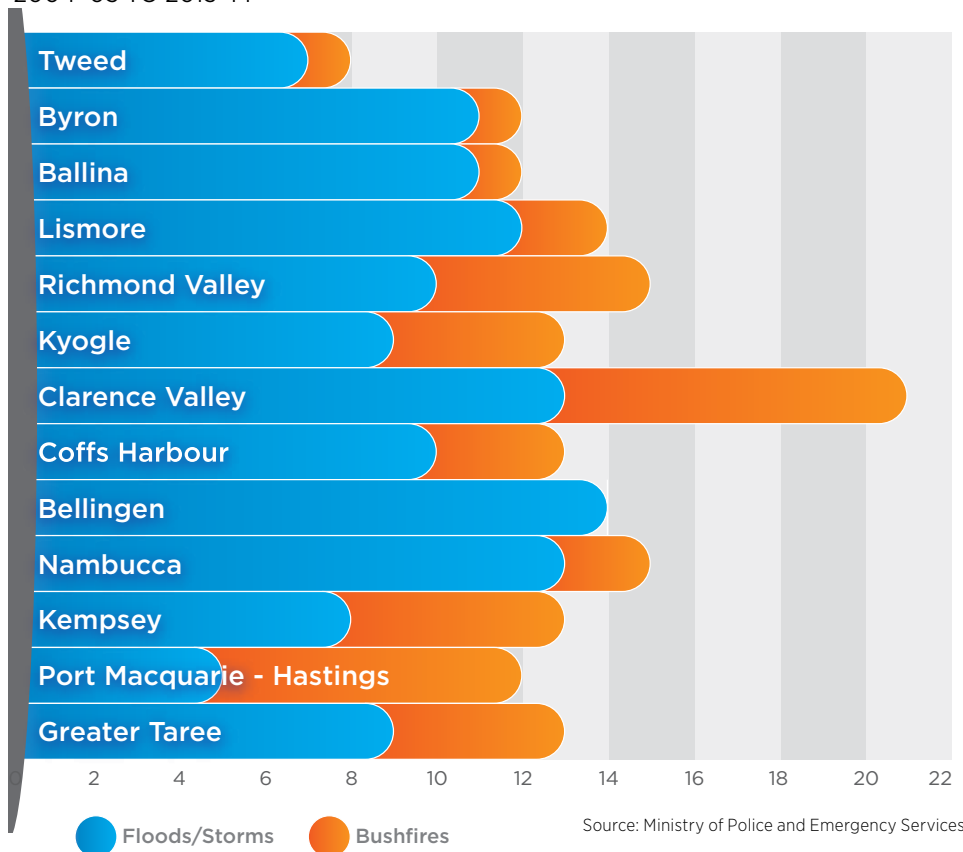
Built-up areas, infrastructure, and environmental and cultural assets along the coast may be at risk from storms, sea level rise, coastal erosion and inundation. Residential and

commercial property and services may also be at risk. A number of councils are preparing coastal zone management plans and associated controls to deal with current and potential erosion issues on the North Coast.

Land use planning can be an effective management tool in minimising or avoiding the impact of natural hazards. Land that is prone to hazards should not be developed unless the hazards can be managed appropriately. Local environmental plans, development control plans and council planning strategies can integrate adaptation to climate change in a number of ways, including by:

- providing flexible controls that allow for innovation in farming practices and new emerging industries as a result of climate change;
- creating more liveable conditions in more extreme weather events by developing building standards and urban design approaches that create resilient

FIGURE 5: NUMBER OF NATURAL DISASTER DECLARATIONS FROM 2004-05 TO 2013-14



environments for the future such as thermal efficient building design and creating greenways; and

- introducing policies that permit large-scale renewable energy projects.

It is important that natural hazard planning responds to the changing climate to minimise risks.

Flooding, in particular, is a major hazard on the North Coast due to topography and regional climate. The *NSW Floodplain Development Manual: the management of flood liable land* (2005) outlines the NSW Government's *Flood Prone Land Policy* (2005). The manual promotes a merit-based approach to flood risk management that balances social, economic, environmental and flood risk parameters to determine the appropriate and sustainable use of the floodplain.

Some developments (such as aged care facilities) can be sensitive to natural hazard events due to the difficulty of evacuation in an emergency. Local environmental plans will include appropriate controls for areas subject to natural hazard events to reflect the risks and limitations of the land. Port Macquarie–Hastings, Clarence Valley, Byron and Tweed Councils have already included provisions in their local environmental plans that require a consent authority to be satisfied that certain sensitive developments can be safely occupied or evacuated in a major flood event.

ACTION 1.4.1 Build on regional understanding of projected climate impacts and implement opportunities to respond

In 2014, the NSW Government undertook an Integrated Regional Vulnerability Assessment on the North Coast that identified regional climate change vulnerabilities and potential actions to respond. This process has provided an evidence-base to enable State and Local Governments to incorporate climate change considerations into service planning and delivery.

The impacts of rising sea levels and climate change will be critical to managing the coastal zone and floodplain risk. For example, saltmarsh and mangrove habitats may move landward with sea-level rise. Planning and

natural resource management authorities will need to consider mapping and modelling the impacts of sea-level rise, storm surge and inundation to provide adequate buffers for landward migration, protection of coastal saline wetlands, and to limit development in areas adjoining these wetlands.

The NSW Government will:

- continue to support regional decision-makers to address climate change vulnerabilities and minimise impacts on local communities by implementing the findings of the *North Coast Integrated Regional Vulnerability Assessment*;
- implement the Coastal Reform Program (see over);
- take a consistent and coordinated approach to plan and manage hazards by:
 - consolidating information and making this publicly available through the Department of Planning and Environment's Planning Portal and the Office of Environment and Heritage's *Adapt NSW* website; and
 - supporting joint council investigations into managing the threat of natural hazards in the region;
- work with councils to:
 - develop strategic plans, risk management plans and emergency management actions, including appropriate controls in local environmental plans to minimise the potential impacts of hazards, consistent with:
 - the *NSW Floodplain Development Manual*;
 - *Planning for Bush Fire Protection 2006*; and
 - all other relevant State and regional policies, strategies and plans;
 - map all vulnerable areas and hazards;
 - prioritise investigations into how hazard mitigation infrastructure may be improved; and
 - integrate planning for emergency response infrastructure to support the above.

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Coastal Reform Process

The NSW Government is responding to community concerns about coastal hazards through a coastal reform process. The reforms include:

NEW COASTAL MANAGEMENT ACT

The NSW Government aims to replace the *Coastal Protection Act 1979* with a new act that is less complex and a better fit with land use planning and local government legislation. The new act will establish requirements for State, regional and local land use planning instruments. It will require councils to undertake coastal zone management planning within the local government Integrated Planning and Reporting Framework.

IMPROVING SUPPORT TO COUNCILS

The coastal reform package is focused on improving the way NSW Government supports council decision-making. The NSW Government will work in partnership with councils to co-design a new coastal management manual. The manual will provide a single, consolidated source of tools for coastal management, to meet local circumstances.

SUSTAINABLE FUNDING AND FINANCING ARRANGEMENTS

The reform package identifies more sustainable funding and financing arrangements for coastal management strategies. They will be based on a set of cost-sharing principles to fairly and transparently identify who benefits from proposed coastal management actions and who should contribute to the costs. To support the new approach, the Office of Environment and Heritage will review various funding and financing mechanisms for use by councils.

DIRECTION 1.5 Deliver economic growth through sustainable use of, and access to, mineral and energy resources

The region's natural resources have the potential to drive regional economic development and prosperity. They include traditional and renewable energy sources and a broad range of mineral resources and construction materials. These mineral resources include hard rock aggregate, clay, sand and coarse aggregate. The development of these resources is necessary to support major infrastructure projects, the new housing needed for a growing population, and industrial and agricultural businesses. The extraction of these resources generates employment in the region. Local extraction of these resources is particularly important as transporting these bulky materials can be relatively expensive.

The North Coast also includes areas of the Clarence-Moreton Basin, which has potential coal seam gas resources that may be able to support the development and growth of new industries and provide economic benefits for the region.

The NSW Government released the *NSW Gas Plan* in November 2014, which established a clear strategic framework to deliver world's-best-practice standards and regulation for the coal seam gas industry. The plan adopted all of the recommendations in the final report of the



Left: Rock crushing operation, Pacific Highway upgrade
 Right: Electricity network, AusGrid

Independent Review of Coal Seam Gas Activities in NSW, undertaken by the NSW Chief Scientist in 2014. Coal seam gas exclusion zones apply within 2 kilometres of residential areas; identified future residential growth areas, and certain areas that meet 'village criteria'.

The region also has a number of potential sources of alternative or renewable energy - including solar, bio-waste and wave power - which could contribute to electricity generation, reduce the region's carbon footprint and create new economic opportunities and industries.

The existing electricity market and regional electricity infrastructure has the capacity to support and grow the renewable energy sector in the region. The NSW Government's *Renewable Energy Action Plan*, released in September 2013, guides renewable energy development in the State and supports the national target of 20 per cent renewable energy by 2020.

**Explanatory note:
 Areas where Exploration
 Titles have been bought
 back by the NSW
 Government 2011-2016 map**

Figure 6 shows where exploration titles have been bought back by the NSW Government, following the release of the *NSW Gas Plan* in 2014.

The data shown on this map draws on information relating to existing title approvals and is correct at January 2016. The data does not indicate the nature, timing or location of specific mining activities. Further information about recent or current development applications for mining projects in specific locations can be found on the Department of Planning and Environment's Major Projects website at: <http://majorprojects.planning.nsw.gov.au/>.

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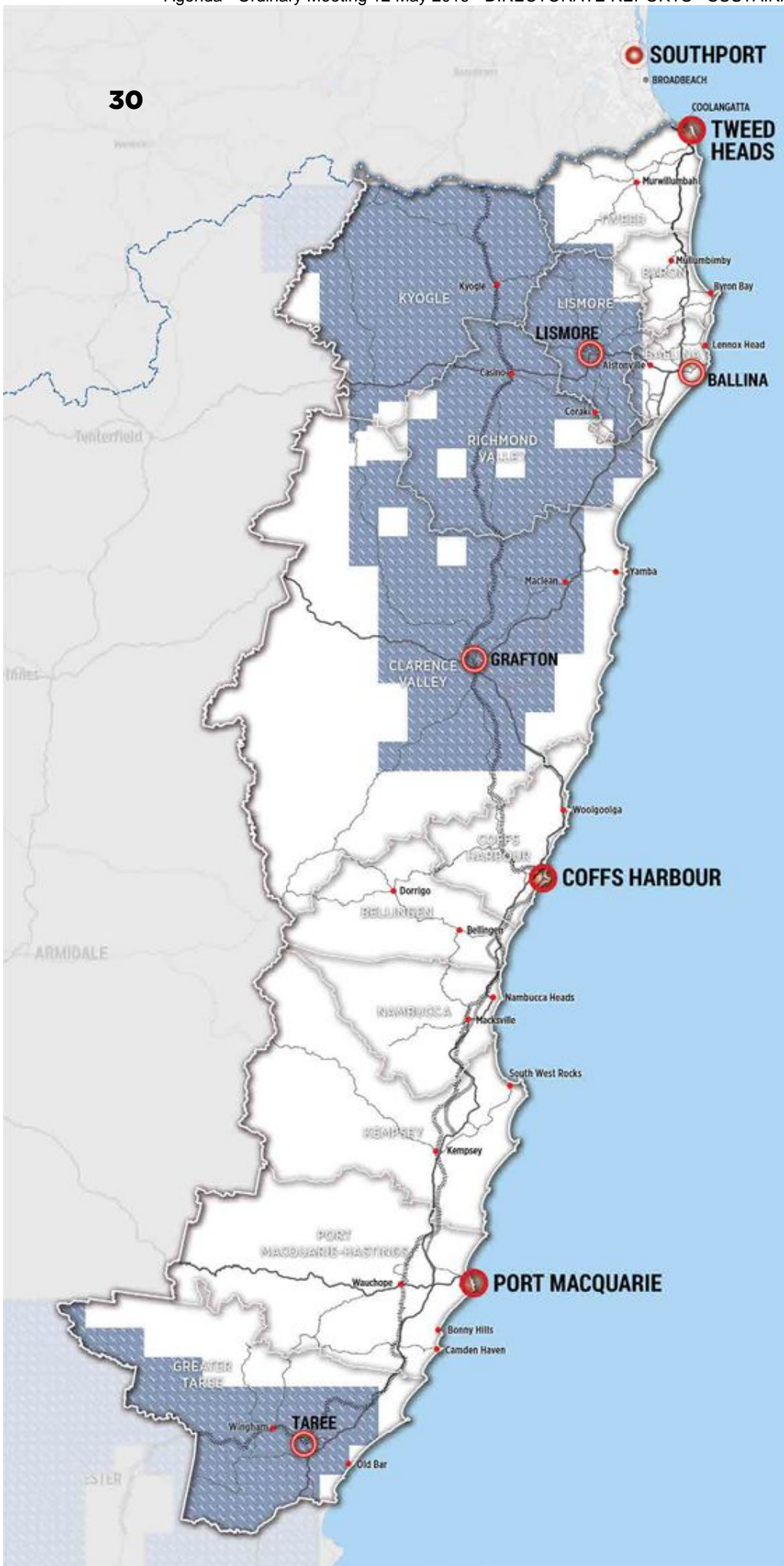
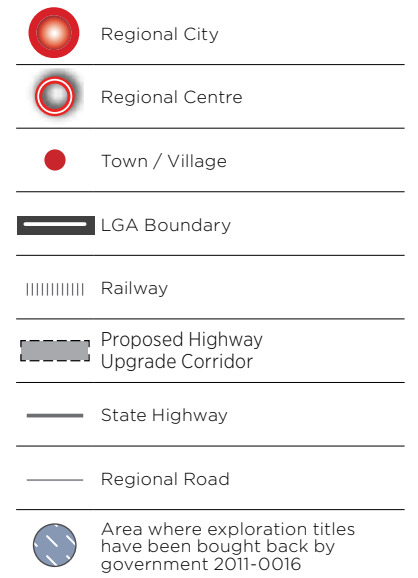


FIGURE 6: AREAS WHERE EXPLORATION TITLES HAVE BEEN BOUGHT BACK BY THE NSW GOVERNMENT 2011-2016



Disclaimer:

Exploration titles show where applications can be made for mining activities. They do not infer a right to mine.

Mining is excluded in National Parks and Historic Sites.



ACTION 1.5.1 Facilitate investment in the resources and energy sector

Improving information available on the location, value and attributes of resources can support expansion of the sector. The NSW Government’s *Mineral Resource Audit* has been used to show the known potential mineral resource sites on the North Coast (see Figure 7).

Transition areas surround identified resource areas and were formerly referred to as buffer or separation zones. They are areas that may be affected by activities associated with resource extraction and are identified to minimise the potential for encroachment and land use conflict.

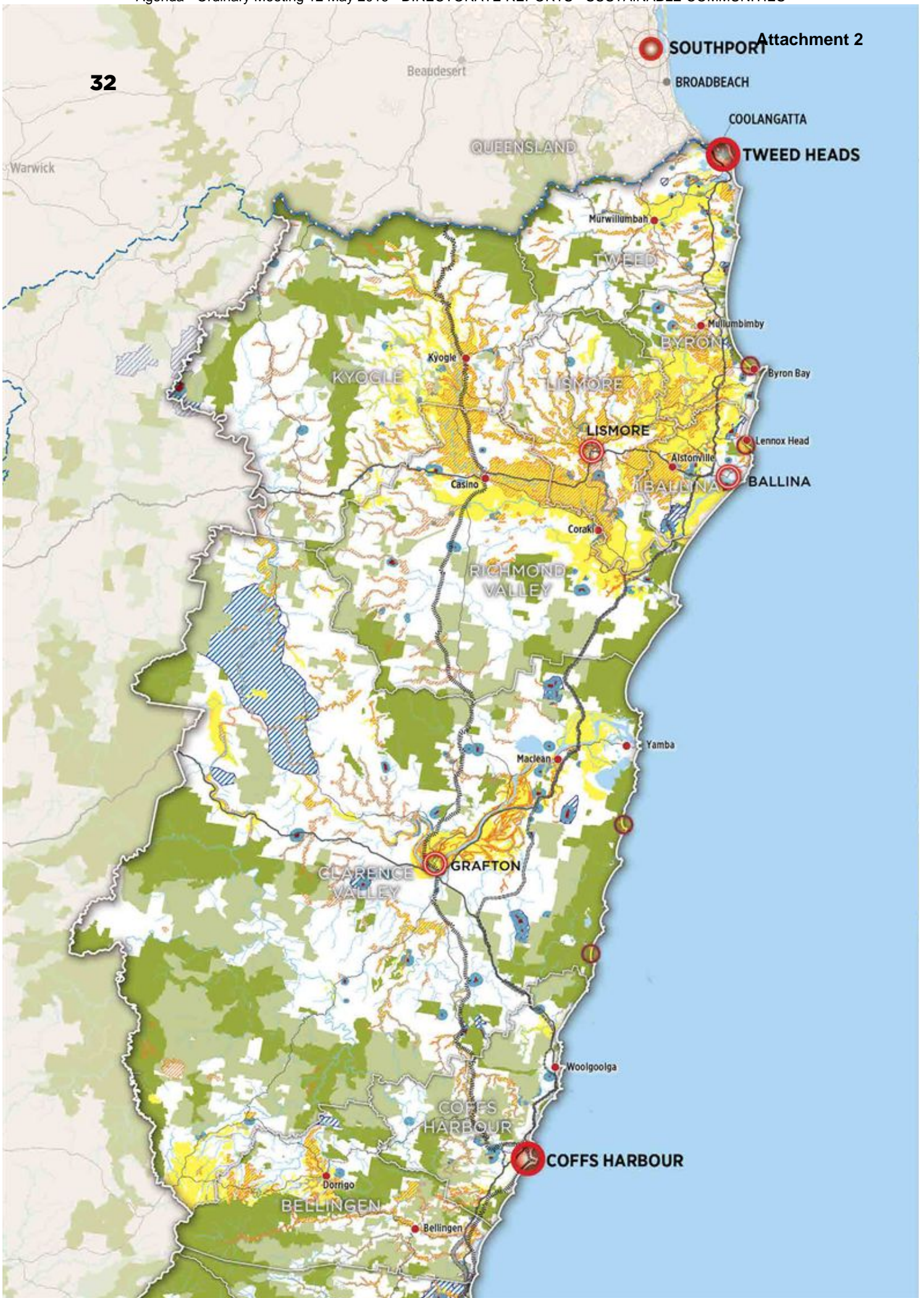
These resource sites need to be protected from encroachment and land use conflict as they will underpin growth and infrastructure delivery in the region. Mining and energy production have specific operational needs based on the productive life of the facility or resource. This provides opportunities for sequential or staged land uses that maximise the productive use of the land over time. An important element of this is promoting the early development of long-term landscape goals for the area.

Councils should consider the *Mineral Resource Audit* and the Department of Industry’s exploration and mining activity maps (including Common Ground) when assessing applications for land use changes.

The NSW Department of Industry is mapping coal and coal seam gas resources in the region. Once completed, this information will inform future regional and local planning by providing updated information on the location of resources.

The NSW Government will:

- maintain the best available geoscience information related to the resources and energy sectors in NSW and transparently monitor development activity. Up to date mapping is available on the geoscientific data warehouse and Common Ground website, which is maintained by Division of Resources and Energy;
- identify and plan for the infrastructure needs and requirements of the resources and energy sector;
- work with councils and industry to implement the integrated mining policy, including finalising the economic assessment guidelines;
- plan for landscapes to support other uses and new economic opportunities; and
- develop analytical tools to identify and map renewable energy potential, including wind, large-scale solar, bioenergy and geothermal, building on existing information such as the Australian Government’s *Renewable Energy Mapping Infrastructure*.



Attachment 2

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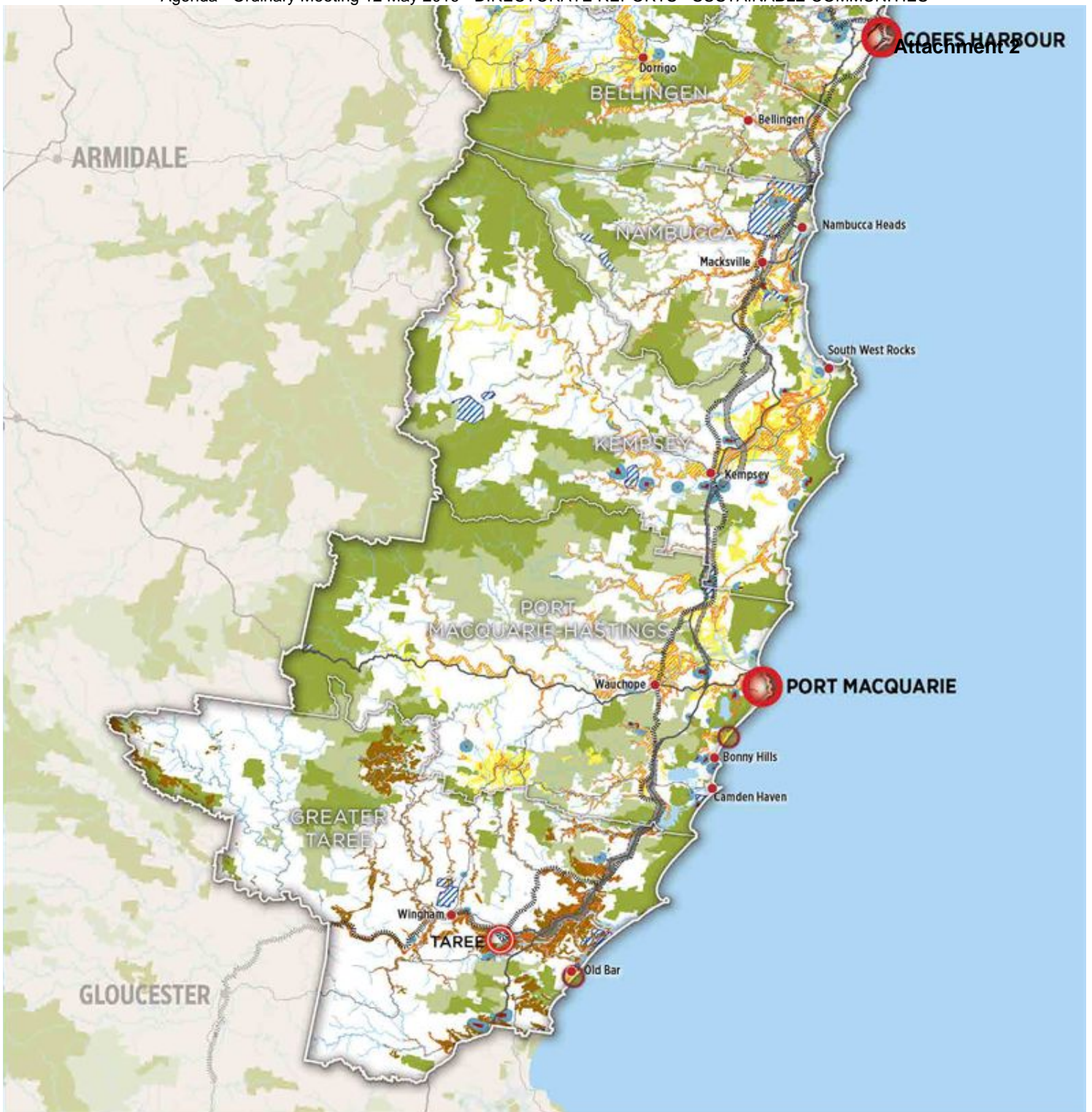
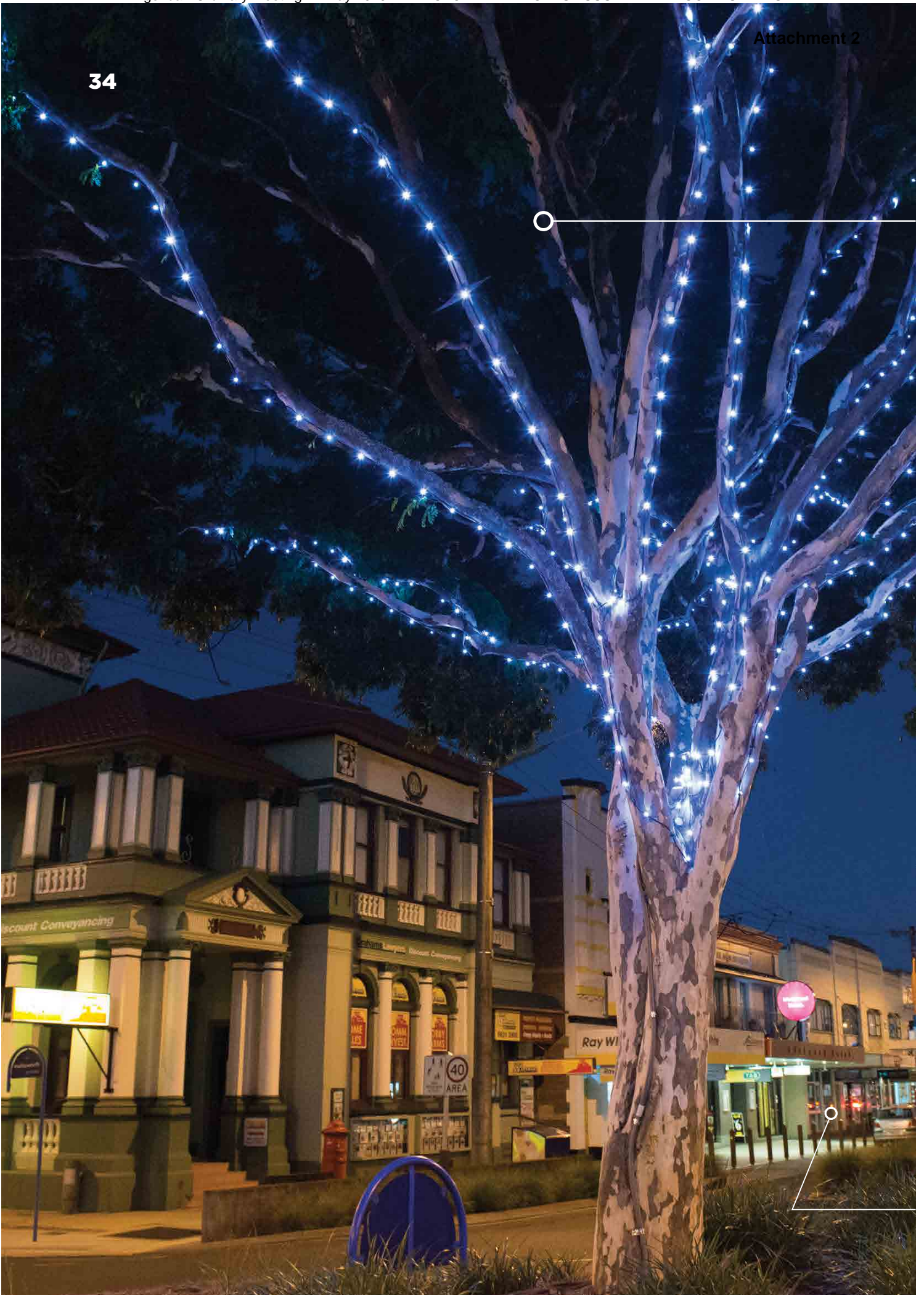


FIGURE 7: NORTH COAST RESOURCES AND FARMLAND

	Regional City		Railway		Regionally Significant Farmland (Interim)		Transition Area
	Regional Centre		State Highway		Biophysical Strategic Agricultural Land		Potential Mineral Resource
	Town / Village		Regional Road		National Park		Watercourse
	LGA Boundary		Proposed Highway Upgrade Corridor		State Forest		
	Coastal Erosion Hotspot		Regionally Significant Farmland		Identified Mineral Resource		

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GOAL 2 – Focus growth opportunities to create a great place to live and work

The North Coast is well known for its diverse rural and coastal landscapes and world-class natural environment. The draft Plan will manage growth to protect the conservation and economic value of these important assets so that the region remains a great place to live and work.

The population of the North Coast is growing, especially in the three regional cities – Tweed, Coffs Harbour and Port Macquarie – and in the coastal area. The draft Plan adopts a balanced approach to managing this growth by directing development to less environmentally constrained areas, planning for increased growth of the North Coast’s three regional cities, and introducing controls on development in the environmentally sensitive coastal area.

Over the next 20 years to 2036, it is projected that around 67 per cent of future population growth will occur in three high-growth areas: Tweed Heads, Coffs Harbour and Port Macquarie (see Figure 8).⁷ The natural qualities of these cities have made them desirable places to live and contributed to their status as the region’s largest urban centres, with the highest rates of economic and population growth.

The draft Plan promotes the development of these regional cities to drive future prosperity for the North Coast. This will be achieved by providing opportunities for greater housing choice; promoting employment growth in health, education, aviation and other services; and improving the public domain and open space to promote healthier urban environments. The growth of surrounding regional centres and towns will be integrated with that of the regional cities by reinforcing transport and other links.

Strong growth has placed pressure on the coastal area, which contains some of the most sensitive environmental areas. Sustainably managing the coastal area is vital to protecting the region’s highly valued environmental assets and cultural heritage for future generations.

The draft Plan aims to direct urban growth to the most suitable areas to preserve biodiversity. Natural constraints mean incremental outward growth of urban areas in coastal areas cannot continue indefinitely. Areas for urban growth are identified and mapped in Appendix B. These areas will accommodate a range of uses, including housing, industry, business, infrastructure, community facilities, tourism and parks. Development in these locations will take account of the mapped areas of potential high environmental value and regionally significant farmland. The draft Plan provides a framework for considering minor variations to urban growth areas when criteria are met.

Local growth management strategies, prepared by councils, will allow for new land release areas to be carefully examined and planned. The growth of inland centres and towns will be encouraged.

The NSW Government will work with councils to deliver housing, industrial and commercial activities, and supporting infrastructure, in locations that manage the potential impacts of this development on the natural environment, cultural heritage and significant farmland. Urban design will have an important role in creating inclusive, attractive and liveable places.

Lismore town centre

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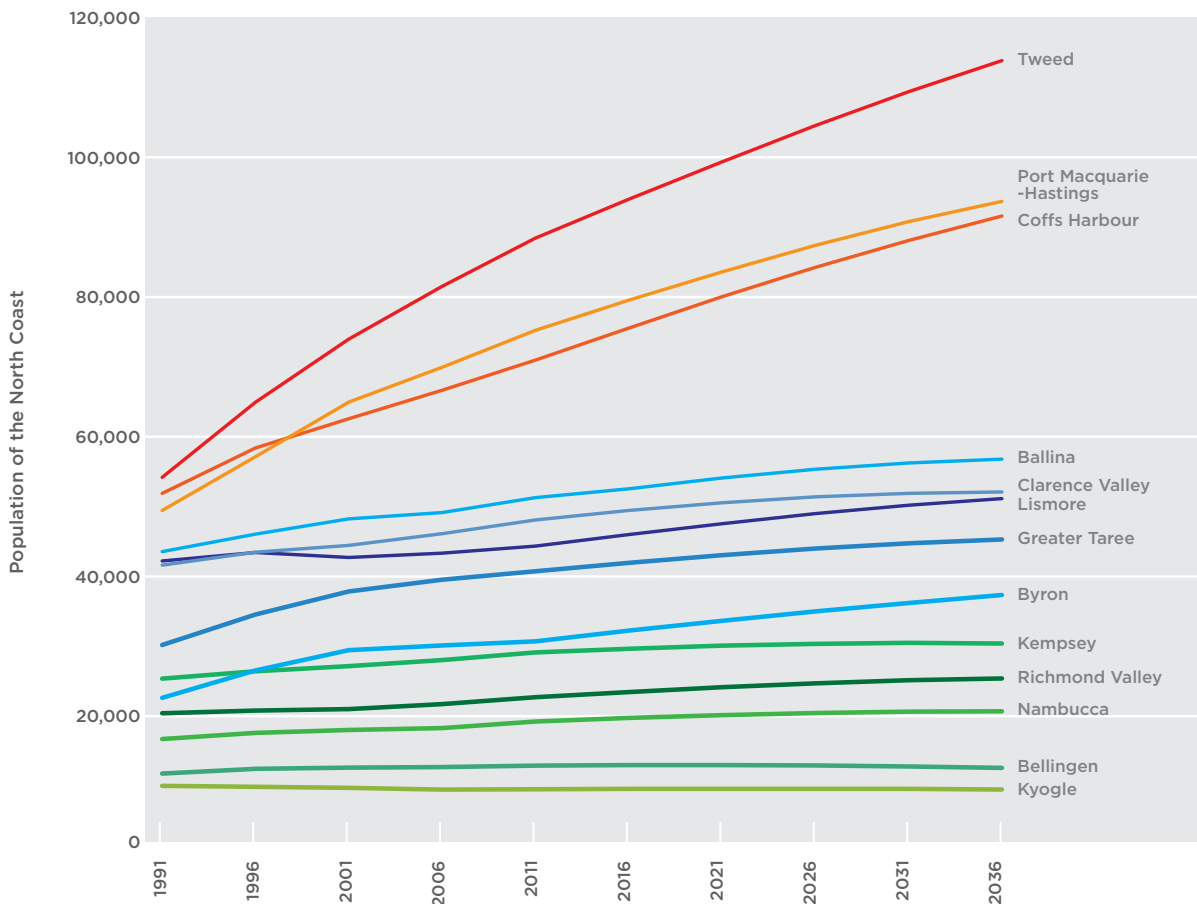


Coffs Harbour International Marina

The draft Plan:

- consolidates Tweed Heads, Coffs Harbour and Port Macquarie as regional cities for jobs growth, supported by high-quality residential development and higher-order cultural and government services;
- directs urban and rural residential development to protect high environmental value areas and focus new housing in and around existing towns;
- includes 57,400 hectares of land in urban growth areas, with the capacity to accommodate more than the forecast 72,200 additional dwellings needed by 2036;
- permits variations to urban growth areas where councils identify insufficient available land and the proposal is minor and contiguous (if located in the coastal area), it does not significantly affect areas of high environmental value, or Aboriginal and historic heritage, and infrastructure needs present no cost to Government; and
- commits to a review of the *North Coast Urban Design Guidelines* to promote high-quality development that complements the region's climate, natural features, landscape and character.

FIGURE 8: POPULATION OF THE NORTH COAST 1991-2036



Source: Australian Bureau of Statistics and Department of Planning and Environment's population projections

DIRECTION 2.1 Grow the North Coast’s regional cities as a focus for economic activity and population growth

Over the last decade, almost 60 per cent of the region’s population growth has taken place in the local government areas of Port Macquarie–Hastings, Coffs Harbour and Tweed.⁸ Together, these local government areas support more than 234,600 residents, or 43 per cent of the region’s population (see Table 2).⁹ Each of these local government areas has a large and growing regional city. Many of the people moving to the regional cities are from Sydney, Queensland and overseas.

In 2011, 42 per cent of the region’s jobs were concentrated in the regional cities,¹⁰ and journey to work data from the same period

shows net daily inflows from surrounding areas to Coffs Harbour and Port Macquarie. The Tweed experiences an outflow of workers to Queensland due to the city’s proximity to the Gold Coast (see Figure 9). The higher-order commercial services and institutions located in the regional cities provide many of the high-value and high-skill employment opportunities. These institutions will continue to drive employment growth.

The NSW Government’s vision is that the regional cities continue to be the focus for jobs growth, supported by liveable, high-quality residential development and a range of higher-order cultural and civic services. Tweed Heads, Coffs Harbour and Port Macquarie will continue to serve not only local communities, but also the residents of the broader region.

TABLE 2: SHARE OF POPULATION, HOUSING AND JOBS IN REGIONAL CITIES¹¹

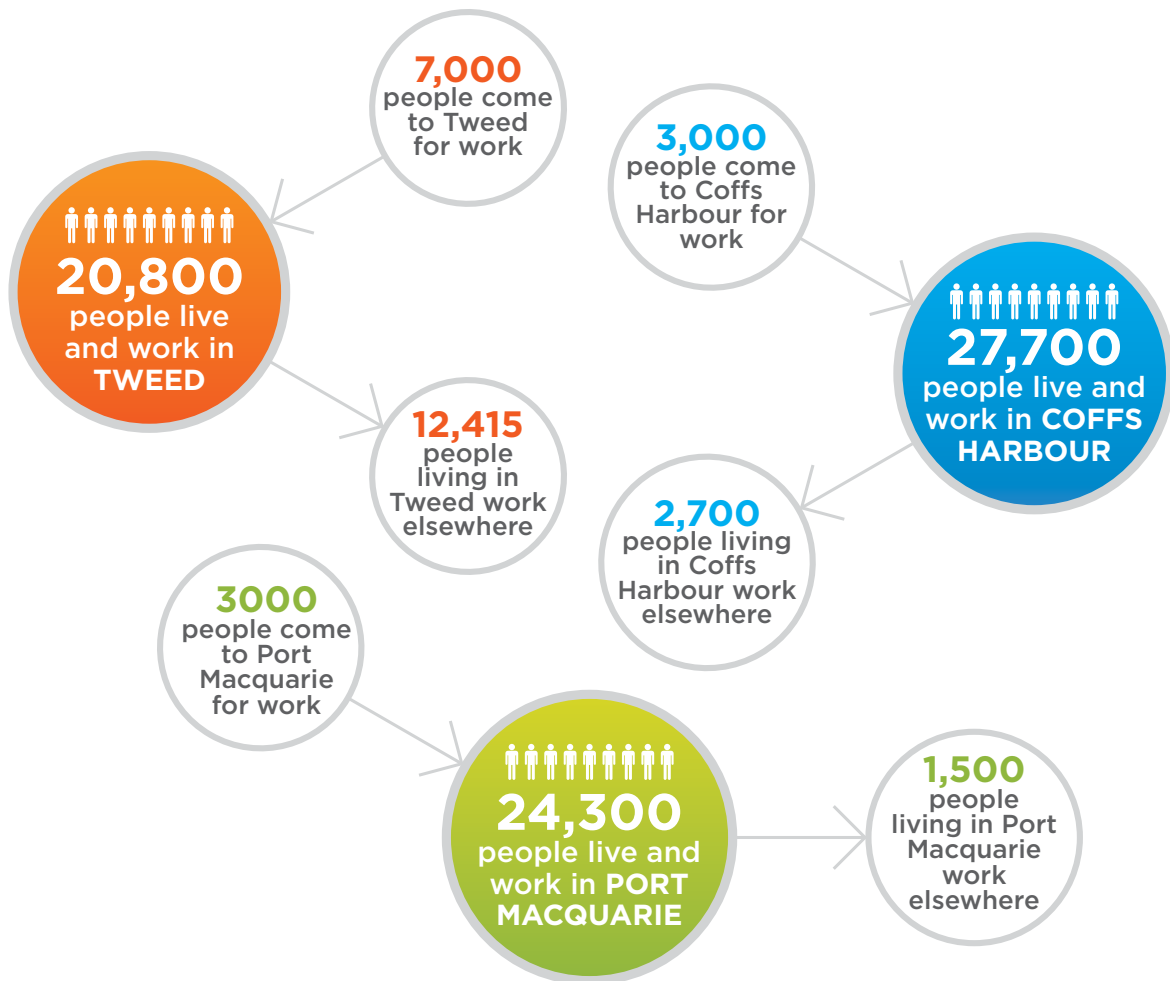
	Tweed Shire	Coffs Harbour	Port Macquarie-Hastings
Share of regional population (2014)	16.5%	13.1%	14%
Projected share of regional population (2036)	17.8%	14.3%	14.6%
Share of regional housing (2011)	16.1%	12.5%	13.8%
Projected share of regional housing (2036)	17.6%	13.7%	14.7%
Share of jobs (2013-14)	14%	15.2%	14.7%
Share of Gross Regional Product (2013-14)	14.1%	14.6%	15.1%



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Attachment 2

FIGURE 9: REGIONAL CITIES JOURNEY-TO-WORK DATA, NORTH COAST, 2011



Source: Bureau of Transport Statistics and Australian Bureau of Statistics, 2011



Left: Glasshouse, Port Macquarie.
Right: Tweed Heads

Increasing the residential population of the regional cities

Urban renewal in the regional cities will encourage a greater mix of dwelling types, a more diverse range of activities and more vibrant precincts.

The regional cities include prime locations for greater housing choice, particularly townhouses, villas and apartments that can take advantage of the services and transport already available. Providing more housing opportunities in the regional cities will also promote the efficient use of existing and new infrastructure and provide greater access to jobs, services and lifestyle opportunities for a broader range of people.

Urban feasibility modelling undertaken by the NSW Government and councils has identified areas where multi-unit development can realistically occur and where a review of planning and development controls (such as parking requirements and height controls) will be effective in renewing regional cities.

These findings will be used to review and update local planning and development controls to make the regional cities more attractive for higher-density residential development and to meet the 40 per cent target for additional multi-unit housing outlined in Goal 3.

Support the growth and renewal of growth precincts

Each regional city has a number of growth precincts that shape how it will develop into the future (see Figure 10). The growth precincts contribute significantly to the wider regional economy and influence the region more broadly through the services and opportunities they provide. They are job generators and can drive sustainable employment growth for the North Coast.

The NSW Government aims to strengthen the interactions between precincts to support the regional cities as centres for jobs and housing and to underpin growth.

More information on the work the NSW Government will do in these growth precincts is provided in Goal 4 (Directions 4.2 and 4.3) and Goal 5 (Direction 5.2).

Regional cities, regional centres and towns support each other's growth

Regional centres and towns are often within commuting distance of the regional cities and offer complementary housing and employment opportunities. Reinforcing the links between these places will help accommodate projected population and housing growth by providing a wide range of lifestyle choices and employment lands supply across the subregions (see Figure 11). For example, some employment activities, such as large lot industrial uses, may be best suited to certain regional centres and towns where there may be fewer constraints and cheaper land supply.

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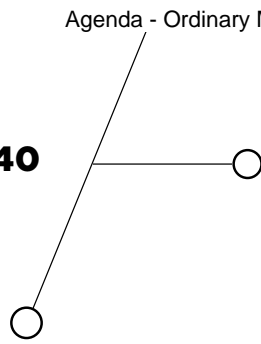



FIGURE 10: REGIONAL CITY GROWTH PRECINCTS




 **City Centres** – These are core civic, employment and service hubs. They offer greater housing choice close to services. Other growth precincts have developed in locations that are accessible to or near city centres to benefit from the activities and networks they offer.

 **Urban Release Areas** – These will support the growing population, and will in turn drive demand for the services offered in growth precincts, as well as housing some of the working population.

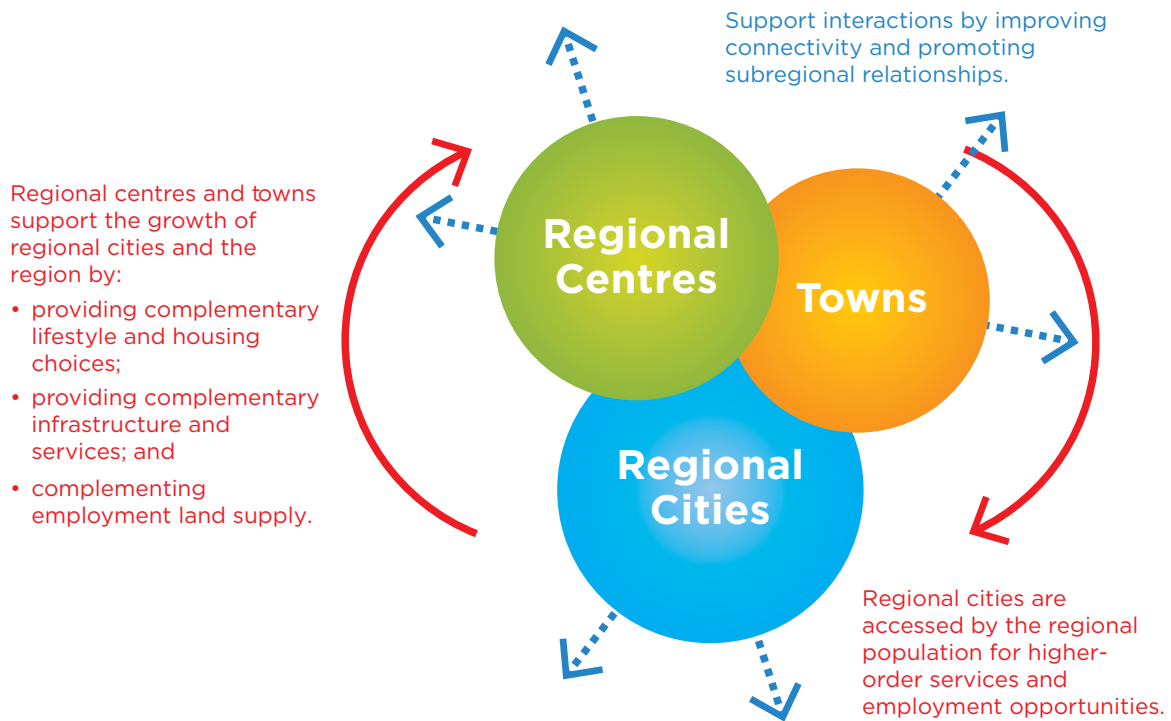
 **Employment Lands** – These will support employment capacity and a growing economy by encouraging the establishment of new industries and expansion of existing operations.

 **Education Precincts** – These will accommodate the growing demand for tertiary education on the North Coast and build on existing strong links with industry sectors to provide a skilled workforce and student housing options.

 **Health Services Precincts** – These will underpin the strength of the health sector by addressing increasing pressure from population growth and ensuring the wellbeing of North Coast residents.

 **Airport Precincts** – These tourism and business gateways to all growth precincts and the wider subregions will improve access to and from the North Coast.

FIGURE 11: CENTRE RELATIONSHIPS – REGIONAL CITIES, REGIONAL CENTRES AND TOWNS



ACTION 2.1.1 Establish governance arrangements for the delivery of investment and infrastructure in the regional cities

The NSW Government will prioritise planning for housing and infrastructure in areas where demand from population growth is the greatest – the regional cities. By investing in services and infrastructure in regional cities, the NSW Government and councils can help create a wider variety of jobs and a high-quality living environment for the entire region.

A Regional Cities Steering Committee will oversee the delivery of the Regional Cities

Action Plan (see Action 2.1.2). The Department of Planning and Environment will chair the steering committee, which will include council officers and representatives from relevant State agencies, and will report to the Regional Plan Coordination and Monitoring Committee.

The NSW Government will:


























- establish a Regional Cities Steering Committee with councils to coordinate delivery of investment and infrastructure in Coffs Harbour, Tweed Heads and Port Macquarie.

Attachment 2



Top: Tweed town centre
Bottom: Kingscliff town centre

FIGURE 12: TWEED REGIONAL CITY AND GROWTH PRECINCTS

-  Existing Urban Release Area
-  Urban Renewal
-  Employment Land
-  Proposed Employment Land
-  Business Centre
-  Proposed Business Corridor
-  City Centre
-  Mixed Tourism/Residential
-  Future Knowledge Precinct
-  Education Precinct
-  Future Education Precinct
-  Health Services Precinct
-  Civic Precinct
-  Regional Sports Precinct
-  Airport Precinct
-  Urban Area
-  National Park
-  Watercourse
-  Non-Urban Area
-  Regional Connection
-  Future Gold Coast Rapid Transit Link
-  Local Connection
-  Proposed Rail Alignment
-  Pacific Highway
-  Major Roads

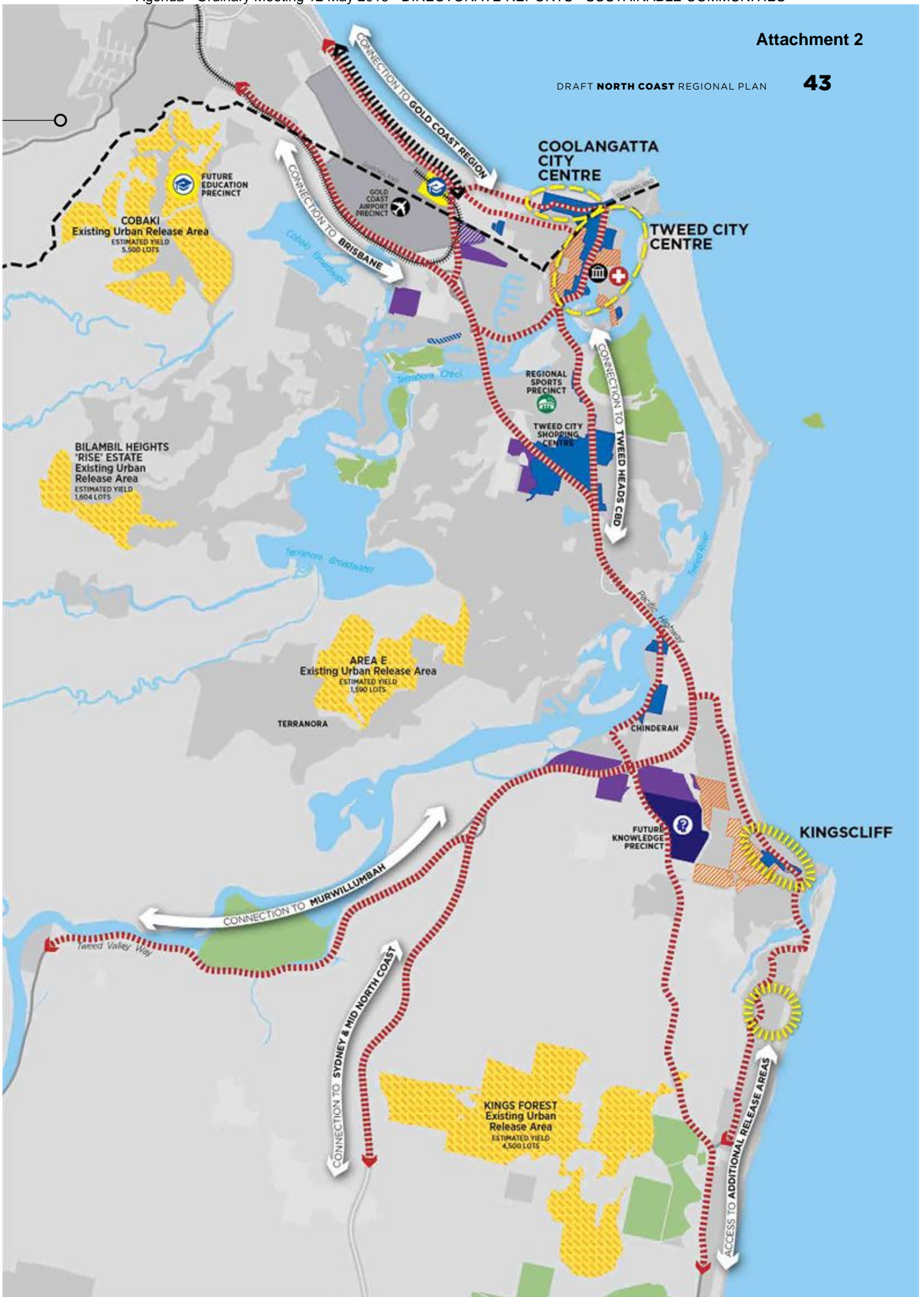


FIGURE 13: COFFS HARBOUR REGIONAL CITY AND GROWTH PRECINCTS

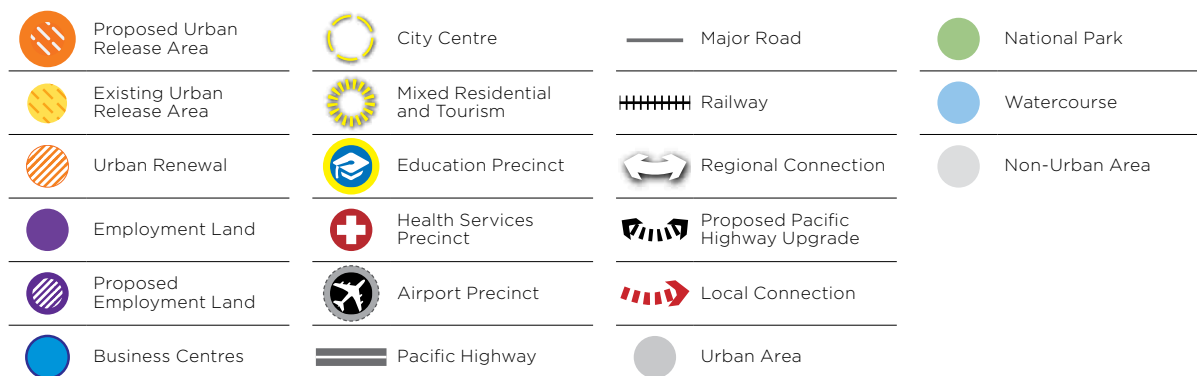
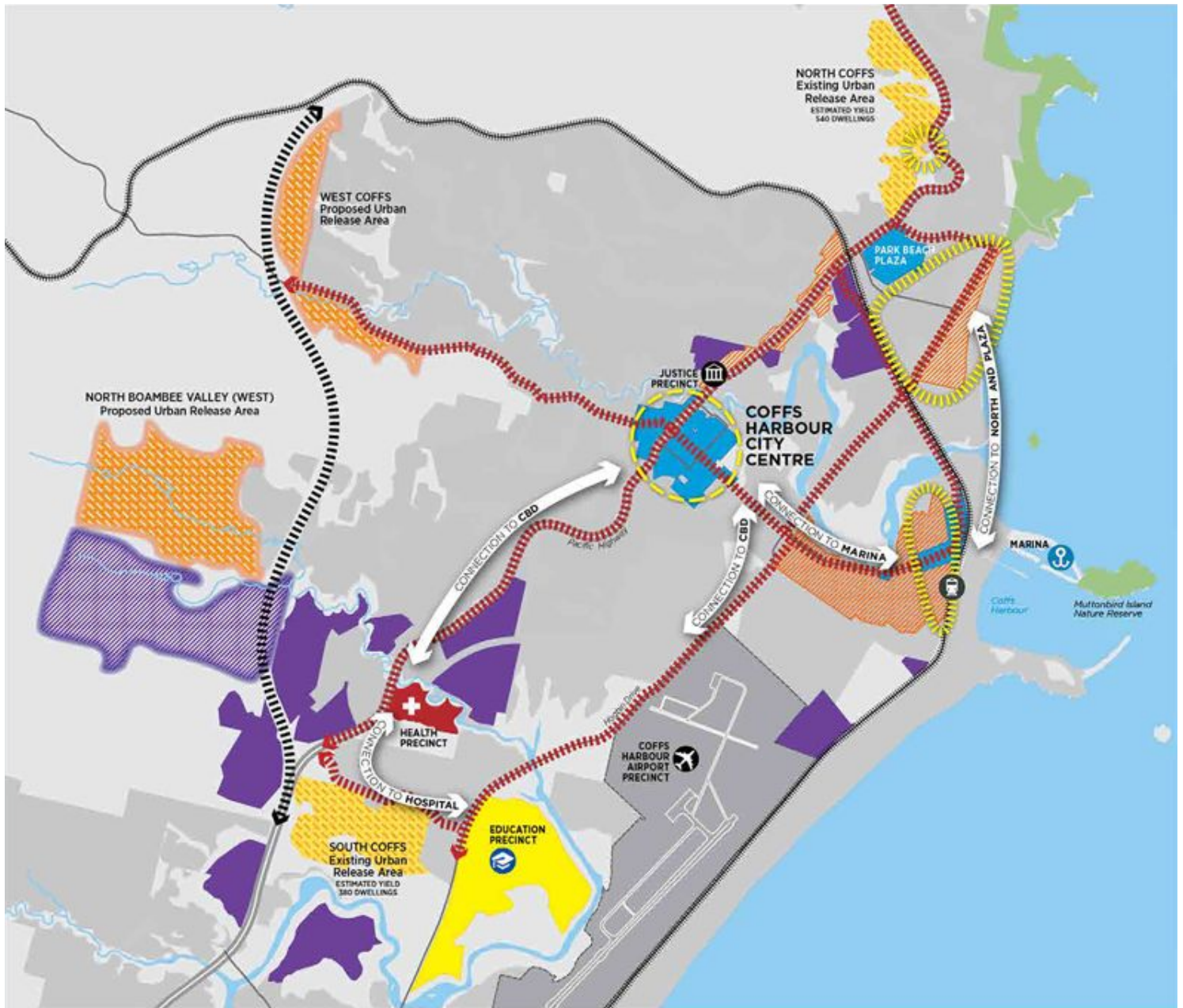
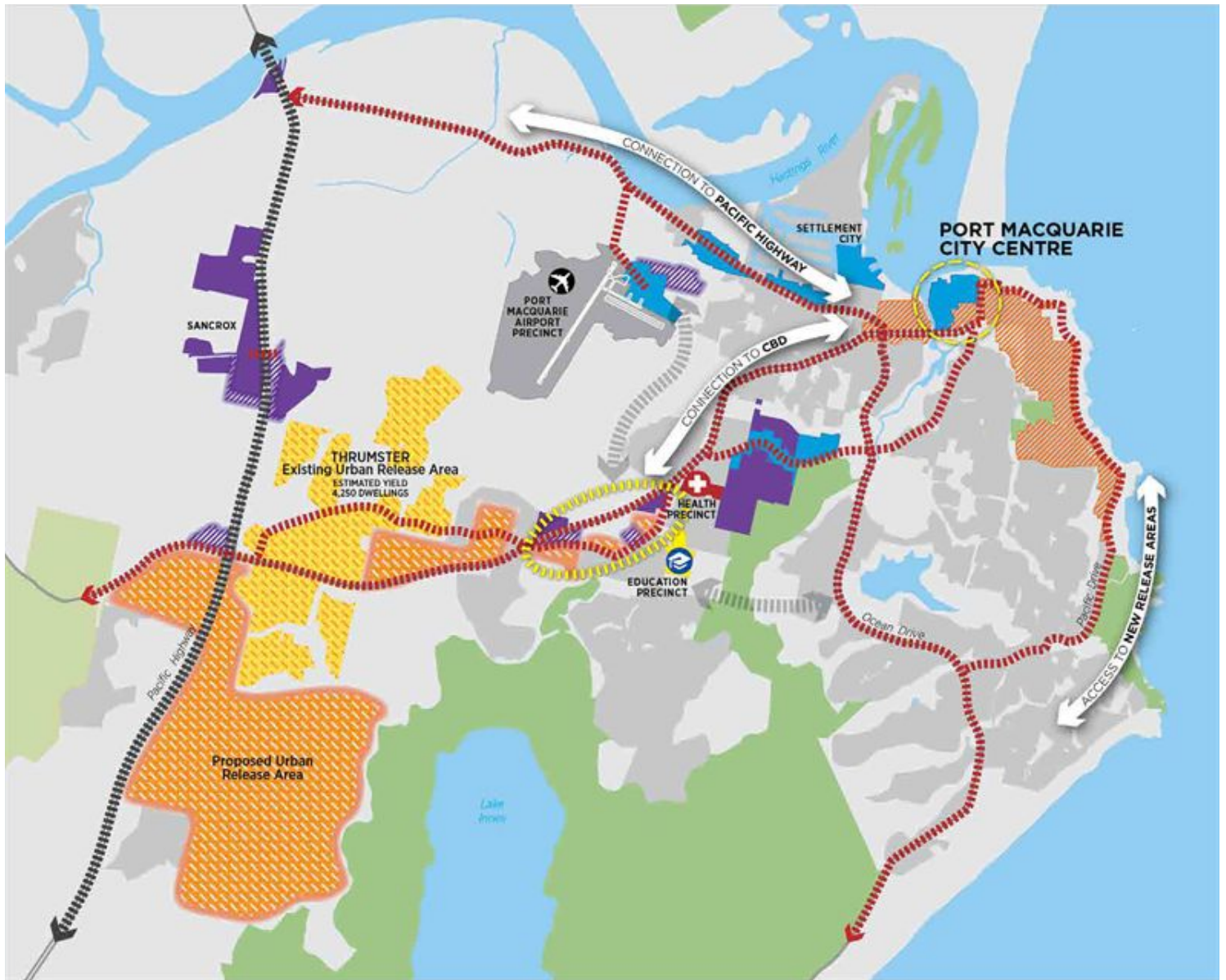


FIGURE 14: PORT MACQUARIE REGIONAL CITY AND GROWTH PRECINCTS





Port Macquarie

DIRECTION 2.2 Align cross-border planning with South East Queensland

Growth in South East Queensland is expected to have an increasing influence on the development of the NSW Far North Coast.

In the 30 years to 2011, the population of South East Queensland doubled from 1.5 million to over 3.1 million.¹² The Queensland Government projects the population in this area is expected to grow to around 5.5 million by 2041.¹³ By 2041, an extra 470,000 people are expected to be living on the Gold Coast,¹⁴ which adjoins the Tweed Shire.

The Tweed has become an integral part of the South East Queensland urban area, which provides many higher-order services and facilities to the Far North Coast. In many ways, Tweed Heads and Coolangatta function as 'twin towns', for example, retail and business opportunities and healthcare and education services are accessed by residents from either side of the state border.

Development on the Tweed Coast will continue to provide housing and job opportunities to support growth in South East Queensland, particularly for new residential land release areas and employment lands supply. Conversely, South East Queensland residents are increasingly using the NSW North Coast for tourism and recreational activities.

The influence of South East Queensland on the North Coast diminishes with increasing distance from the Gold Coast. In the southern portion of the Far North Coast, Lismore and Ballina operate as regional centres with greater autonomy from Tweed Heads, compared to the regional centres of other subregions. These centres have catchments that are big enough to support major facilities like the Lismore Base Hospital, Southern Cross University and Ballina Byron Gateway Airport. The influence of South East Queensland is expected to spread further south as growth pressures increase and accessibility improves.

ACTION 2.1.2 Prepare a Regional Cities Action Plan

The Regional Cities Action Plan will identify opportunities to attract additional investment in the regional cities and growth precincts, such as infrastructure and public domain projects to support new development. Scope exists to increase the range of compatible land uses in each growth precinct to promote economic viability and vitality.

The plan will also consider opportunities to unlock surplus and under-used government land to deliver locations for more housing and jobs.

The infrastructure to support housing and jobs growth will be identified, and the most appropriate staging and sequencing of investments will be established.

Where necessary, transport modelling will be used to highlight the implications of growth for infrastructure.

The NSW Government will continue to partner with councils to:

- improve planning provisions to promote renewal and housing diversity;
- identify infrastructure constraints and public domain improvements that can make areas more attractive for investment;
- coordinate infrastructure delivery and establish the most appropriate staging and sequencing of development; and
- undertake transport modelling to understand the implications of growth.

ACTION 2.2.1 Collaborate with relevant authorities to understand the implications of growth in South East Queensland on the Far North Coast

Cross-border servicing and land use relationships will need to be considered when planning for the growth of Tweed Heads as a regional city and for the Far North Coast over the next 20 years.

The NSW Government will:

- work with Tweed Shire Council, Gold Coast City Council and the Queensland Government to better integrate cross-border land use planning; and
- work with the NSW Cross-Border Commissioner and Tweed Shire Council to investigate barriers to economic, housing and jobs growth.

DIRECTION 2.3 Focus growth to the least sensitive and constrained areas to protect natural assets

The North Coast has had a low-density settlement pattern that has exacerbated growth pressure on farmland and sensitive coastal environments. The demand for urban development remains strongest in coastal locations; however, continued development along the coast could result in the underuse of infrastructure and services in major centres outside the coastal area, and increase pressure on the fragile coastal environment.

The draft Plan manages growth to protect the region’s rural and natural landscapes, and make the most efficient use of land allocated for urban development. It provides certainty for future urban development; manages pressures on the coastal environment; creates opportunities for innovative responses to changing housing needs; provides a choice of housing; and maximises the use of existing urban areas and services.

Coastal Area

The draft Plan identifies a coastal area comprising land east of the planned Pacific Highway alignment, plus the urban areas of Tweed Heads around the Cobaki Broadwater. The coastal area covers 13 per cent of the region and is home to 49 per cent of the population, and is subject to the greatest growth pressures on the North Coast.¹⁵

The coastal area is ecologically diverse, containing wetlands, lakes, estuaries, aquifers and significant farmland, and is of local, State, national and international environmental significance. Much of this land is also subject to natural hazards, including flooding, coastal inundation, erosion and recession.

As the region grows, development pressure is expected to continue in this area. A balanced approach to the use of this land is necessary to safeguard the sensitive coastal environment.

The NSW Government and councils will manage the growth of new land release in the coastal area by directing development to the mapped urban growth areas. This will distribute housing across the region and strengthen the growth of non-coastal regional centres, towns and villages. These non-coastal areas have capacity for additional rural residential and urban housing and will help to avoid pressure on the sensitive coastal environment. This will help to maintain the ‘green breaks’ between the coastal settlements and the coastal area’s distinctive character.

ACTION 2.3.1 Focus future growth into the mapped urban growth areas

Urban growth areas (see Appendix B) are identified to accommodate growth; to protect important farmland, fragile and vulnerable ecosystems, and heritage assets; and to reduce potential land use conflict.

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Cumbalum

Most of the urban settlements in the region are separated by farmland, bushland, floodplains or environmental features that give the region its distinctive character. The urban growth areas will maintain this separation to protect the important environmental values that attract people to the region.

The proposed urban and employment land in the urban growth areas represent new land release development opportunities that will require rezoning. Not all these areas will be suitable for urban use. Further assessment will be needed to determine capability, environmental and heritage impacts and potential yield. The urban growth areas will be used by councils to define the land available to investigate for release as they prepare their local growth management strategies (see Action 2.3.2).

Councils may identify a need for variations to the urban growth areas as new information becomes available or to correct anomalies. Any proposed variations will be in accordance with the Urban Growth Area Variation Principles (see Table 3) and will need to be considered and justified through councils' strategic planning or rezoning processes.

Only minor and contiguous variations to urban growth areas in the coastal area will be considered due to its environmental sensitivity, and the range of land uses competing for this limited area.

To provide maximum potential for urban development, active and passive open spaces may be located outside the urban growth areas. When deciding whether to locate future open space outside the urban growth areas, high value environmental, heritage or natural resource areas should be avoided.

The NSW Government will:

- work with councils to direct future urban growth into mapped urban growth areas; and
- require that variations to the urban growth areas are consistent with the Urban Growth Area Variation Principles.

ACTION 2.3.2 Identify residential, commercial and industrial uses in urban growth areas by developing local growth management strategies

It is important that growth is sustainable and strikes a balance between competing land uses so there are positive environmental, economic and social outcomes for the community. In growing communities, planning is essential to provide infrastructure and facilities in the most effective and efficient way.

Directing future growth to locations that can sustain additional development, and are readily serviced, will facilitate efficient and sustainable growth. For instance, housing should be located close to centres and in the least constrained areas; industrial development should consider potential land use conflicts; and commercial development should be focused in existing centres.

Local growth management strategies will enable communities to assess the broader implications and consequences of identifying locations for certain land uses in proposed urban and employment land.

The NSW Government will:

- require that councils only zone land for residential, commercial or industrial use if it is consistent with a local growth management strategy agreed between council and the Department of Planning and Environment, and
- prepare Statewide land release criteria to assess locations for residential, commercial, rural residential and industrial uses across regional NSW.

ACTION 2.3.3 Minimise the impact of rural residential development

More than 32,600 hectares of land is currently zoned for rural residential development across the region. Rural residential development should occur in appropriate locations to manage and minimise the potential impacts on farming activities, environmental and heritage assets, and landscape values.

No new rural residential development will be permitted in the coastal area, other than development already zoned, or in an approved

TABLE 3: URBAN GROWTH AREA VARIATION PRINCIPLES

Urban Growth Area Variation Principles	
POLICY	The variation needs to be consistent with the objectives and outcomes in the <i>Draft North Coast Regional Plan</i> and any relevant Section 117 Directions and State Environmental Planning Policies.
INFRASTRUCTURE	<p>The variation needs to consider the use of committed and planned major transport, water and sewerage infrastructure and have no cost to government.</p> <p>The variation should only be permitted if adequate and cost-effective infrastructure can be provided to match the expected population.</p>
ENVIRONMENTAL AND FARMLAND PROTECTION	<p>The variation should avoid areas of high environmental or heritage value.</p> <p>The variation should avoid areas mapped as significant farmland, unless consistent with the interim variation criteria prior to finalising the farmland mapping review.</p>
LAND USE CONFLICT	The variation must be appropriately separated from incompatible land uses, including agricultural activities, sewage treatment plants, waste facilities and productive resource lands.
AVOIDING RISK	<p>The variation must avoid physically constrained land identified as:</p> <ul style="list-style-type: none"> ■ flood prone; ■ bushfire prone; ■ highly erodible; ■ having a severe slope; and ■ having acid sulfate soils.
HERITAGE	The variation must protect and manage Aboriginal and non-Aboriginal heritage.
COASTAL AREA	Only minor and contiguous variations to urban growth areas in the coastal area will be considered due to its environmental sensitivity, and the range of land uses competing for this limited area.



Attachment 2

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current or future local growth management strategy (or rural residential land release strategy).

The NSW Government's *Settlement Planning Guidelines* (2007) guide councils on the North Coast about planning for rural residential development and the issues they need to consider, such as:

- avoiding areas prone to natural hazards, including bushfire and flood;
- avoiding areas of high environmental value and Aboriginal and historic heritage significance;
- potential impacts on, and land use conflict risks to agricultural activities and productive natural resources;
- the proximity and access to employment and higher-order services in the region;
- the location of declared water catchments and potential impacts on water quality or supply; and
- the existing supply and demand for rural residential lots in the area, including in neighbouring local government areas.

The NSW Government will require that:

- land is only zoned for future rural residential development if it is consistent with a strategy that is:
 - agreed between council and the Department of Planning and Environment; and
 - consistent with the *Settlement Planning Guidelines*.

DIRECTION 2.4 Provide great places to live through good design

The North Coast has a range of settlements that offer a variety of lifestyles. Well-designed settlements help residents develop a sense of community and wellbeing. High-quality urban design can increase the economic viability of development and deliver social and environmental benefits, for example, by providing more walking and cycling opportunities that have flow-on benefits in terms of healthy lifestyles.

Urban areas should have access to natural features, such as coastal foreshore and riparian land, to maintain their ecological values. There should also be sufficient open space for community recreation and social interaction, and nature conservation.

ACTION 2.4.1 Support council-led precinct planning

Councils should consider precinct planning as a way of promoting new developments that enrich the quality of life and wellbeing of residents. Precinct planning can guide the expansion of specific places and establish a framework for achieving goals, such as attracting new housing development or investment in renewal. Precinct planning should be considered for areas that may undergo change as a result of bypasses from the Pacific Highway upgrade.

The NSW Government will:

- improve coordination between State agencies, councils and the private sector to support council-led precinct planning.



Left: Coast walk, Byron Bay
Right: Kingscliff, Tweed Heads

Case study: Kingscliff Locality Planning, Tweed Heads

The urban coastal areas of the Tweed Shire have experienced some of the strongest growth on the North Coast. The area offers a high-quality lifestyle and more affordable housing than is found in South East Queensland. The popularity of the Tweed Coast is expected to continue, particularly as opportunities for greenfield development on the Gold Coast become limited.

Tweed Shire Council has planned for the population of the Kingscliff local centre to grow to 20,000 people. This will make it the service centre for the Tweed Coast's network of villages.

Council has begun planning for Kingscliff as it transitions into this new role, to plan for growth that meets community expectations while still retaining the area's local character and identity.

The Council's early findings suggest that Kingscliff can play a stronger role beyond simply providing local services. Large areas of relatively unconstrained land exist close to Kingscliff that may be used for significant residential, tourism and employment development, which could contribute to the growth of Tweed Heads as a regional city.

Council's land use planning will focus on consolidating and expanding the town centre, identifying infill and greenfield residential development opportunities, establishing a knowledge precinct that will offer jobs and commercial investment opportunities, and growing the aquaculture industry.

ACTION 2.4.2 Encourage healthy living by increasing options for public transport, walking and cycling

Transport for NSW, in partnership with councils, has created a number of programs in regional cities, centres and towns to increase opportunities for people to be more active and therefore healthier. They include the *Community Transport Program, Cycling Towns*

Program, Walking Communities Program, the Connecting Centres Cycling Program and NSW Bike Week.

These programs focus on:

- prioritising infrastructure improvements for two-kilometre footpaths and five-kilometre cycling tracks that lead to town centres, as well as improving access to transport interchanges; and
- using information and events to promote walking and cycling as a form of transport.

The NSW Government will:

- work with councils to develop and implement programs that improve opportunities for walking and cycling, focusing first on regional cities.

ACTION 2.4.3 Review the North Coast Urban Design Guidelines

The distinctive character of the region's settlements sets it apart from other parts of NSW and brings tourists back to the region year after year. New development needs to be sympathetic to the character of certain areas. The *North Coast Urban Design Guidelines* (2008) help planners and designers recognise the distinctive character of the region's centres and encourage high-quality development that is sensitive to the area's climate, natural features, landscape and character.

Urban design continues to evolve over time. The review will be made to support further improvements in housing design, help improve sustainable living and respond to the North Coast's changing climate.

The NSW Government will:

- review the North Coast Urban Design Guidelines.



GOAL 3 – Housing choice, with homes that meet the needs of changing communities

The draft Plan aims to provide housing choice to meet the community’s needs into the future. By 2036, the North Coast will need to accommodate an additional 97,000 people. This growth, along with demographic change and changing household needs, is projected to generate demand for an additional 72,200 dwellings. The draft Plan sets out the supply of housing needed for the future population.

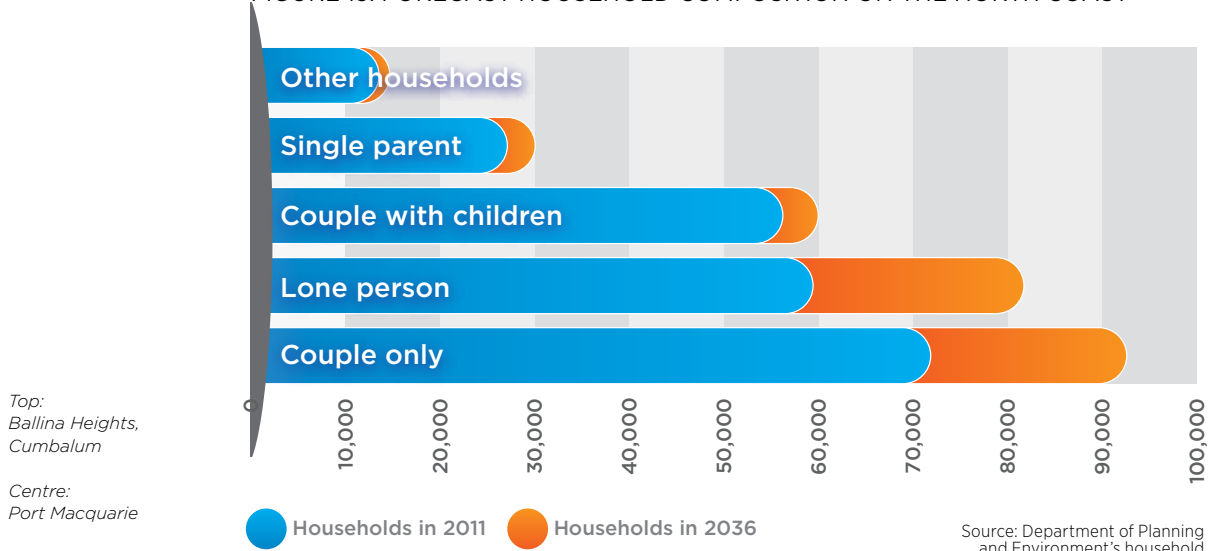
In addition to overall population growth, other demographic drivers of change will influence housing needs. Over 90 per cent of the region’s population growth to 2036 will be people aged over 65 years. This represents an increase in the proportion of this age group from the current 20 per cent to 31 per cent. As people age they

may want a choice about whether to remain in their family home or to relocate to smaller, more affordable housing closer to services.

The projected growth in couple-only and single-person households is also expected to increase demand for smaller and multi-dwelling housing such as townhouses and residential flats in regional cities, regional centres and towns (see Figure 15).

The cost of housing affects where people in the community are able to live. From 2001 to 2011, owner-occupied dwellings on the North Coast fell from 46 per cent to 39 per cent and the number of homeowners with a mortgage rose from 20 per cent to 27 per cent.

FIGURE 15: FORECAST HOUSEHOLD COMPOSITION ON THE NORTH COAST





Fothering Park, Taree

The draft Plan:

- accelerates the development of proposed urban land, with potential for 36,500 lots near the regional cities and regional centres;
- retains the current policy for multi-unit housing to represent 40 per cent of new housing (an additional 28,900 townhouses, villas and residential flats across the region by 2036);
- promotes planning outcomes that encourage housing for people at different stages of their lives, including through Livable Housing Australia's Livable Housing Design Guidelines (2015);
- provides for a range of smaller lot housing when preparing local environmental plans or planning strategies; and
- develops a comprehensive approach to affordable housing that involves all stakeholders – the NSW Government, councils and the private and community sectors.

DIRECTION 3.1 Provide sufficient housing supply to meet the demands of the North Coast

Local growth management strategies should identify an adequate supply of residential land to accommodate population growth and demand for housing (see Figure 16). This will:

- create downward pressure on house prices;
- maximise the efficiency and effective use of existing infrastructure; and
- provide work and build confidence in the construction industry, which employs more than 19,000 people on the North Coast.

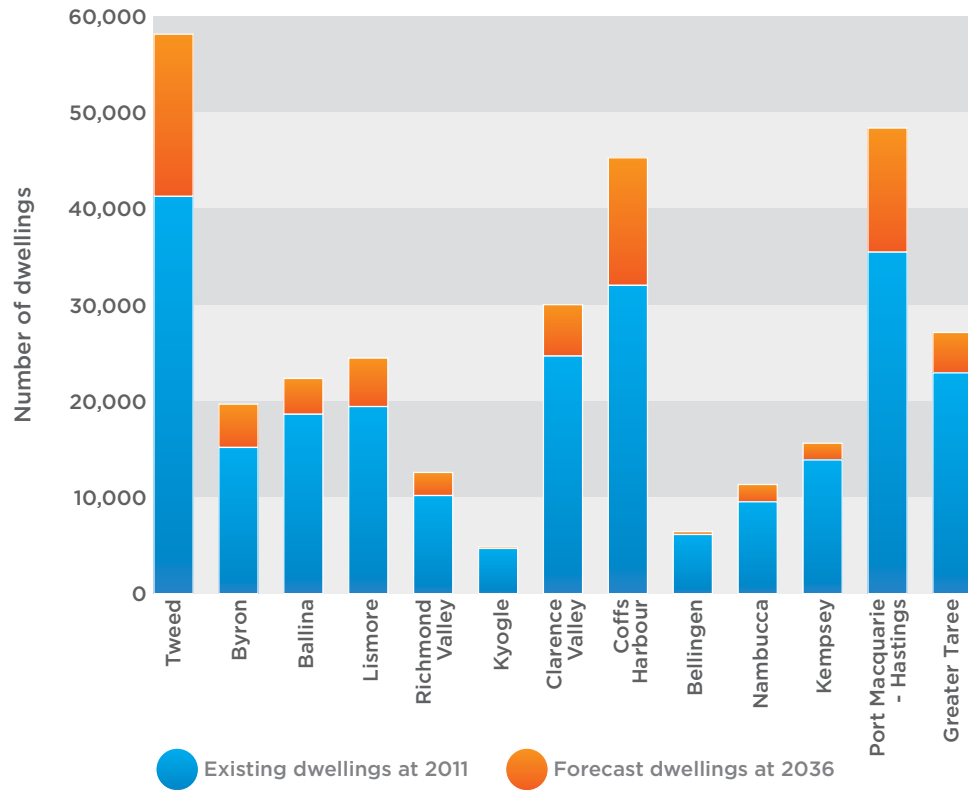
Table 4 shows the minimum housing supply each council should plan for in their local strategic planning to 2036. This takes into account projected population growth; housing demand and mix to meet different household needs; allowances for tourism opportunities; and a surplus to address any changes in growth projections. Provision has been made for councils to plan for a range of additional dwellings by 2036 to satisfy possible supply shortfalls or changes in the market over this period.

Councils should consider providing surplus supply, additional to that shown in Table 4, to provide a range of development opportunities. Factoring in a modest housing surplus makes for a more robust housing policy that is able to deal with unforeseen constraints to development, including delays in the supply of housing, uneven rates of development, or unexpected population growth.

Some popular holiday destinations on the North Coast experience significant seasonal fluctuations in population. Holiday dwellings have been included in the housing supply numbers to allow councils to manage tourism-related growth.



FIGURE 16: DWELLING DISTRIBUTION BY LOCAL GOVERNMENT AREA TO 2036



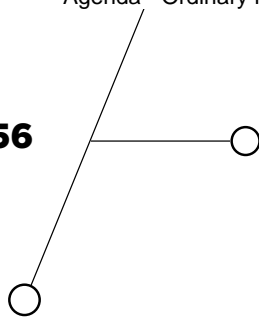
Source: Department of Planning and Environment and Australian Bureau of Statistics

TABLE 4: ADDITIONAL DWELLINGS NEEDED BY 2036 FOR EACH LOCAL GOVERNMENT AREA

Local Government Area	Number of dwellings in 2011	Additional dwellings needed by 2036
Tweed	41,300	14,000 - 16,860
Byron	15,200	3,750 - 4,500
Ballina	18,650	3,100 - 3,700
Lismore	19,450	4,200 - 5,000
Richmond Valley	10,200	2,000 - 2,400
Kyogle	4,700	150 - 180
Clarence Valley	24,700	4,450 - 5,300
Coffs Harbour	32,050	11,000 - 13,200
Bellingen	6,150	250 - 300
Nambucca	9,550	1,500 - 1,800
Kempsey	13,900	1,400 - 1,700
Port Macquarie-Hastings	35,500	10,750 - 12,900
Greater Taree	22,950	3,500 - 4,200

Source: NSW Planning and Environment, 'Population, Household and Dwelling Projections', 2014

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ACTION 3.1.1 Review land supply to identify proposed urban land for extra dwellings

A review of land within the urban growth areas was completed to evaluate the prospects of meeting the need for the extra 72,200 dwellings by 2036. The review results, shown in Figure 17 approximate the current supply of zoned and unzoned land across the North Coast.

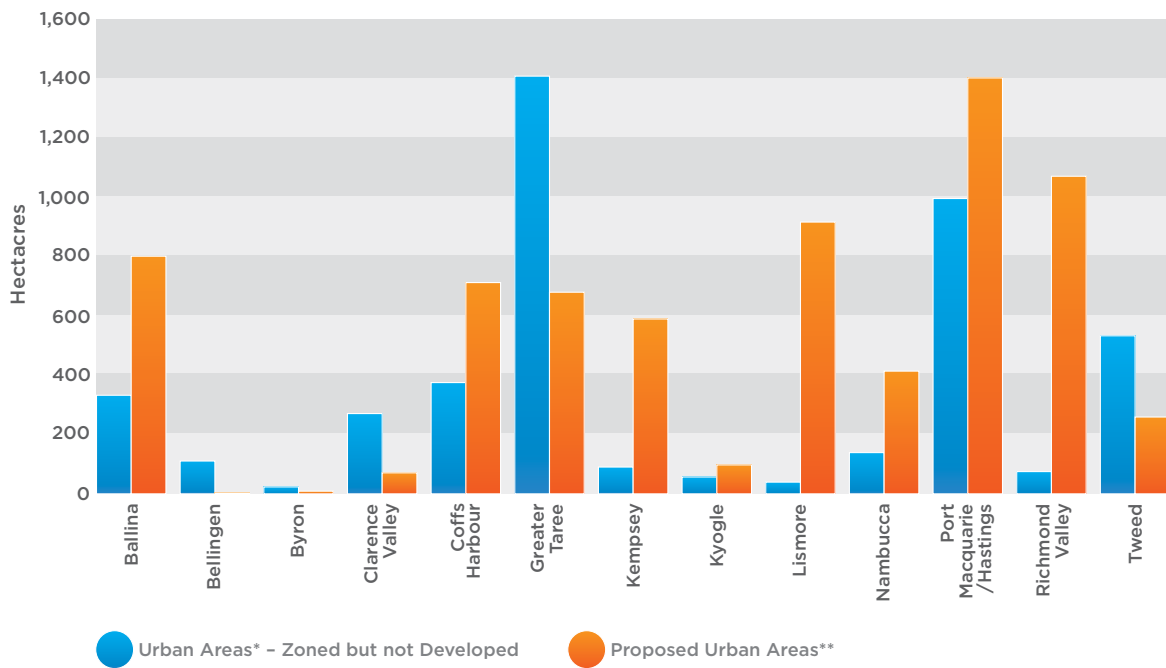
Not all the land in Figure 17 can be developed for urban uses. Land that is subject to significant natural hazards and/or environmental and heritage constraints will be excluded from development.

The review identified that Byron and Bellingen may not have sufficient capacity in their urban growth areas to achieve a 20-year supply of housing. The NSW Government will work with the relevant councils to identify proposed urban land to help meet demand for housing and amend the relevant urban growth area maps.

The NSW Government will:

- work with Byron and Bellingen Councils to identify proposed urban land for inclusion in the urban growth areas to deliver a supply of housing.

FIGURE 17: URBAN LAND SUPPLY WITHIN THE URBAN GROWTH AREAS IN EACH LOCAL GOVERNMENT AREA, DECEMBER 2015



Notes:
 * Excludes environmental, recreational, special purpose and waterways, as well as employment lands.
 ** Includes new land release areas only, not infill or brownfield areas.

Case study: Byron Shire Council Rural Land Use Strategy and Rural and Residential Lands Strategy

The NSW Government is proposing that additional land can be considered to include in the existing urban growth areas. This will allow each local government area to have an adequate supply of land over the next 20 years in the right locations. Byron Shire has land immediately available at West Byron Bay and some infill opportunities in Byron, Mullumbimby and Bangalow. The strong demand for housing in the shire means this supply is likely to be exhausted in the short term.

The Council has begun work on rural lands and residential lands strategies to consider the future housing needs of the community. This work should be completed before the Council seeks to rezone any land outside the urban growth areas. It will guide future land rezoning and other planning instruments such as local environmental plans.

ACTION 3.1.2 Accelerate the supply of proposed urban land to meet demand in high growth areas

There are a number of sites on the North Coast, including Cumbalum, Kings Forest, Cobaki, Brimbin and Thrumster identified for future housing. These sites have potential for around 36,500 lots that will help meet housing demand in the higher growth cities and centres across the North Coast. The NSW Government will work with councils to identify where upfront investment in local infrastructure can accelerate the take-up of housing commencements in a number of these priority sites. The NSW Government's *Housing Acceleration Fund* also provides funding for new infrastructure projects that support housing supply.

The preliminary list of new land release areas for further investigation is contained in Appendix A.

The NSW Government will:

- investigate policies and provisions that can accelerate housing supply and diversity in certain new land release areas through a precinct-based approach, which introduces site-specific complying development standards; and
- work with councils to identify where upfront investment in local infrastructure can accelerate housing commencements in priority sites of proposed urban land.

Case study: Thrumster Urban Release Area, Port Macquarie

The Thrumster Urban Release Area is the western expansion area of Port Macquarie and is located in the Port Macquarie-Wauchope Growth Corridor. When completed, the 800-hectare area is expected to accommodate 4,250 dwellings, or about 10,000 people. It will include retail, commercial, sporting and entertainment facilities, schools, neighbourhood centres and a light industrial area.

Thrumster will provide much of the housing needed to support the projected population growth in Port Macquarie and across the Lower North Coast subregion. It will allow people to live close to employment areas, such as the Sancrox industrial precinct and Port Macquarie's tertiary education and health services precincts. Its location on the Pacific and Oxley Highways also gives residents ready access to other employment centres across the subregion, including Kempsey, Taree and the Port Macquarie City Centre.

The NSW Government provided \$3 million in 2012, from the *Housing Acceleration Fund* for a new water tower in the area.

ACTION 3.1.3 Monitor land and housing supply through the North Coast Housing and Land Monitors

The current *Far North Coast Housing and Land Monitor* (2016) and *Mid North Coast Housing and Land Monitor* (2016) are the NSW Government's tools for monitoring land and housing supply for each council. In future, a single monitor will be developed each year for the whole region, covering all the local government areas on the North Coast.

The NSW Government will:

- continue to monitor and coordinate the development of land releases through a North Coast Housing and Land Monitor.



DIRECTION 3.2 Deliver housing choice to suit changing needs

Over the next 20 years, the population of the North Coast will change significantly. The ageing population will influence the demand for new housing and the desire of people to downsize and potentially age-in-place. In a well-functioning market, the supply of housing should reflect shifts in the community’s needs and preferences. The region is also expected to attract new residents relocating after retirement to take advantage of the environmental and lifestyle offerings on the coast.

With an ageing population, housing choice on the North Coast is increasingly about ‘universal housing’ that allows people to stay in their home as they age. Livable Housing Australia’s *Livable Housing Design Guidelines* set the national benchmark for home design and provide guidance on meeting the needs of people throughout their lifecycle. They were created to encourage the development of liveable homes that are easy to enter and to navigate; responsive to the changing needs of occupants; and relatively easy to adapt (for injured, disabled or elderly residents). Councils will need to consider the guidelines when preparing local environmental plans or planning strategies.

Councils can use land release and local growth management strategies to identify housing needs, plan for a range of housing types and identify the local infrastructure necessary to support local communities.

Many new land releases incorporate blocks that are bigger than 600 square metres. This can limit smaller, more innovative house and land design. The North Sapphire Beach development in Coffs Harbour is an example of

more diverse land design, with almost 50 per cent of the subdivided lots around 400 square metres in size.

ACTION 3.2.1 Investigate the policies, plans and investments that would support greater housing diversity

Natural constraints and servicing make it unlikely that incremental outward growth of urban areas can continue indefinitely on the North Coast. It is important to plan for more housing in the urban growth areas to protect significant environmental lands by creating a more compact urban form.

By 2036, 40 per cent of the new housing supply across the region should be in multi-unit dwellings. This equates to around 28,900 extra multi-unit dwellings. This target is higher than the historical levels for multi-unit approvals on the North Coast (see Figure 18).

This region-wide target will help deliver a greater choice of housing, which can improve affordability, cater for the demands of an ageing population and meet the growth in the number of smaller households.

Urban feasibility modelling has shown that multi-unit dwellings in regional cities and regional centres are feasible under existing development controls and current market conditions. A place-based planning approach will be adopted to consider multi-unit housing for areas that have access to transport.

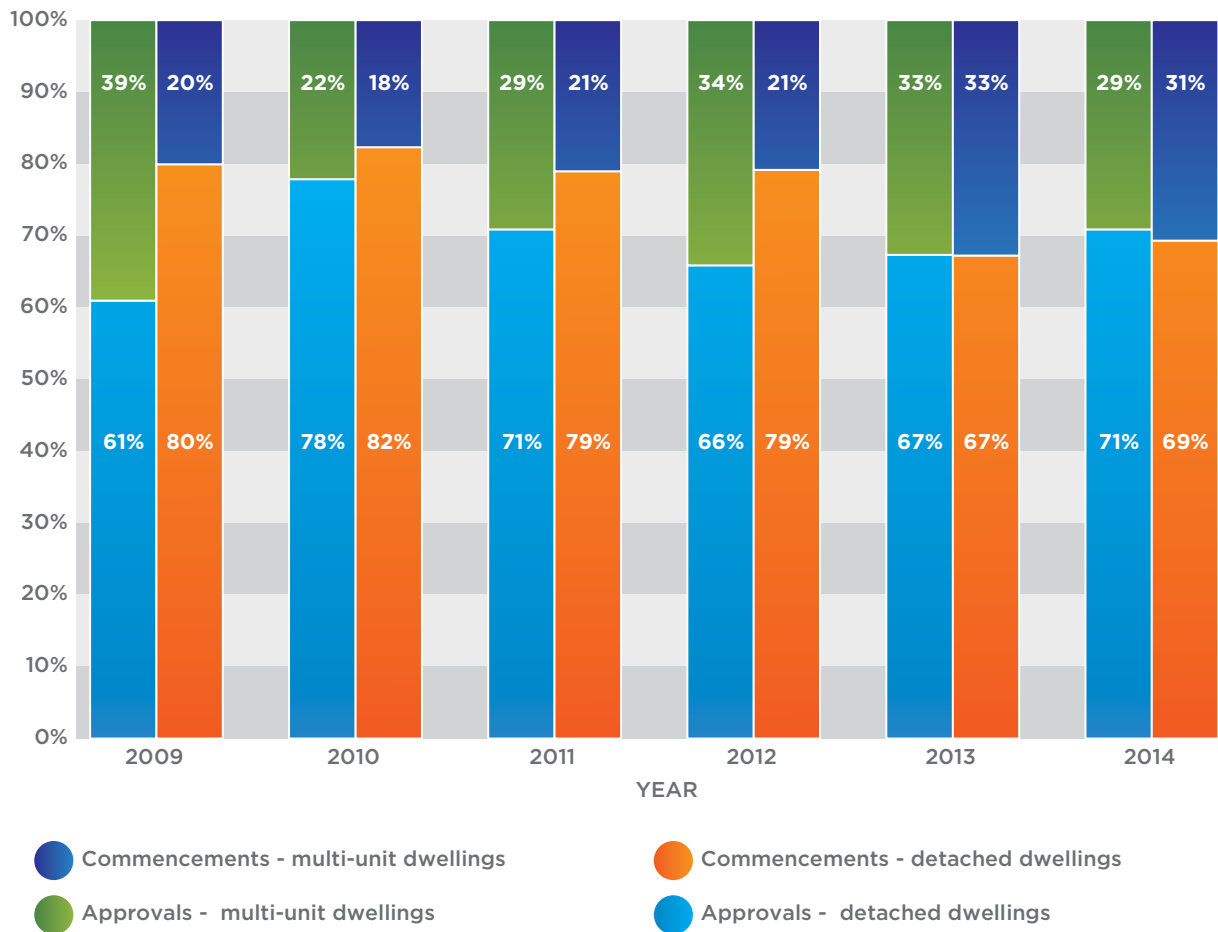
The NSW Government will:

- work with councils to apply appropriate local planning controls within local environmental plans to deliver a minimum supply of 28,900 multi-unit dwellings across the region.



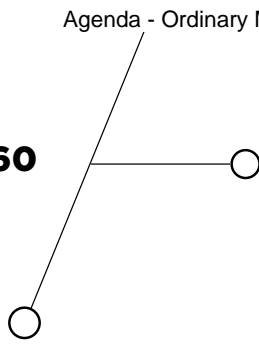
Left: Thrumster, Port Macquarie
Right: Kingscliff beachfront

FIGURE 18: DWELLING APPROVALS AND COMMENCEMENTS ON THE NORTH COAST



Source: Mid North Coast and Far North Coast housing and land monitors.

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ACTION 3.2.2 Work with Local Aboriginal Land Councils to conduct a strategic assessment of their landholdings to identify priority sites for further investigation of their economic opportunities

OCHRE (Opportunity, Choice, Healing, Responsibility, Empowerment) is the NSW Government’s plan for Aboriginal communities. It focuses on revitalising and promoting Aboriginal languages and culture; creating opportunities; increasing the Aboriginal community’s capacity; providing choice; and empowering Aboriginal people to exercise that choice, as well as giving them the tools to take responsibility for their own future.

Many of the OCHRE actions are outside the planning system; however, there is an opportunity to work with Local Aboriginal Land Councils to see how they can best plan, manage and develop their landholdings for the benefit of the local Aboriginal community. This will allow Aboriginal people the opportunity to gain real economic benefit from their land and provide greater opportunities for economic independence.

Together, Aboriginal Affairs NSW and the Department of Planning and Environment, will work with the Local Aboriginal Land Councils to identify their landholdings and to map the level of constraints for each site. This information can be used by Aboriginal communities to consider potential uses of the land for housing and employment opportunities. It has potential to provide economic returns to the Land Councils, which can be invested in assistance programs in the region.

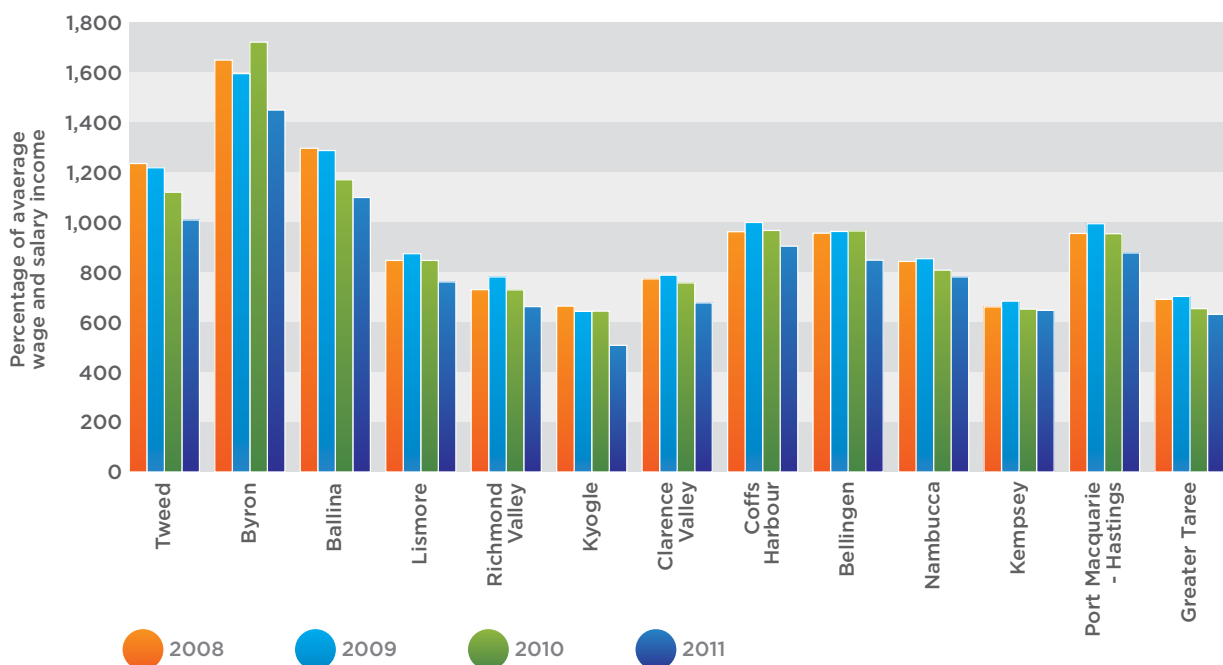
The NSW Government will:

- work with Local Aboriginal Land Councils to identify priority sites for potential housing and employment development.

DIRECTION 3.3 Deliver more opportunities for affordable housing

Affordable housing is an issue across the North Coast. Housing stress occurs when lower income households spend more than 30 per cent of their income on rent or mortgage costs. Rising house prices have put more pressure on

FIGURE 19: MEDIAN HOUSE PRICES AS A PERCENTAGE OF AVERAGE WAGE AND SALARY INCOME



Sources: RP Data and Australian Bureau of Statistics

many of these households, particularly low-income earning households (see Figure 19).

The planning system can help improve housing affordability by providing a range of housing opportunities. A limited supply of residential land in areas with high demand places upward pressure on housing prices.

The NSW Land and Housing Corporation is reviewing public housing estates across the State. The information from this draft Plan will be provided to the review to inform understanding about housing supply, demand and affordability issues in the region.

ACTION 3.3.1 Facilitate the supply of more affordable housing

The NSW Government recognises that more needs to be done to meet the housing needs of people on very low, low and moderate incomes. The Government aims to develop a comprehensive approach to affordable housing that involves all stakeholders – the Government, councils and the private and community sectors.

Councils can help to improve housing affordability by including the following in their planning strategies and local environmental plans:

- model controls in local environmental plans that require that affordable housing is included in developments. For instance, councils may consider a bonus provision requirement to deliver a percentage of affordable housing in a development;
- development controls and reduced contributions or other development incentives that may boost construction of secondary dwellings as alternative affordable housing. Councils could also consider planning incentives under the *State Environmental Planning Policy Affordable Rental Housing* (2009); and
- promotion of new caravan parks and manufactured home estates on unconstrained land in existing settlements and new land release areas in the urban growth areas. Councils can identify sites strategically through their local planning strategies.

The NSW Government is also working on a whole-of-government strategy for affordable

housing. The strategy will assess the need for social, public and affordable housing across NSW, provide greater planning certainty, and facilitate complementary activities such as partnering with affordable housing providers.

The NSW Government will:

- prepare guidelines for local housing strategies;
- work with councils to prepare local housing strategies that plan for a range of housing types and that consider local affordable housing needs and strategies; and
- consider amendments to relevant environmental planning instruments, informed by updated strategies.

Case study: Lismore City and Clarence Valley Councils

Lismore City Council has developed a *Contributions Discount Policy* that promotes the development of affordable housing by giving concessions on Section 64 and Section 94 developer contributions for secondary dwellings and dual occupancies that meet relevant criteria. Council developed the policy to expand the choice of smaller, more affordable accommodation in existing residential areas to help the growing number of single people and couples without children. It also helps elderly residents to 'age in place' and live independently while having the support of family close by.

Clarence Valley Council has taken a strategic approach to increase affordable housing options in the Clarence Valley. The Council has conducted detailed housing studies and explored appropriate policy options based on an examination of local housing needs, housing market factors, other local conditions, and stakeholder consultations. Based on these studies, the Council has established an Affordable Housing Advisory Committee and prepared an *Affordable Housing Strategy*, *Affordable Housing Policy* and *Adaptable Housing Guidelines* to provide more affordable housing that is appropriate to the future needs of the community.

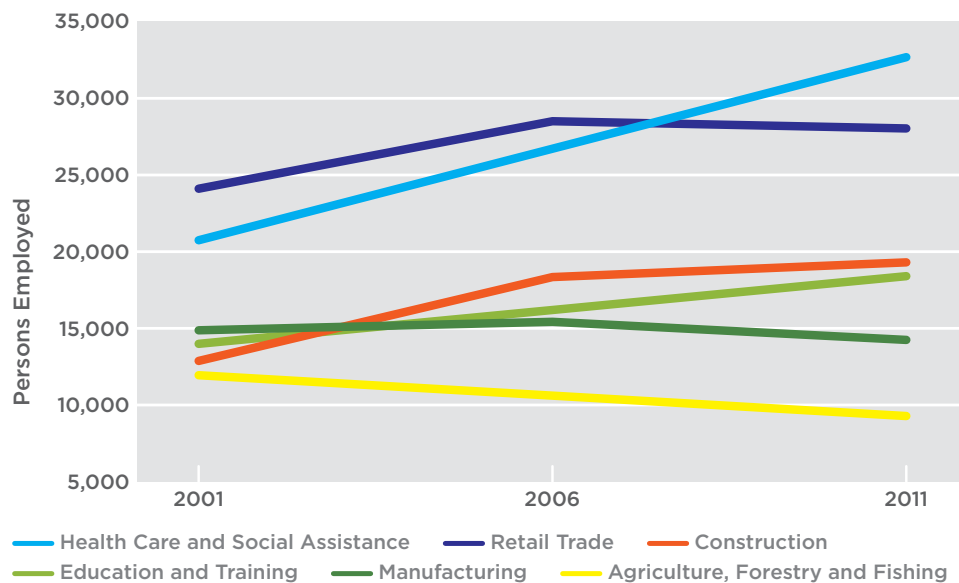


GOAL 4 – A prosperous economy with services and infrastructure

The North Coast offers residents job opportunities across a diverse range of industries. Major investment in traditional sectors such as agriculture and manufacturing will remain important, however, healthcare, education, tourism and retail have great potential to drive employment growth (see Figure 20). This is particularly the case with the health sector, which will provide services for the ageing population. The draft Plan is focused on providing greater job opportunities in these growing service sectors, and giving the community better access to more health, education and tourism services.

The economy will continue to rely on a sufficient supply of employment land for investment, as well as freight and transport networks that provide efficient access to markets. The Gold Coast will need around 150,000 new jobs¹⁶ to support its population growth over the next 20 years and – with the upgrade of the Pacific Highway – the North Coast is expected to provide the necessary employment land to assist in underpinning this growth.

FIGURE 20: CHANGING EMPLOYMENT BY INDUSTRY ON THE NORTH COAST



Top:
Cafe, Byron Bay

Centre:
Metal
manufacturers,
Muwillumbah

Bottom:
Blueberry packing,
Coffs Harbour

Source: Australian Bureau of Statistics



Cabarita, Tweed

Infrastructure delivery will be essential to support the growth of the North Coast. Growth has already been matched by increased health and education services, and investment in transport services and water and electricity infrastructure. Given the current infrastructure networks and planned upgrades, the North Coast is in a strong position to meet the needs of the growing and changing population. The NSW Government will support councils and infrastructure providers to identify appropriate sites and infrastructure, such as cemeteries and crematoria.

Utility providers are planning infrastructure at local and regional levels to provide reliable water security and electricity supply. Long term planning for a secure water supply should be based on integrated water cycle management planning on a subregional scale to maximise benefits from the interconnection of schemes, and to improve management and financial results. The \$180 million Clarence Valley and Coffs Harbour Regional Water Supply Scheme and the *Northern Rivers Regional Bulk Water Supply Strategy* are examples of this type of initiative.

The NSW Government will use the *North Coast Housing and Land Monitor* to guide infrastructure providers about the capacity and forecast capability of existing infrastructure and the need for any upgrades.

The draft Plan aims to:

- develop an action plan to expand nature-based and cultural tourism on the North Coast;
- prepare for the expansion of services, as necessary, at major hospitals in the region;
- apply planning controls that encourage and promote clusters of health and education-related activities, and plan for the transport services associated with the growth of these precincts;

- aid the creation of extra primary and secondary school places across the North Coast to support projected population growth;
- maintain an adequate supply of industrial and business-zoned land over the long term; and
- establish business parks that can support the growth of knowledge industries.

DIRECTION 4.1 Expand the tourism sector on the North Coast

Tourism on the North Coast is worth more than \$3.4 billion annually⁷ and supports around one in three jobs in the region. The tourism industry will continue to make a significant contribution to jobs growth on the North Coast as the number of visitors to the region continues to increase.

Coastal harbour and river entrance assets on the North Coast are valued at around \$1 billion and support tourism charters, commercial fishing and recreational boating. A program of repair, upgrade and/or replacement is being implemented through the NSW Government's Coastal Infrastructure Program.

The NSW Government recognises that tourism can increase pressure on the environment and on small communities. The draft Plan provides a framework for sustainable tourism management. Future large-scale tourism facilities will be focused in the appropriately serviced prime tourism development areas of Tweed Heads/Kingscliff, Coffs Harbour, Port Macquarie, Ballina and Byron Bay. Medium to smaller-scale sustainable, nature-based and coastal tourism accommodation – outside these prime tourism development areas – will be located in towns such as Yamba, South West



Rocks, Old Bar, Nambucca and Bellingen. Accommodation should aim to be high-quality and showcase the natural environment.

Councils should provide zoning, floor space ratios and height requirements for the facilities, consistent with their location. This will support investment and provide the necessary infrastructure to accommodate a range of tourism opportunities.

ACTION 4.1.1 Facilitate the nature-based, events and cultural tourism sectors on the North Coast

The region will need to maintain and enhance the broad range of tourism experiences on offer; encourage investment in facilities for nature-based and cultural tourism; invigorate existing tourism assets, including conference facilities; and develop new assets.

Facilitating tourism through appropriate development controls and public transport will be at the core of growing the sector.

The NSW Government will:

- identify opportunities to expand visitation to regionally significant nature-based tourism places, such as Ellenborough Falls, Dorrigo National Park, Wollumbin-Mount Warning National Park, Iluka Nature Reserve and Yuraygir Coastal Walk;
- identify ways to develop the Casino to Murwillumbah rail corridor for environmentally friendly tourism and leisure activities, particularly cycling and walking;
- improve tourism-related transport services, including seasonal transport options such as holiday bus services and park-and-ride facilities;
- develop servicing plans for major annual festivals to encourage public transport use; and
- work with councils to provide flexible local planning controls for diverse cultural heritage tourism activities, including opportunities to engage with Aboriginal communities and their culture.

Tourism on the North Coast

In June 2014, the North Coast was ranked third in Australia for the number of overnight visitors and trip expenditure. Destination NSW estimates that over 11 million people visit the North Coast annually.¹⁷ The region supports both domestic and international tourism, including iconic destinations like Byron Bay which had 1.4 million visitors in the year to September 2014.

The North Coast of NSW Destination Management Planning - June 2013 identifies the region's coastal areas, beaches, nature and outdoor-based activities as unique attractions.

In 2014, around 8.8 million people visited national parks and reserves on the North Coast.¹⁸ Nature-based tourism is continuing to grow on the North Coast and there are opportunities to develop complementary land uses, infrastructure and services to support and build on these activities and cultural heritage attractions.

There is an opportunity to create a rail trail for cyclists and walkers along the Casino to Murwillumbah rail corridor. This will develop the region's green/active and nature-based tourism base. This project can use existing infrastructure (subject to safety upgrades) to provide economic benefits through job creation, as well as support existing and emerging business ventures. The *Casino to Murwillumbah Rail Trail Study* (2014) estimated a minimum of around 88,300 visitors a year.

There will also be opportunities to build on the region's ability to host major sporting events and festivals such as the Saltwater Freshwater Festival, Byron Bay Bluesfest, Ironman Port Macquarie and the FIA World Rally in Coffs Harbour.



Anatomy laboratory, Southern Cross University, Coffs Harbour

DIRECTION 4.2 Develop health services precincts

The draft Plan is focused on providing more high-skilled job opportunities and better access to services from the region's growing healthcare sector.

The healthcare sector now employs more than 32,000 people in the region.¹⁹ Employment in this sector has grown 37 per cent over the last 10 years, making it the largest and fastest growing jobs sector on the North Coast. This trend is set to continue as the region's population grows and ages.

Between 2010 and 2015, investment in health infrastructure on the North Coast has increased and this is reflected in a number of recent projects to support the region's growing and ageing population, including the Kempsey Hospital redevelopment (Stage 1), Port Macquarie Hospital expansion, the new Byron Central Hospital and the Lismore Base Hospital redevelopment (Stage 3A).

The *Rebuilding NSW –State Infrastructure Strategy* (2014) identified \$100 million for the *Care Co-Location Program* which integrates a range of allied health services. These services include oral health, physiotherapy and podiatry, early childhood, youth, nursing, mental health and Aboriginal health services. The NSW Government is developing options to deliver the program to achieve the best outcomes for the region.

The role of some health facilities in the region will be defined for infrastructure planning purposes, and services devolved to smaller facilities that can support the major hospitals. The NSW Government will identify the capacity of hospitals to expand their functions and services in response to the changing needs of the population.

NSW Health has a range of prevention measures in place that promote a healthy lifestyle and is looking at early intervention and integration of aged care services to reduce demand for hospital services. More emphasis will be given to keeping patients out of hospital by managing their health in community settings.

Health facilities across the North Coast need to be easily accessible by car and, where possible, by public transport. Adequate car parking and traffic management are important considerations when planning upgrades to health facilities. The NSW Government will prioritise health facilities as important destinations when planning future bus routes and networks.

ACTION 4.2.1 Support health services precincts by attracting complementary uses in these precincts

The NSW Government aims to identify opportunities to cluster pharmacy, allied health and specialised care services that can support the major referral hospitals, and make it easier to access health services. In addition to health services, other supporting land uses should be encouraged in these precincts, including accommodation options for health staff, patients and carers.

The NSW Government will work with councils to:

- identify land for health services precincts and infrastructure needs at Port Macquarie, Coffs Harbour, Tweed Heads, Lismore and Taree; and
- introduce planning controls that encourage clusters of related activity such as higher education facilities; specialist and allied health infrastructure; research institutions; patient and carer accommodation; and housing choices for employees and patients.

Case study: Lismore Health Precinct

Lismore Base Hospital is an important health asset for the Far North Coast subregion. It is a centre for specialist medical advice and treatment for acute and complex health conditions, integrated community healthcare services and medical training. St Vincent’s Private Hospital, University Centre for Rural Health and Southern Cross University are all located near the Base Hospital.

Lismore City Council and the Northern NSW Local Health District are investigating the potential for housing and employment activity that is compatible with their major health infrastructure in the central business district. The *Lismore City Health, Wellbeing and Medium Density Precinct Project* currently under way will identify the best ways to modify zoning and design parameters to enable flexible housing density and amenity for residents and patients visiting health facilities in the Lismore CBD.

DIRECTION 4.3 Enhance education precincts

Education is the second-fastest growth sector on the North Coast and made the second-largest (7.3 per cent) contribution to gross regional product in 2013.²⁰

A number of major universities have campuses in the region, including Charles Sturt University and the University of Newcastle at Port Macquarie; Southern Cross University at Coffs Harbour, Lismore and the Gold Coast (on the Queensland border with Tweed Shire); and the University of NSW at Coffs Harbour and Port Macquarie.

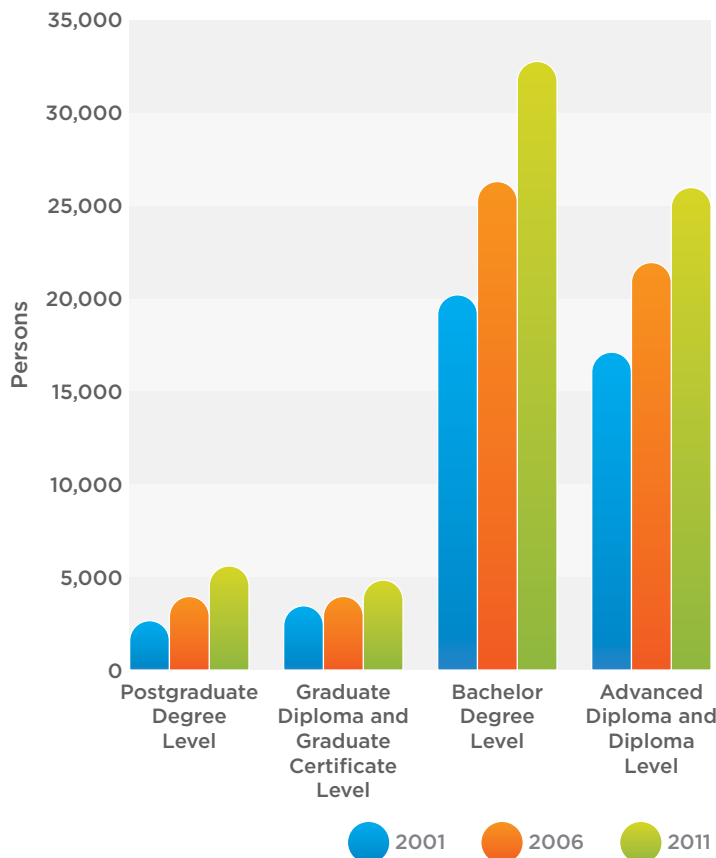
Currently, more than 440,000 people on the North Coast have a tertiary education, an increase of 7 per cent in 10 years (see Figure 21).²¹ Demand for vocational and tertiary education is expected to continue as the region’s population increases.

The North Coast TAFE is one of the largest regional training providers in Australia and enrolls more than 45,000 students annually in nationally recognised courses and training.

The TAFE has plans for greater and more efficient use of current assets and the deployment of more mobile, multi-purpose and onsite classrooms. These facilities will be introduced across industry areas and into communities that have never had access to campuses, and for workplaces needing short-term learning services. To complement the change to more mobile learning, investments will be made in digital infrastructure to support online and self-service options and increase remote learning opportunities.

The NSW Government will prioritise vocational and tertiary educational facilities when planning future bus routes and networks.

FIGURE 21: HIGHER EDUCATION QUALIFICATIONS ON THE NORTH COAST



Source: Australian Bureau of Statistics



Manildra Harwood Sugars, Harwood

ACTION 4.3.1 Facilitate planning for additional primary and secondary school places to meet the region's growing needs

The Department of Education is preparing a long term strategic plan to 2031, as well as regional plans and school cluster plans to respond to changing demands in schools throughout the State.

By 2031, there are expected to be around 4,050 more primary school places and 1,720 more high school places in public schools on the North Coast. The projected growth in the number of school-aged children is likely to be accommodated in existing schools. The Department of Education will monitor changes in demand in all North Coast public schools over time and plan for additional school places, as required.

Private schools make an important contribution to primary and secondary education and will continue to do so throughout the North Coast.

The NSW Government will:

- continue to develop a revised service model and approach to asset planning; and
- monitor the rate and take-up of development in regional centres and new release areas to respond to increased school enrolments.

ACTION 4.3.2 Work with education providers and councils to create education precincts that support campuses

Education precincts have been identified for the regional cities and regional centres that will build on the strong links that exist between institutions and industry sectors to grow the

economy and skilled local jobs. Opportunities will be provided for applied research and development jobs and innovative businesses to operate in the education precincts.

The region's ageing health workforce highlights the need for training and development opportunities to maintain an adequate supply of skilled staff. Creating links between health services and education precincts could help in this respect. In Port Macquarie, the University of NSW, University of Newcastle and North Coast TAFE are establishing a Joint Health Education Facility to expand tertiary education opportunities in health care.

The NSW Government will:

- work with universities, North Coast TAFE and councils to plan for education-related land uses around educational institutions in Port Macquarie, Coffs Harbour, Lismore and Tweed Heads; and
- introduce planning controls that encourage clusters of related activities such as research institutions, applied research and development organisations, and student accommodation.

DIRECTION 4.4 Provide well-located and serviced supplies of employment land to expand industry investment opportunities

The availability of industrial land throughout the region is an important component of a growing economy. Establishing an adequate supply of employment land will improve confidence in the economy, increase job opportunities, encourage the establishment of new industries, and allow the expansion of existing operations.

Previous investment has unlocked strategically located and relatively affordable employment land that has provided opportunities for private sector investment, strengthened productivity benefits, and increased investor and business confidence. New employment areas will be needed in the long term to support the expansion of food processing, manufacturing, and freight and logistics operations throughout the region.

ACTION 4.4.1 Provide an adequate supply of employment land aligned with demand

The *North Coast Employment Lands Study* (2014) was undertaken to determine the factors influencing industry growth and employment change throughout the region, and to identify the trends that determine future industrial land needs. The study found that, overall, there is sufficient supply of employment land to accommodate projected employment growth on the North Coast for the next 20 years;

however some locations have a limited surplus and will need further investigation (see Figure 22).

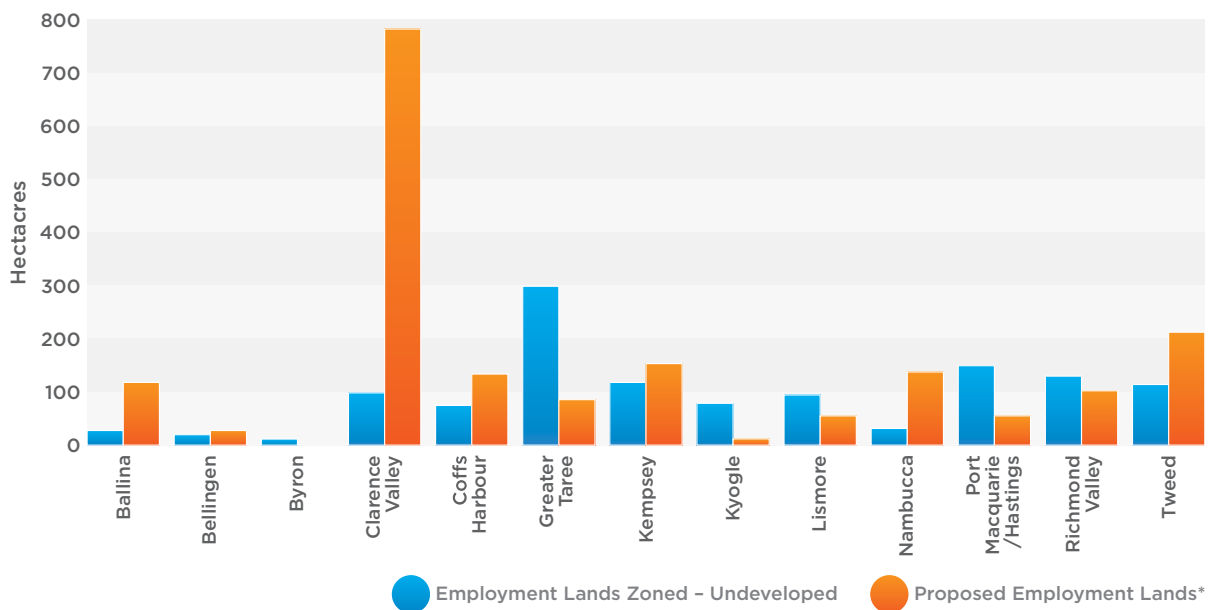
Where suitable employment land is not readily available, coordination across local government areas at a subregional level will support the delivery of the employment and economic development objectives of the draft Plan.

Local manufacturing will continue to generate the need for oversize and overmass trucks to transport metal fabrication, concrete girders and similar loads. Councils should incorporate planning for freight access when releasing new industrial areas, including applying Austroads' *Guidelines for Planning and Assessment of Road Freight Access in Industrial Areas* (2014).

The NSW Government will:

- work with councils to provide adequate employment land to prevent potential restrictions to business investment.

FIGURE 22: EXISTING AND PROPOSED EMPLOYMENT LAND IN URBAN GROWTH AREAS (HECTARES)



*Includes greenfield areas only
Source: MacroPlan DiMasi *North Coast Employment Land Review, 2015*



ACTION 4.4.2 Encourage well-located employment land with suitable buffers to minimise land use conflicts

Employment land needs to be protected from encroachment by incompatible development that is sensitive to the real or potential impacts of noise, smoke, dust, odour, vibration and light, and/or because it generates potential risks.

Due to their type, scale and nature, certain heavy industries – such as concrete batching plants – may need to be located away from some traditional mixed-use employment areas that have a greater mix of bulky goods and light industrial uses. Councils should do this through their local planning strategies.

Marine-based industry such as shipbuilding is an example of development that may need to be located outside traditional industrial areas. To help councils plan for marine-based industries, the Department of Planning and Environment has released the *Marine-Based Industry Policy – Far North Coast and Mid North Coast* (2015).

The NSW Government will:

- encourage councils to minimise potential for land use conflict by locating employment land in appropriate areas with suitable buffers, prevent sensitive uses encroaching on existing areas, and apply design guidelines in local planning policies.

DIRECTION 4.5 Grow the region’s commercial and business centres

The region’s settlements have naturally developed over time so that higher-order commercial and retail functions are located in Port Macquarie, Coffs Harbour and Tweed Heads, while regional centres and towns continue to provide certain retail functions to their local areas. Further afield, the Gold Coast and Newcastle offer wider retail opportunities.

Within each settlement, commercial centres are a focus for activity and support residential and employment growth. Considerable investment in social, economic and transport infrastructure has been made in these areas. They contribute to the quality of life of residents, and create a sense of place and wellbeing for the community.

Knowledge-intensive industries are a potential growth sector in the region. The roll-out of the national broadband network will increase access to knowledge and customers. Demand is growing on the North Coast for more highly skilled workers in the knowledge-based economy. The Far North Coast has a high concentration of creative professionals, particularly in the fields of visual arts, design, literature, publishing, screen and digital content. Between 2001 and 2006, the creative industries were one of the Far North Coast’s top four growth industries.²²



Left: Retail business, Byron Bay
Right: Food production and logistics, Murwillumbah

Technological advances have allowed knowledge industries to set up in agglomerated business parks. Demand is increasing for purpose-built business facilities in well-located and easily accessible areas that offer the benefits of agglomeration, corporate prestige, amenity, proximity to labour, and cost-effectiveness.

Councils should support the growth of knowledge industries by applying flexible planning controls and providing business park development opportunities. By having greater locational choice, knowledge industries can decide what best suits their needs, which will help improve productivity and access to a range of jobs for residents.

ACTION 4.5.1 Plan for future retail and commercial needs

It is important to support retail and business activity in existing commercial centres that have sufficient zoned and appropriately located land. Councils should regularly review their retail and commercial land supply and demand in areas experiencing population growth, to plan for sufficient zoned land.

Where it is not possible to expand or accommodate growth in existing centres, or where there is significant market demand, councils may need to consider new centres of

an appropriate size and scale relative to their purpose, and the area to be served, to permit additional retail and commercial development. Proposals for new centres (including retail proposals) will need to demonstrate how they:

- respond to retail supply and demand;
- respond to innovations in the retail sector;
- maximise the use of existing infrastructure (including public transport and community facilities) commensurate with the scale of the proposal; and
- enhance the value of the public realm.

The net community benefit should be a factor when assessing these proposals.

The NSW Government will:

- work with councils to focus retail activity in existing commercial centres, unless there is a demonstrated need for new centres, with positive social and economic benefits for the community.

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GOAL 5 - Improved transport connectivity and freight networks

Transport and freight infrastructure on the North Coast supports jobs; provides business with good access to South East Queensland, the Hunter, Sydney, and international markets; and allows residents, who enjoy coastal and rural lifestyles, to move around the region and to other metropolitan centres.

The region continues to benefit from access to important domestic and international airports and the upgrade of the Pacific Highway.

Freight movement, freight transport facilities, and warehousing and distribution centres are well represented on the North Coast. The Pacific Highway carries the second-highest level of freight of any road in Australia. In 2011, 5.8 million tonnes of freight travelled along the highway into the North Coast and more than 3.3 million tonnes travelled out of the region. Total freight on the Pacific Highway is forecast to increase by 83 per cent over the next 20 years to 29.1 million tonnes a year.²³

The draft Plan aims to:

- limit development with direct access to the Pacific Highway to allow the free flow of traffic and retain the travel time savings and safety benefits from the upgrade;
- designate highway service centre locations close to bypassed towns to deliver economic benefits and to encourage motorists to take breaks;
- provide guidelines for locating freight facilities along the Pacific Highway to support the cost-effective and efficient movement of freight;

- undertake corridor studies across State roads to set a 20-year framework for managing transport demands, including freight transport; and
- zone land close to the Port Macquarie, Coffs Harbour, Ballina and Gold Coast airports to allow for their continued development as aviation precincts.

DIRECTION 5.1 Strengthen the Pacific Highway's function as a key road corridor of State and national significance

Since 1995, the Pacific Highway upgrade program has cut travel times between Newcastle and the Queensland border by almost 90 minutes for heavy vehicles and about 60 minutes for light vehicles (see Figure 23). Future Pacific Highway upgrades are expected to cut travel times by another hour or more while also increasing safety.

The NSW and Australian Governments have already invested \$8.6 billion in upgrading the Pacific Highway. An estimated \$6.4 billion will be spent completing the upgrade program, with \$1.4 billion committed in 2015. This is one of Australia's most significant investments in transport and freight infrastructure, and should be finished by the end of the decade.

²³ Coffs Harbour Airport



Tintenbar to Ewingsdale roadworks under the Pacific Highway Upgrade Program

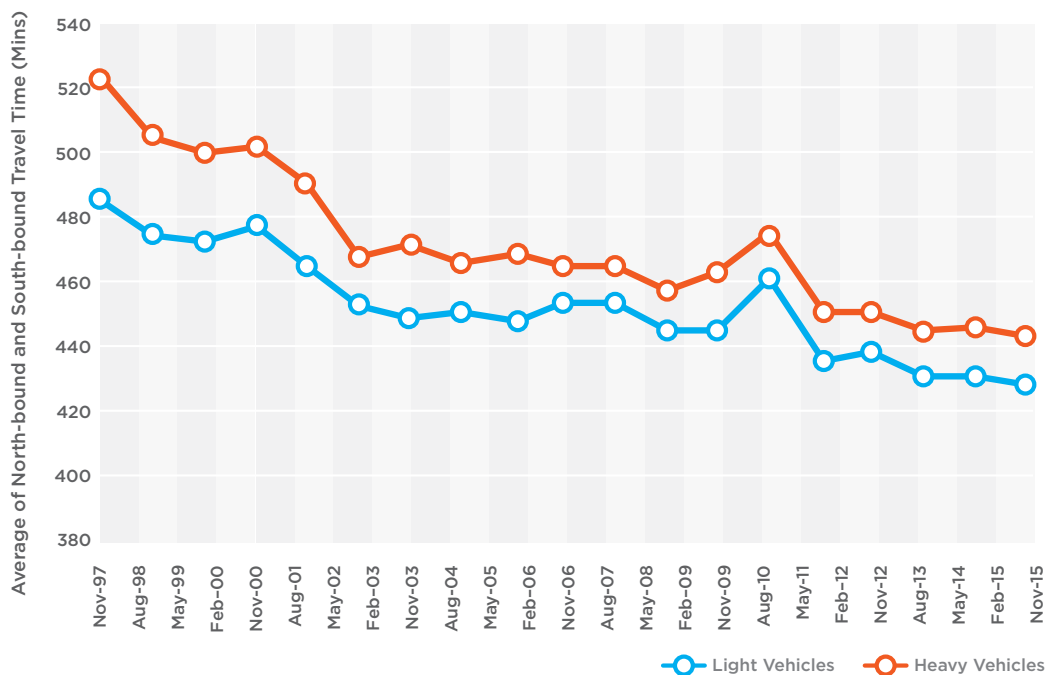
Funding has been committed to complete the duplication of the highway between Newcastle and Woolgoolga, and between Ballina and the Queensland border, by late 2017. The remaining 155-kilometre section between Woolgoolga and Ballina is in the planning and pre-construction stage. The Coffs Harbour bypass is also moving ahead, with around \$37 million expended to acquire land in the proposed corridor.

As additional sections of the Pacific Highway upgrade are completed, industries on the North Coast will have more opportunities to supply products to other markets, which will act as a catalyst for employment growth.

ACTION 5.1.1 Protect the travel time and safety improvements from the upgrade program

One of the many factors contributing to the time-savings on the Pacific Highway is the grade-separated access on motorway-class sections where the speed limit is generally 110 km/h. These sections optimise the safe and efficient movement of major regional and inter-regional traffic. In addition, strict traffic control, via grade-separated interchanges, delivers superior conditions for capacity, congestion, speed and safety. Local traffic can use alternative routes along service roads or the local arterial road networks.

FIGURE 23: PACIFIC HIGHWAY TRAVEL TIMES BETWEEN NEWCASTLE AND THE QUEENSLAND BORDER, 1997-2015²⁴



Source: Transport for NSW

Access to motorway-class sections of the highway will only be allowed via grade-separated interchanges. The NSW Government and councils will prevent additional direct 'at grade' access to motorway-class sections of the upgraded highway, as this will gradually erode the safety, travel time and economic benefits.

The NSW Government will:

- work with councils to limit development directly accessing the Pacific Highway; and
- consider the need to provide additional grade-separated interchanges along the Pacific Highway.

ACTION 5.1.2 Designate highway service centres along the Pacific Highway

There is an extensive rest stop network across major road corridors in NSW. Facilities provided at each rest stop vary and typically depend on the local environment and site characteristics. Highway service centres, one type of rest stop, encourage motorists to take breaks and therefore contribute to travel safety and efficiency.

The following sites have been identified as potential locations for Highway Service Centres along the Pacific Highway:

- Chinderah (at Chinderah Bay Road and Tweed Valley Way);
- Ballina (at Teven interchange);
- Maclean (at the interchange near Ferry Park);
- Woolgoolga (at the Arrawarra interchange);
- Nambucca Heads (at the Nambucca Heads interchange);
- Kempsey (at the South Kempsey interchange);
- Port Macquarie (at Oxley Highway); and
- Taree (at Old Bar Road).

These locations are close to bypassed towns, which will retain the economic benefits.

The NSW Government will:

- work with councils to appropriately locate service centres along the highway.

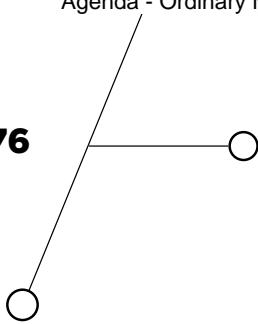
TABLE 5: VOLUME OF FREIGHT IMPORTED ALONG THE PACIFIC HIGHWAY IN 2011 (FROM QUEENSLAND AND GREATER TAREE) IN KILOTONNES PER YEAR

Destination	From South	From North	Total
Far North Coast subregion	70	2,840	2,910
Mid North Coast subregion	900	470	1,370
Lower North Coast subregion	1,060	440	1,500

TABLE 6: VOLUME OF FREIGHT EXPORTED ALONG THE PACIFIC HIGHWAY IN 2011 (FROM QUEENSLAND AND GREATER TAREE) IN KILOTONNES PER YEAR

Destination	To the South	To the North	Total
Far North Coast subregion	90	980	1,070
Mid North Coast subregion	350	360	710
Lower North Coast subregion	890	230	1,120

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ACTION 5.1.3 Identify freight transport facilities along the Pacific Highway

Freight transport facilities, warehousing and distribution centres have locational needs that depend on efficient supply chains, access to customers, land availability and access to main roads. The upgrade of the Pacific Highway has highlighted the need for a coordinated regional approach to locating freight facilities along this nationally important corridor. Freight Transport Facilities Locational Guidelines (see below) have been developed to guide the development of freight facilities along the Pacific Highway.

The NSW Government will:

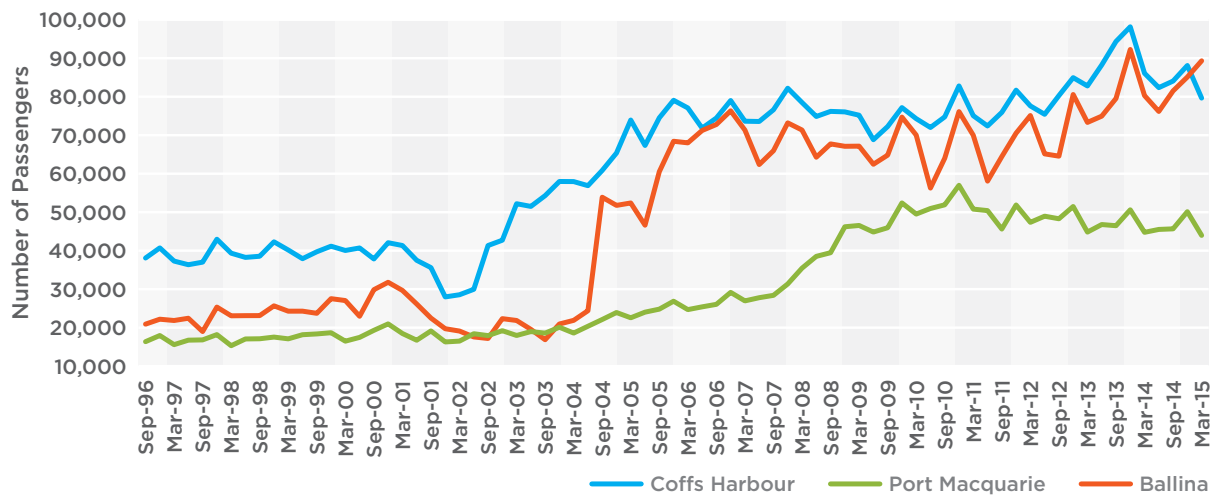
- encourage councils to identify strategic sites for freight transport facilities that link to existing and future transport-related industry.

DIRECTION 5.2 Expand the region’s aviation services

Airports on the North Coast are important gateways for business, tourism and personal travel, as well as for high-value airfreight. In 2014, Port Macquarie, Coffs Harbour and Ballina Byron Gateway airports handled more than 850,000 passenger movements with Sydney Airport – placing them in the top five busiest regional NSW routes (see Figure 24).²⁵ Gold Coast Airport is an international gateway with direct flights to New Zealand, Singapore, Malaysia, Japan and China. The draft Plan seeks to sustainably manage an increase in services at the region’s airports, while providing opportunities for aviation-related business growth by activating aviation precincts.

Freight Transport Facilities Locational Guidelines	
Development needs to be consistent with the <i>Draft North Coast Regional Plan</i> and relevant Section 117 Directions and State Environmental Planning Policies.	
ACCESS	
Access to the site, to and from the Pacific Highway, should have interchange capability for heavy vehicles.	
The site is to be on relatively flat land to minimise cut and fill.	
LOCATION	
The site should avoid physically constrained land.	
The site should avoid potential areas of high environmental value, significant farmland and natural resources mapped in the draft Plan.	
SETTLEMENT	
The site should not adjoin urban areas or sensitive land uses, such as residential development, or be located where land use conflict may limit future expansion.	
SERVICING	
Infrastructure needed to service the land should be physically and financially feasible.	

FIGURE 24: QUARTERLY PASSENGER NUMBERS TO AND FROM SYDNEY AIRPORT 1996-2015



Source: Transport for NSW's quarterly passenger statistics for NSW air routes to and from Sydney Airport

Expanding regional airports will enhance the region's reputation as a major tourism destination, and help to boost economic growth. Gold Coast, Ballina Byron Gateway, Coffs Harbour and Port Macquarie airports need to be able to expand to meet demand, as well as the Civil Aviation Safety Authority's additional requirements for increasing services, passenger numbers and larger aircraft.

These four airports are near residential and other urban uses which mean there are potential noise and traffic issues, and land use conflicts from the possible expansion or development of airport services. It will be important that councils consider ways to protect the expansion of services at these airports from inappropriate surrounding development.

ACTION 5.2.1 Develop aviation precincts with compatible and complementary uses

In addition to Port Macquarie, Coffs Harbour, Ballina Byron Gateway and Gold Coast airports, a number of other airports service the North Coast, including those at Taree, Kempsey, Grafton, Casino and Lismore. These airports have limited commercial flights and could provide other aviation-related services. Some councils have masterplans to capitalise on opportunities to diversify and maximise the potential of value-adding industries close to these airports.

The operational aspects of airports need to be protected to provide efficient access for passengers and freight, and to provide land for aviation-related activities. The development of retail and bulky goods uses should be avoided in these areas.

The NSW Government will:

- work with councils to encourage the development of aviation precincts with compatible and complementary industry and business uses.



Pacific Highway upgrade, Valla

Case study: Ballina Byron Gateway Airport and Port Macquarie Airport Aviation Precincts

The Ballina Byron Gateway Airport is adjacent to the Southern Cross Industrial Estate and close to the Pacific Highway and Ballina CBD, making it well-located for an aviation precinct.

A masterplan is being developed to expand and upgrade the airport's facilities, including a new passenger terminal and access road. It will also focus on developing an aviation precinct. Ballina Shire Council has been identifying opportunities for industrial activity in the area.

Port Macquarie Airport is close to the Pacific Highway and the city's CBD. A masterplan for an airport precinct business park recommends upgrading the Hastings River Drive-Boundary Street intersection in the short to medium term to cater for increased traffic from the airport and the precinct. More traffic, transport and land use planning will be needed to identify the scope of road infrastructure improvements.

DIRECTION 5.3 Enhance the connectivity of the region's road and rail freight and transport services

In addition to the Pacific Highway, transport in the region is focused on both the north-south connections provided by the Summerland Way, Mount Lindesay Road and the North Coast Rail Line to South East Queensland and the Hunter; and the east-west connections to the New England North West via the Oxley Highway, Gwydir Highway, Bruxner Highway and Waterfall Way.

The regional rail and coach network provides important freight and passenger transport links with Sydney and Brisbane. Enhancements are

Case study: Casino Meat Production and Cross-border Connections

The Northern Co-operative Meat Company Ltd has been based in Casino for 79 years, employs more than 1,000 local people and contributes \$55 million in wages annually to Richmond Valley.²⁶ It operates an international export and domestic service abattoir and boning complex, which produces more than 49 million kilograms of meat and meat products each year.

Up to 10, twenty-foot equivalent unit containers are transported daily from Casino to the Port of Brisbane for export. The meatworks draw cattle from the New England North West region of NSW, and from the Darling Downs in Queensland. Some 80 per cent of pigs processed at the abattoir are sourced from South East Queensland.

The *NSW Freight and Ports Strategy* identified transport restrictions as a challenge for industries on the Far North Coast. These affect both raw materials being transported into the area and finished products transported out of the area, particularly to the Brisbane market and port. Due to terrain constraints, the number of east-west links between the North Coast, the New England Tablelands and the Darling Downs is limited.

The proposed Casino rail freight terminal may help cut the number of long-haul heavy vehicle trips and allow for around 250,000 tonnes of additional rail freight. It will provide a facility that can act as a base for manufacturing, processing and distribution industries, with excellent transport connections for domestic and international markets.

being made to infrastructure to increase the freight carried via rail, expand capacity, remove pinch points and modernise the freight network. This will provide opportunities for intermodal and rail freight terminals to support the region's manufacturing and agricultural sectors.

Noise from freight movements on road and rail is a sensitive issue for communities close to freight corridors. The freight network needs to be buffered from encroaching development, to allow freight activity to continue outside peak hours. While the industry has a role in minimising the impacts of freight operations, buffers can help reduce noise problems for communities.

Councils will identify buffer measures in local environmental plans to minimise the impact of development on the efficient functioning of the freight industry.

ACTION 5.3.1 Identify connectivity improvements for key State roads on the North Coast

Transport for NSW, in conjunction with Roads and Maritime Services, is preparing corridor strategies for State roads in NSW to consistently manage and plan the State road network. The Department of Planning and Environment will work with Transport for NSW and Roads and Maritime Services to develop these strategies for all State roads on the North Coast.

Corridor strategies will set a vision and objectives; respond to current and future challenges and issues; and set short, medium and long term priorities and actions to manage the corridors. The strategies set a 20-year framework to align road safety, traffic efficiency and asset management with policy on freight access.

The NSW Government will:

- continue to deliver corridor strategies for all State roads on the North Coast.

ACTION 5.3.2 Provide improved transport services between larger settlements and regional communities

The *Mid North Coast* and *Northern Rivers Regional Transport Plans* recognise the importance of investing in public transport infrastructure and services to improve connections with urban areas and to help reduce social disadvantage. Detailed plans to implement and deliver these strategies are being developed.

Transport for NSW will work with bus operators to develop routes and timetables to improve bus services in the region's major centres and their connections with regional communities. It will also work with local transport operators and councils to develop programs that focus on serving the unique characteristics of each town.

Flexible transport services are likely to be more useful in smaller towns and villages. Transport for NSW will investigate what works best for each area and will liaise with local transport operators and providers to implement these services.

The NSW Government will:

- investigate opportunities to improve bus operations in the region's regional cities and regional centres, and their connections with regional communities in towns and villages; and
- work with local transport operators and community transport providers to investigate a range of delivery models for flexible transport, to determine what works best for different areas.

ACTION 5.3.3 Identify and protect future rail corridors on the North Coast

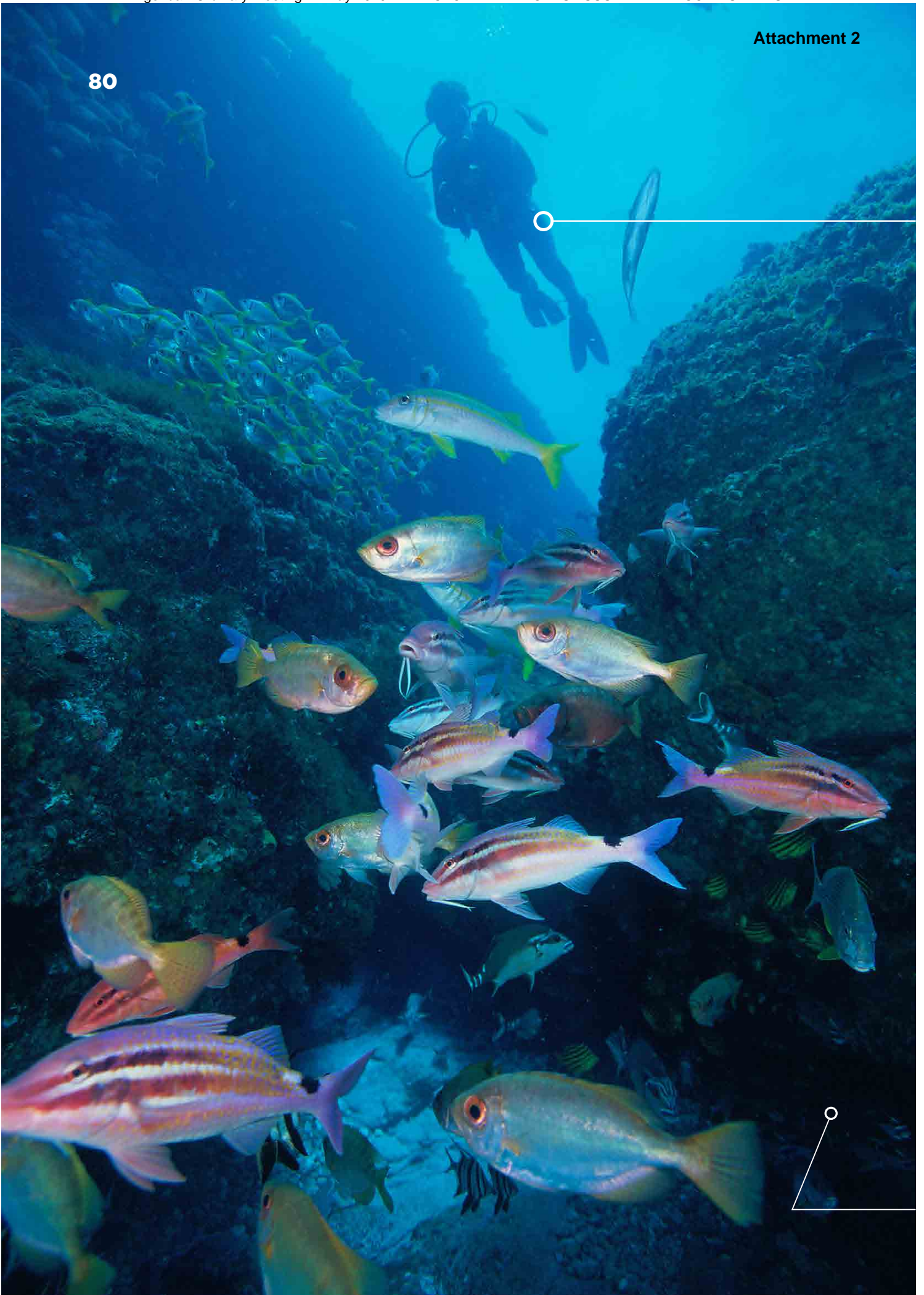
The Australian Government is investigating opportunities for a high-speed rail network to reduce travel time between capital cities along the east coast. This may generate new opportunities for economic development in the region.

Another potential rail corridor for the longer term is located south of the Gold Coast along the coastal corridor. This aligns with the Queensland Government's *Connecting SEQ 2031 An Integrated Regional Transport Plan for South East Queensland* (2011), which has identified an extension of the Brisbane heavy rail line to the Gold Coast Airport.

The NSW Government will:

- work with other governments to plan for future rail corridors on the North Coast.

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Appendix A - Infrastructure Investigation Locations for Priority Land Release Areas

The Department of Planning and Environment will work with councils to identify where investment in local infrastructure may create housing supply in the preliminary list of priority land release areas shown below.

Site	Local Government Area	Potential No. of lots
Cumbulum Precinct B	Ballina	2,480
Thrumster	Port Macquarie-Hastings	4,250
Lake Cathie-Bonny Hills	Port Macquarie-Hastings	2,000
Kew	Port Macquarie-Hastings	900
Cobaki	Tweed	5,000
Bilambil	Tweed	1,696
Area E-Terranora	Tweed	1,590
Kings Forest	Tweed	4,500
Brimbin	Greater Taree	8,000
Old Bar	Greater Taree	2,000
Valla Urban Growth Area	Nambucca Valley	800
Casino	Richmond Valley	1,300
Junction Hill	Clarence Valley	1,000
West Yamba	Clarence Valley	1,000

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Appendix B - Urban Growth Area maps

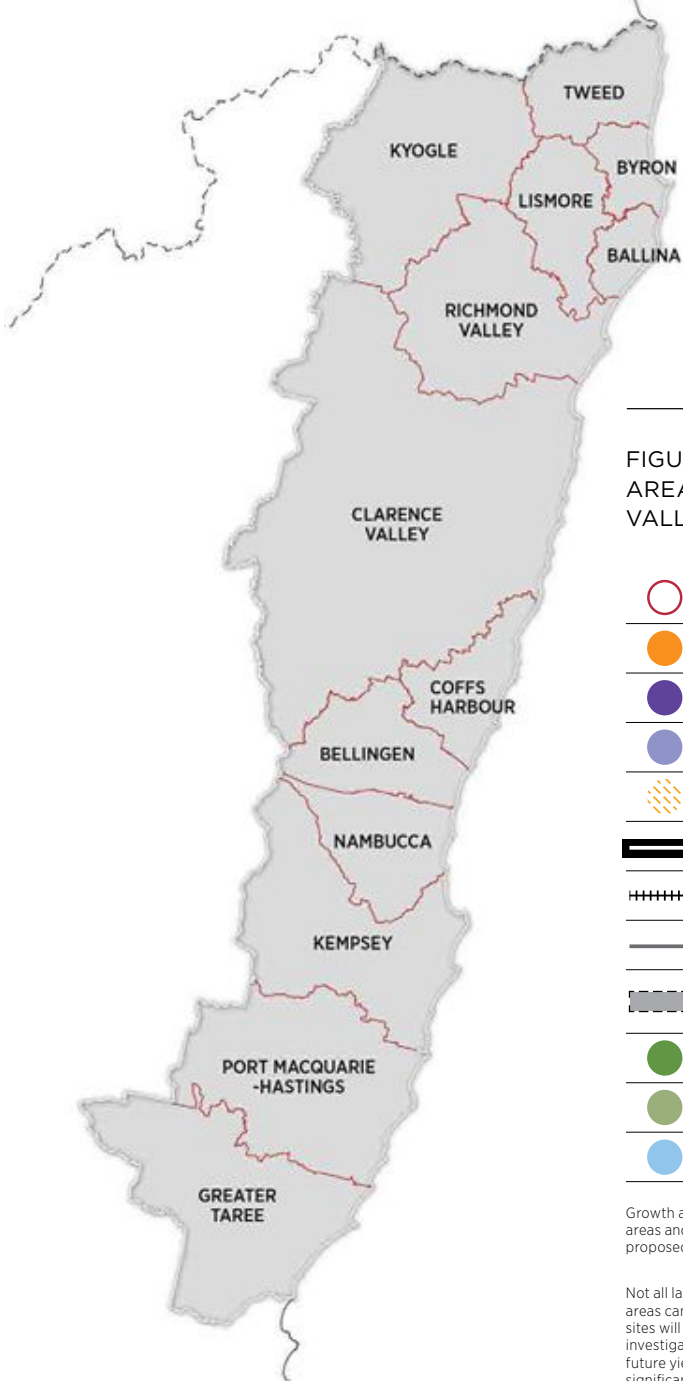
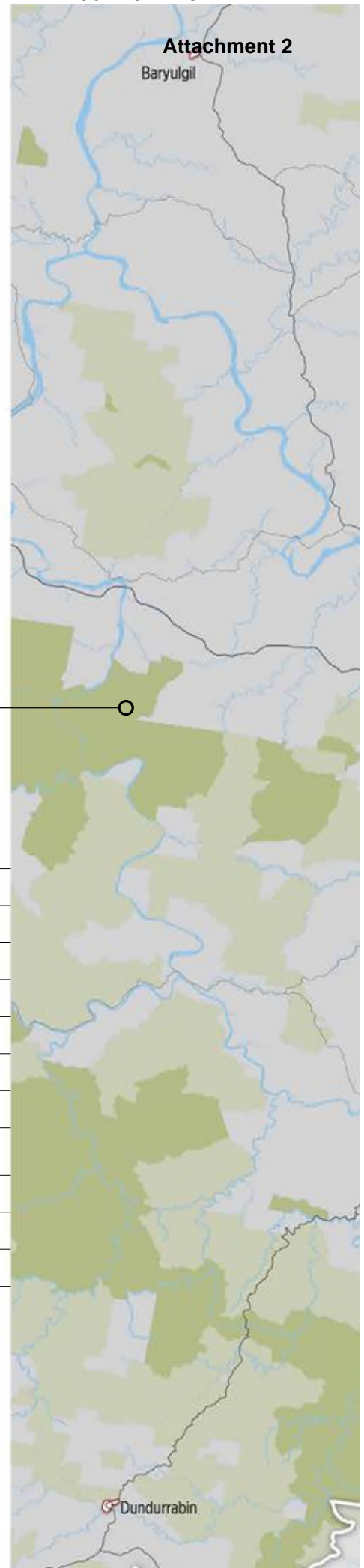


FIGURE 25: URBAN GROWTH AREA MAP FOR CLARENCE VALLEY LGA

- Urban Growth Area
- Proposed Urban Land
- Proposed Employment Land
- Existing Employment Land
- Coastal Area
- LGA Boundary
- Railway
- Highway
- Proposed Highway Upgrade Corridor
- National Park
- State Forest
- Watercourse

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.



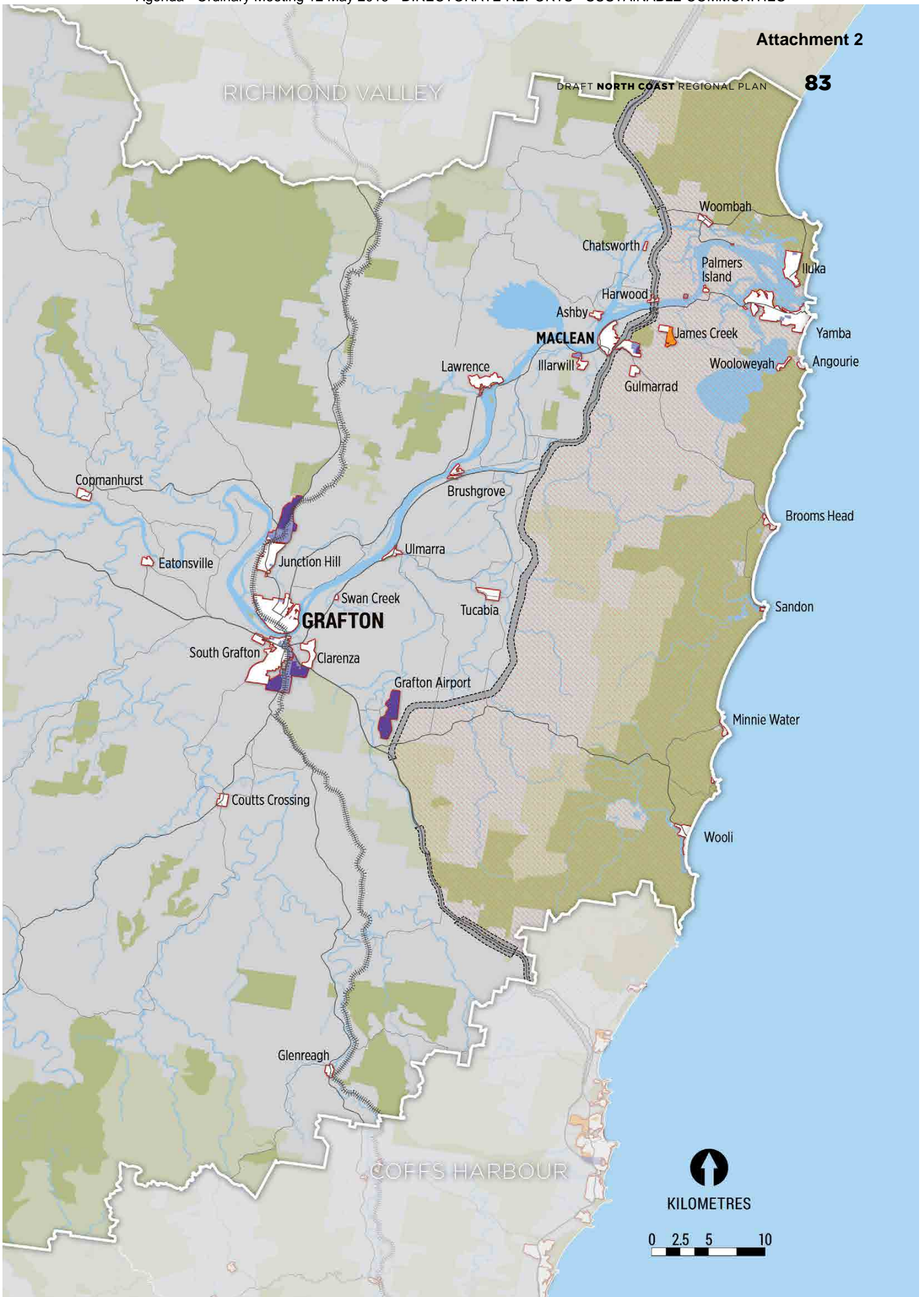
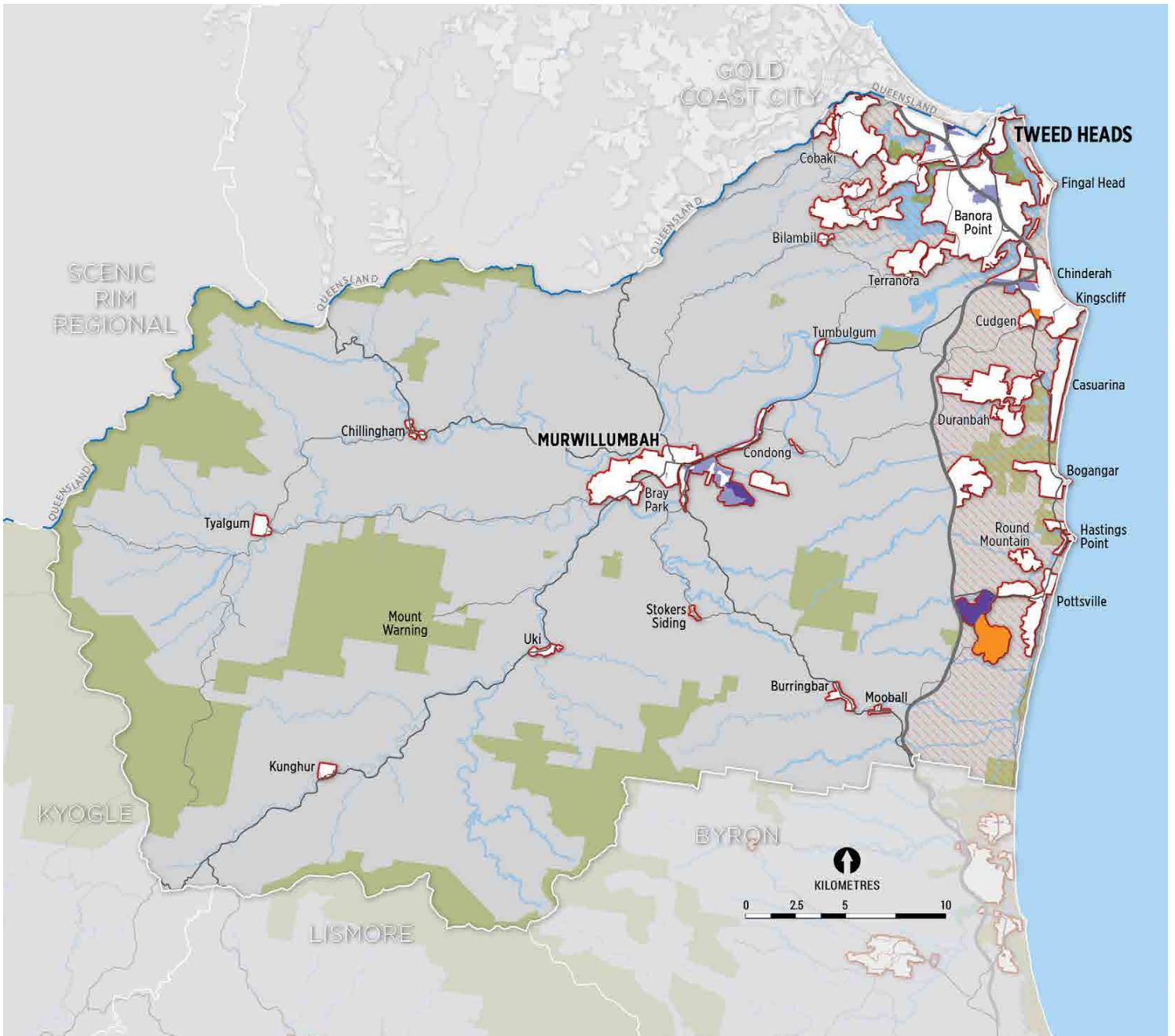














FIGURE 26: URBAN GROWTH AREA MAP FOR TWEED LGA

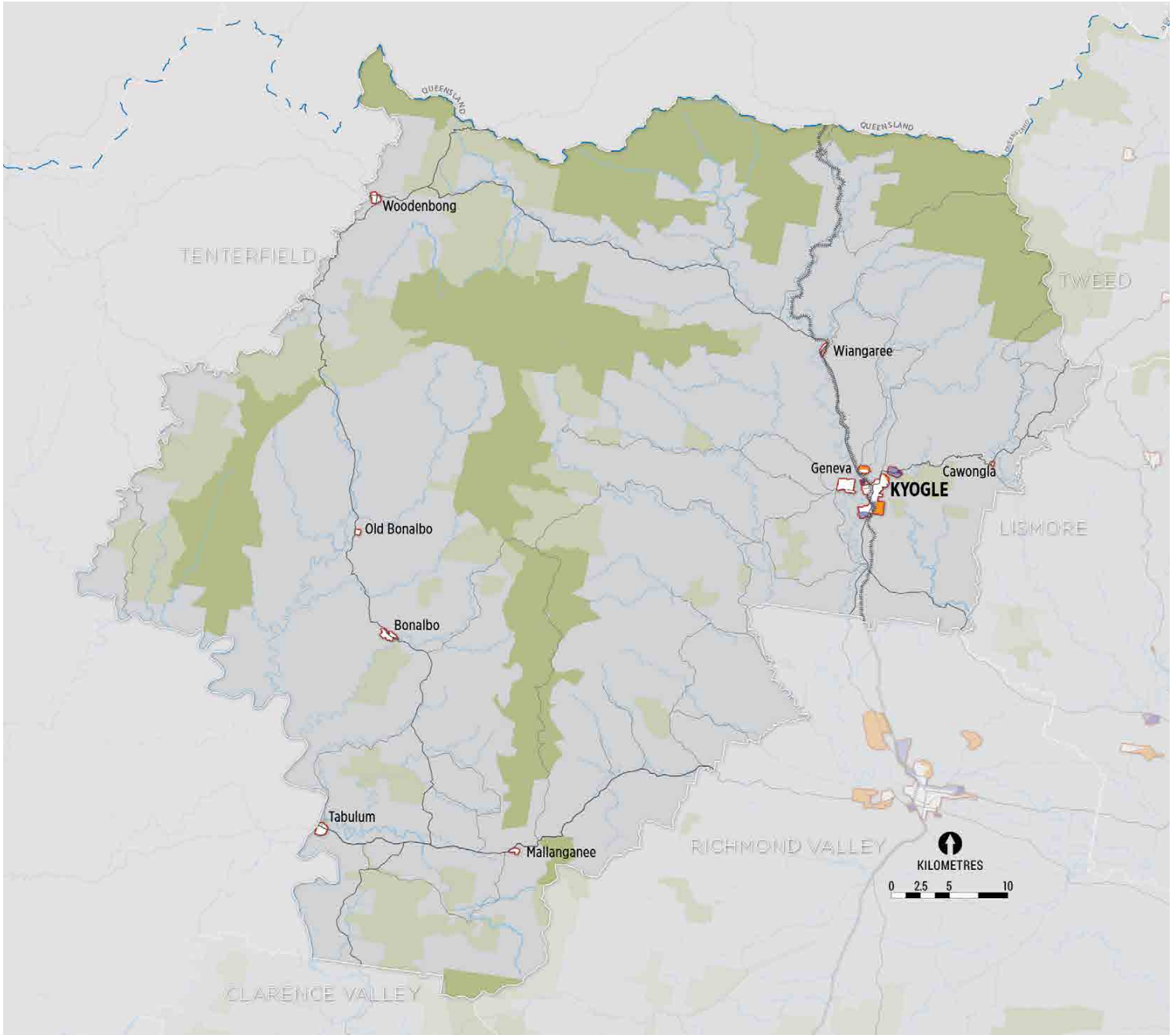














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|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

FIGURE 27: URBAN GROWTH AREA MAP FOR KYOGLE LGA

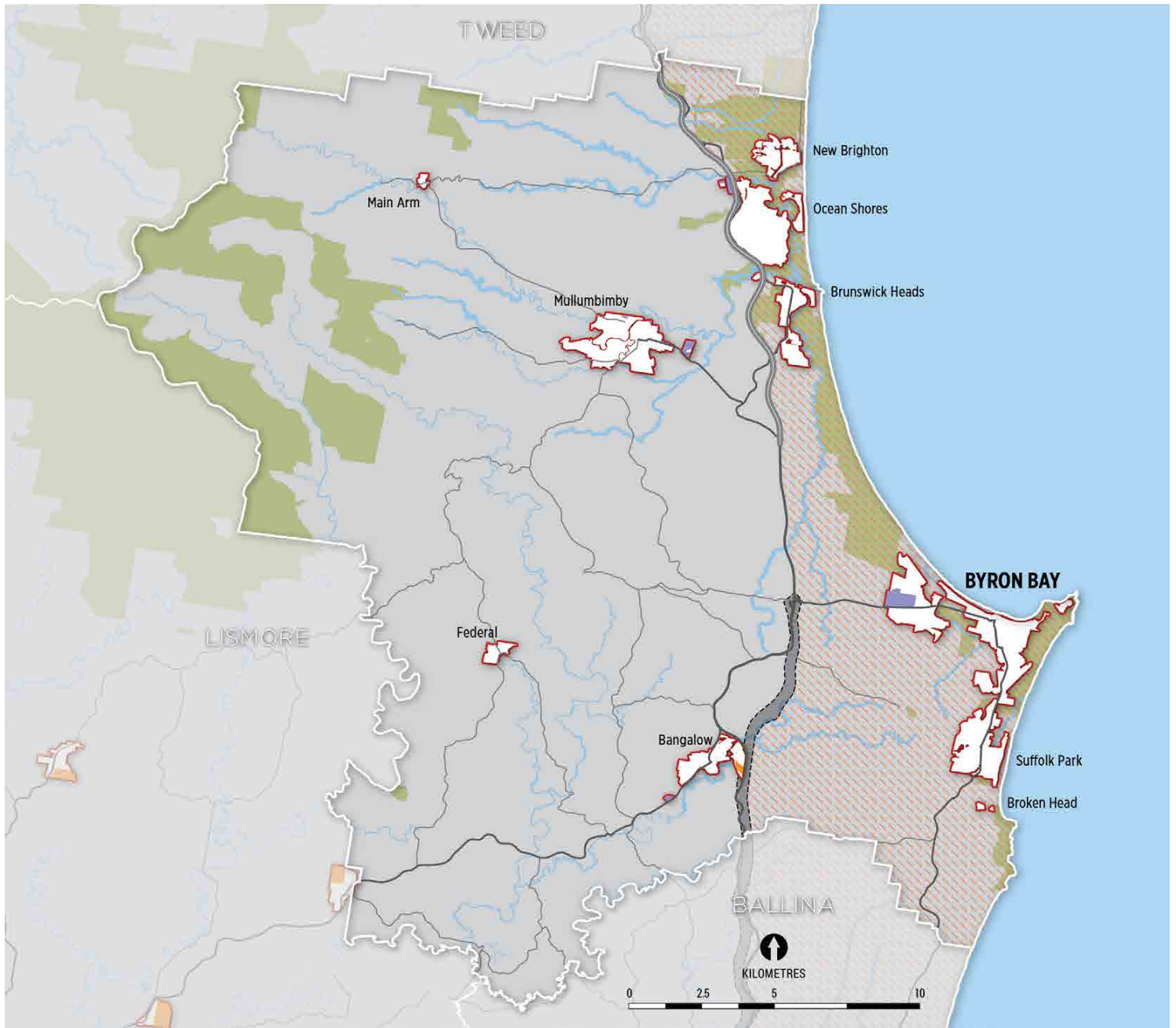














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|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

FIGURE 28: URBAN GROWTH AREA MAP FOR BYRON LGA



- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

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FIGURE 29: URBAN GROWTH AREA MAP FOR LISMORE LGA

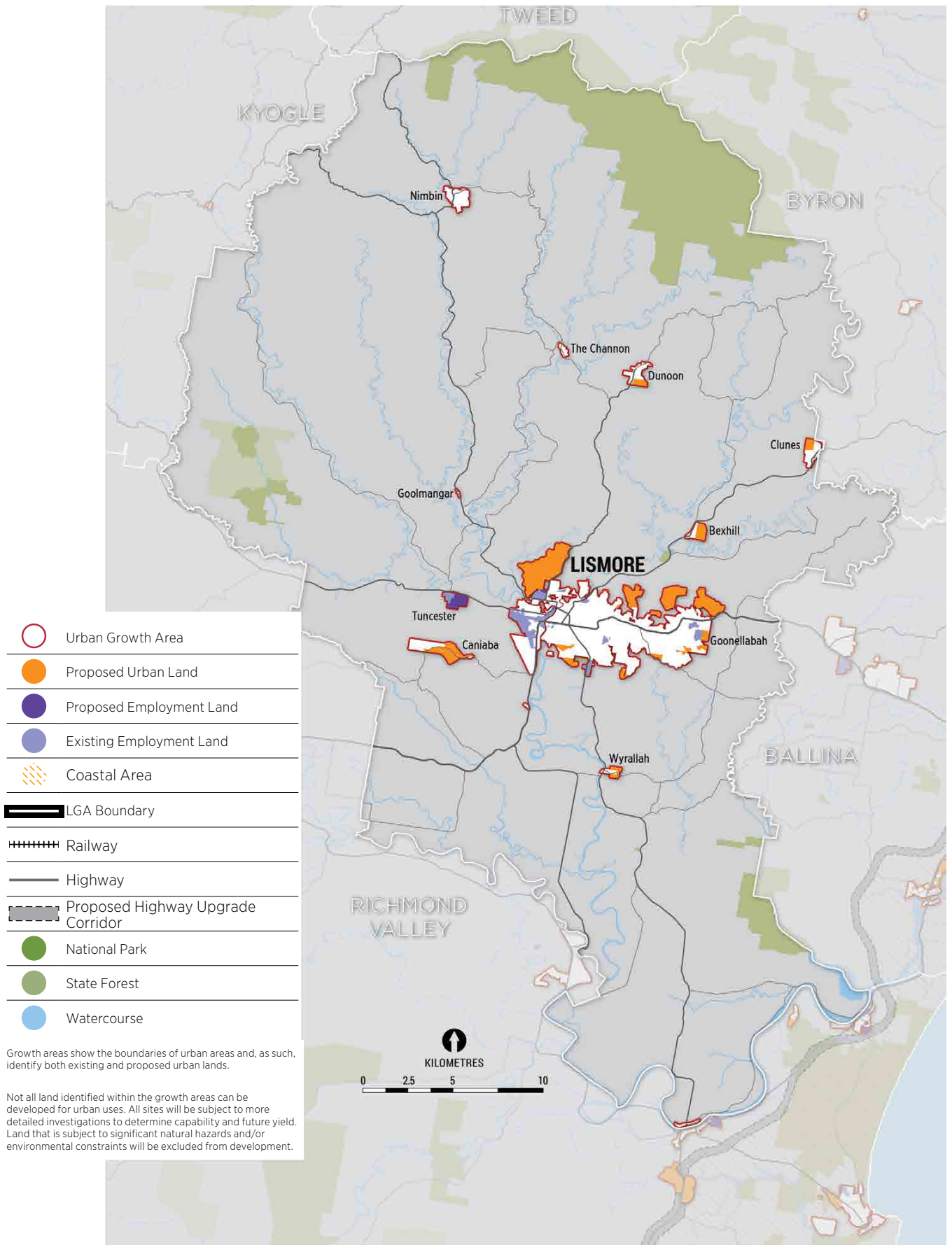
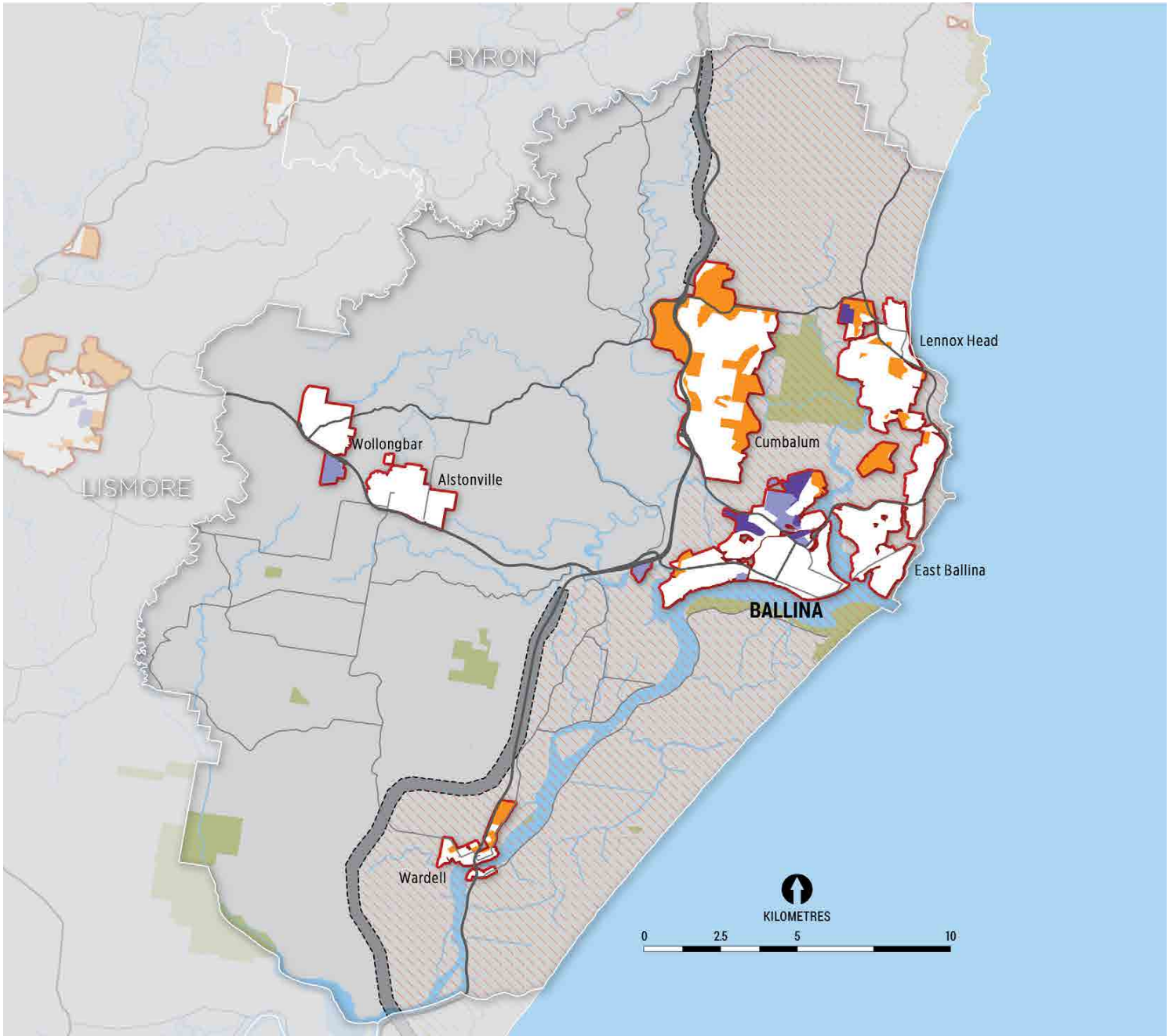














FIGURE 30: URBAN GROWTH AREA MAP FOR BALLINA LGA

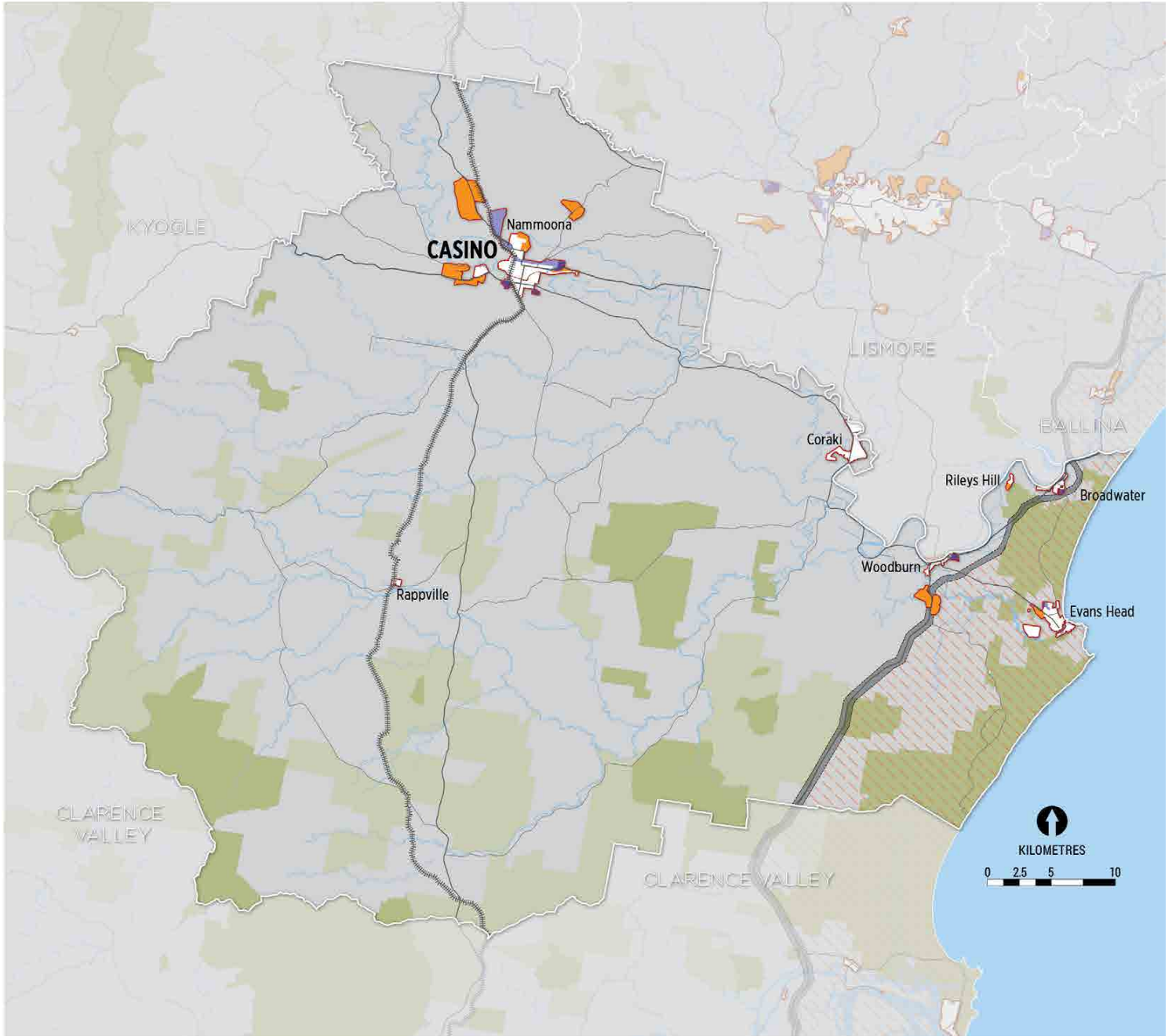














- | | |
|--|---|
|  Urban Growth Area |  Railway |
|  Proposed Urban Land |  Highway |
|  Proposed Employment Land |  Proposed Highway Upgrade Corridor |
|  Existing Employment Land |  National Park |
|  Coastal Area |  State Forest |
|  LGA Boundary |  Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

FIGURE 31: URBAN GROWTH AREA MAP FOR RICHMOND VALLEY LGA



- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

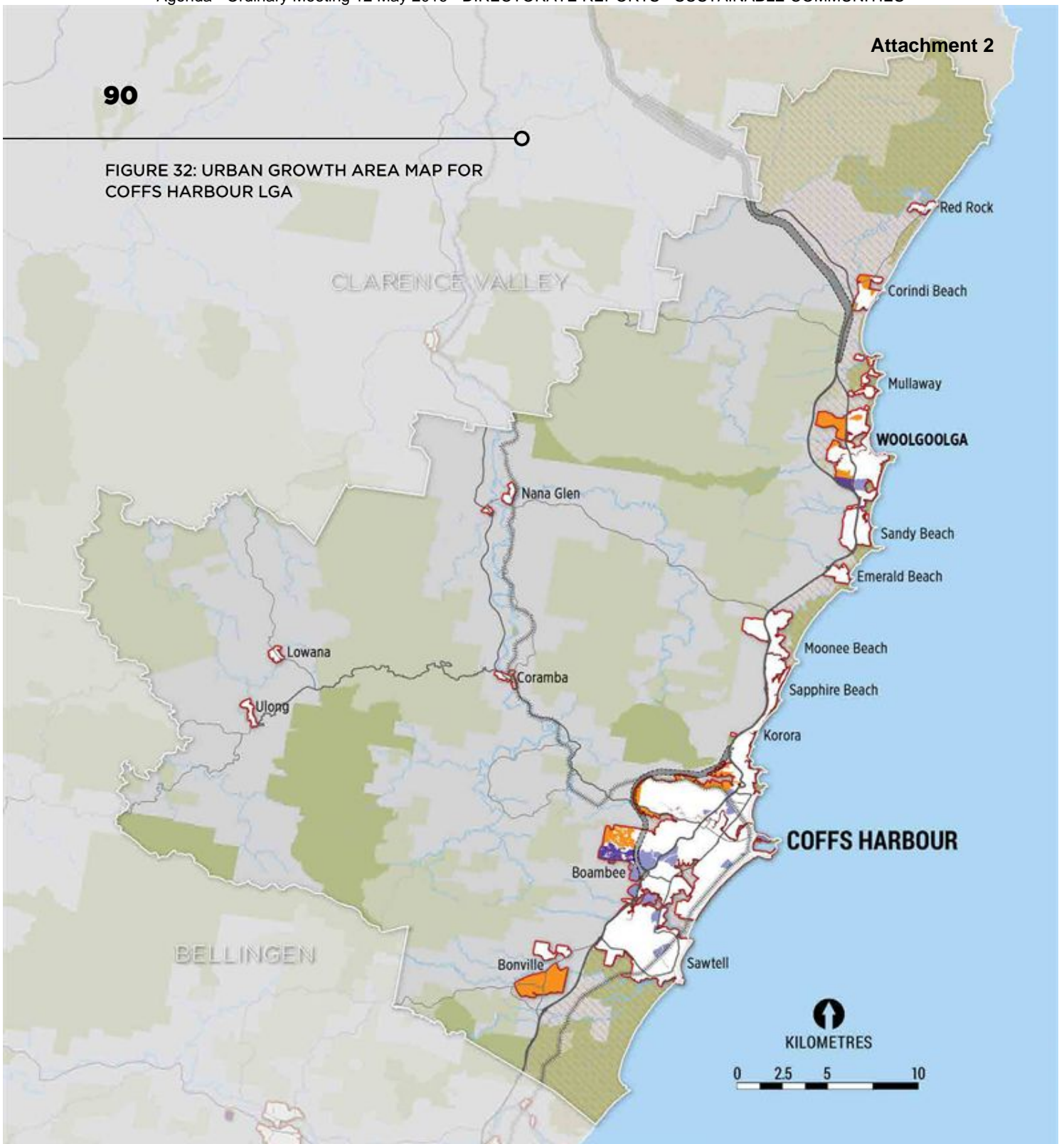
Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.













Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

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Attachment 2

FIGURE 32: URBAN GROWTH AREA MAP FOR COFFS HARBOUR LGA

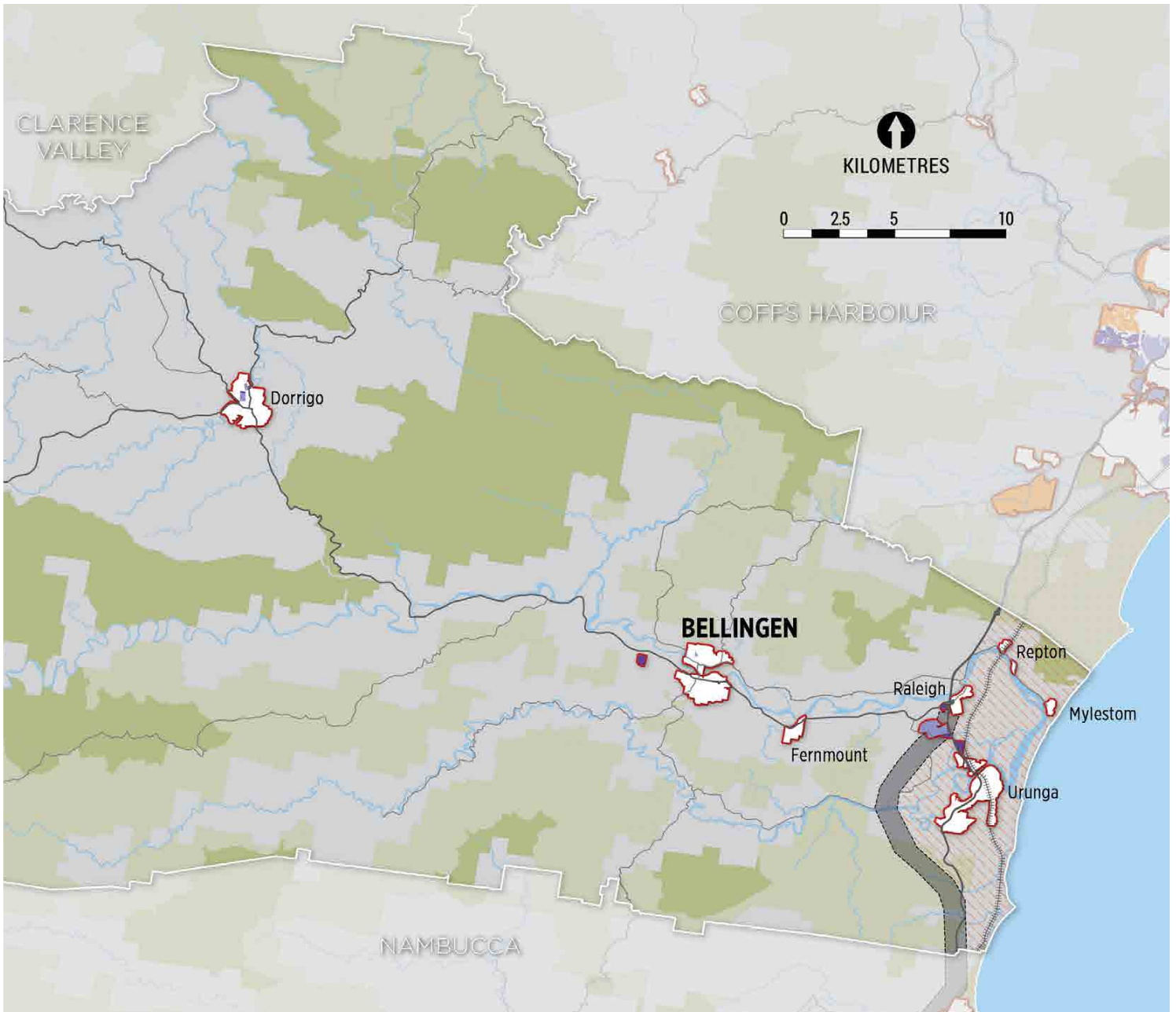














- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

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FIGURE 33: URBAN GROWTH AREA MAP FOR BELLINGEN LGA

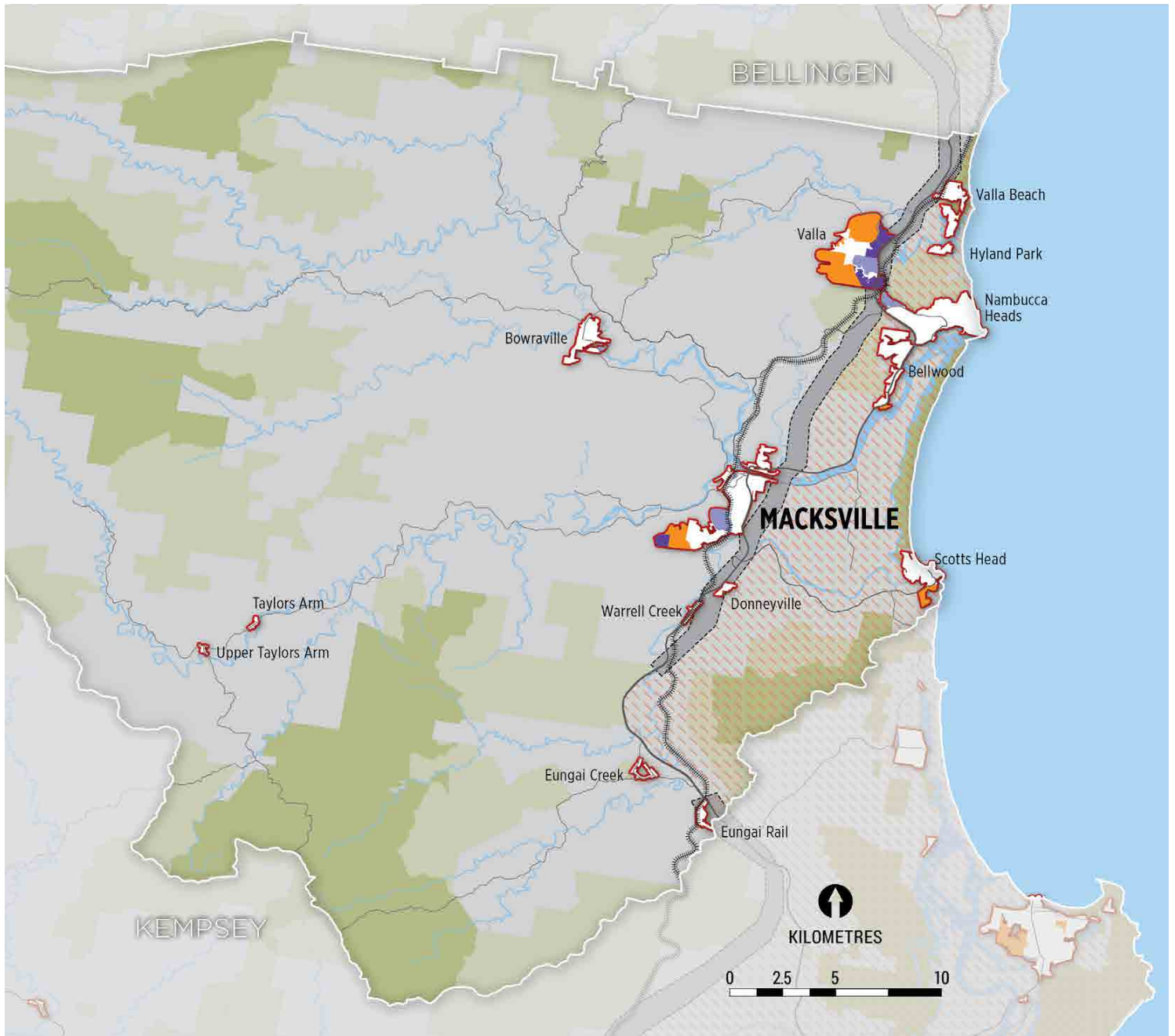














- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

FIGURE 34: URBAN GROWTH AREA MAP FOR NAMBUCCA LGA

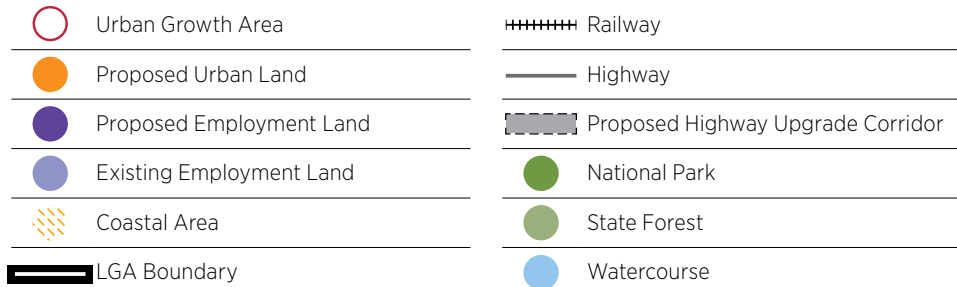


- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

FIGURE 35: URBAN GROWTH AREA MAP FOR KEMPSEY LGA



Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

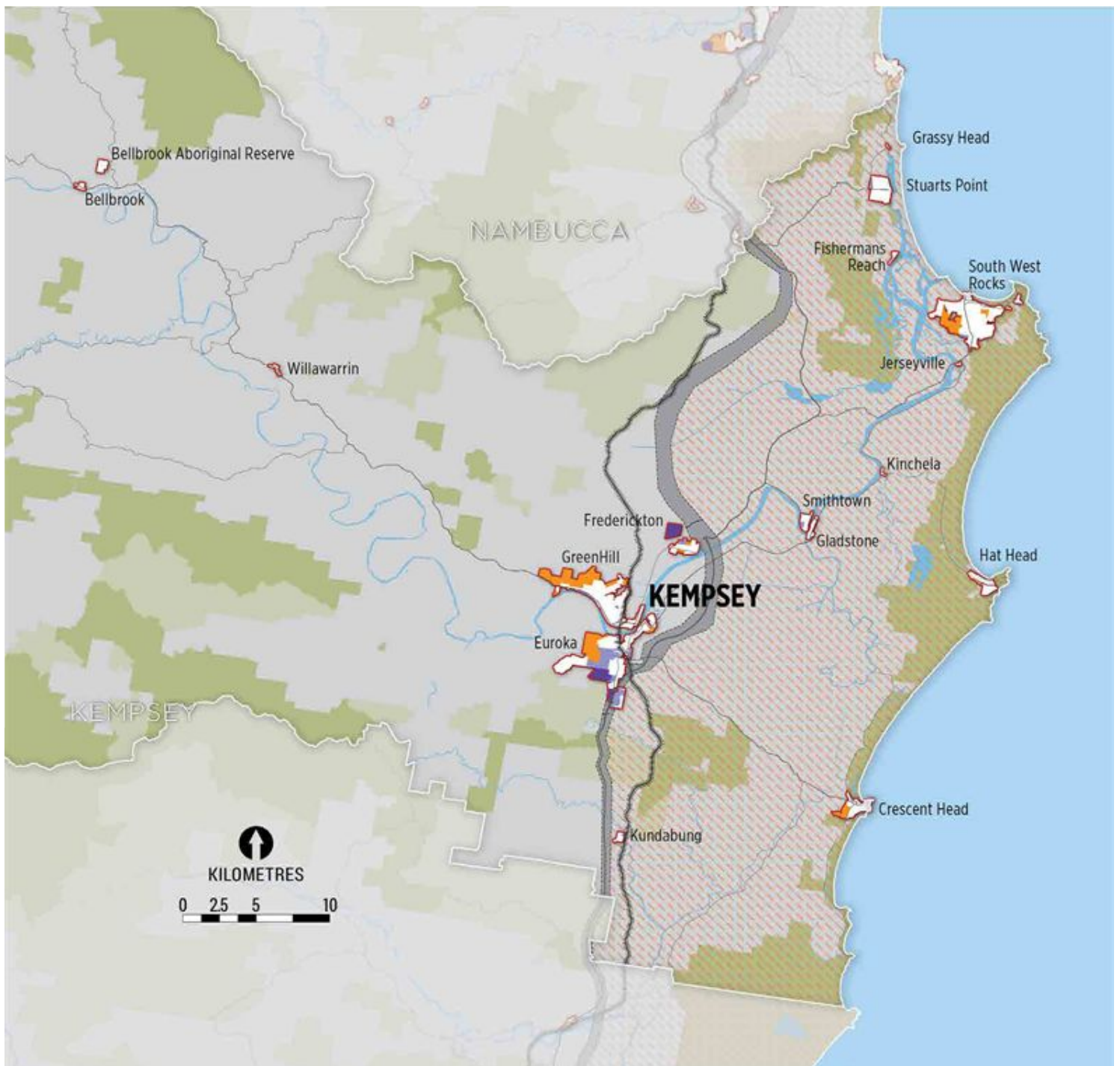
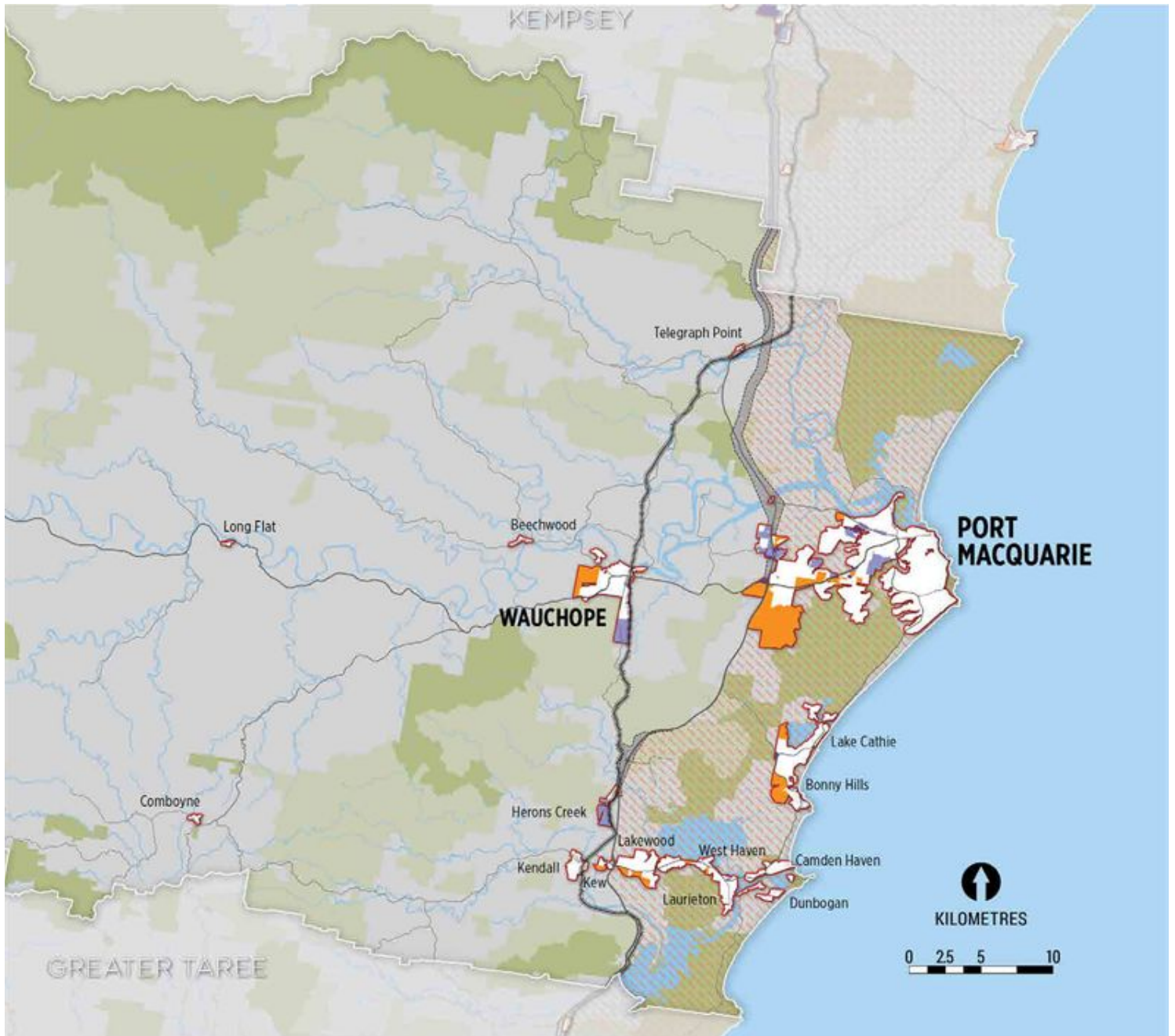














FIGURE 36: URBAN GROWTH AREA MAP FOR PORT MACQUARIE - HASTINGS LGA

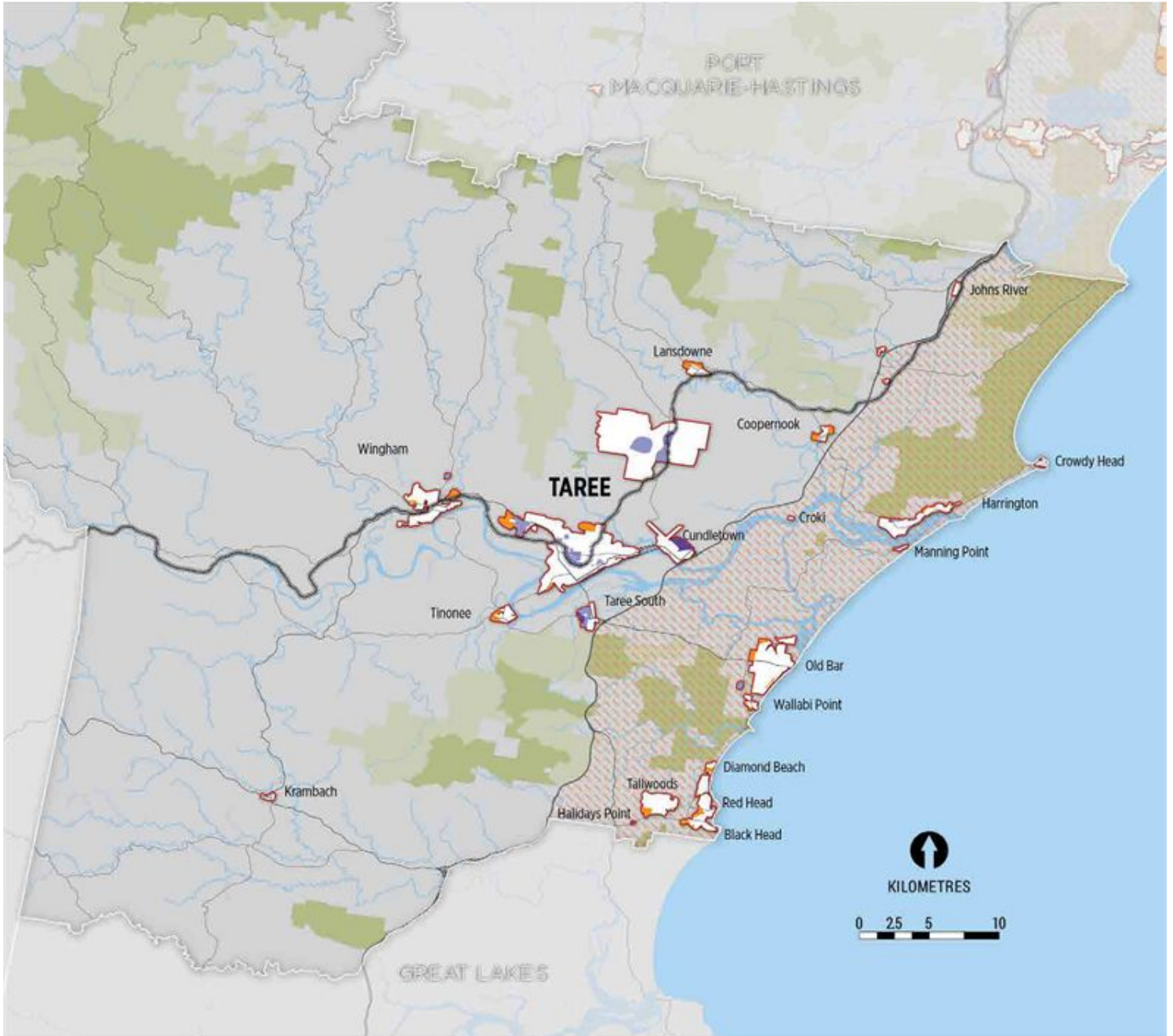














- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

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FIGURE 37: URBAN GROWTH AREA MAP FOR GREATER TAREE LGA

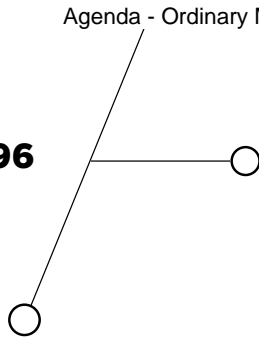


- | | | | |
|---|--------------------------|---|-----------------------------------|
|  | Urban Growth Area |  | Railway |
|  | Proposed Urban Land |  | Highway |
|  | Proposed Employment Land |  | Proposed Highway Upgrade Corridor |
|  | Existing Employment Land |  | National Park |
|  | Coastal Area |  | State Forest |
|  | LGA Boundary |  | Watercourse |

Growth areas show the boundaries of urban areas and, as such, identify both existing and proposed urban lands.

Not all land identified within the growth areas can be developed for urban uses. All sites will be subject to more detailed investigations to determine capability and future yield. Land that is subject to significant natural hazards and/or environmental constraints will be excluded from development.

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Endnotes

- 1 Calculation based on data from the Australian Bureau of Statistics (2011) and Destination NSW (2015), *North Coast NSW region snapshot year ending September 2015*, <http://www.destinationnsw.com.au/tourism/facts-and-figures/regional-tourism-statistics/north-coast-region>
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- Macadamia Growers Association
- Office of Environment and Heritage
- Richmond Valley Council
- Roads and Maritime Services
- Rob Cleary
- Seen Australia

Attachment 2



North Coast Subregions Background Paper



Planning &
Environment

March 2016

North Coast Subregions Background Paper

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Introduction

The North Coast has three discrete subregions that are focused on specific centres and reflect shared interests, geographical proximity, social links and existing services. These subregions are:

- **Lower North Coast** – comprising Kempsey, Port Macquarie–Hastings and Greater Taree Local Government Areas;
- **Mid North Coast** – comprising Clarence Valley, Coffs Harbour, Bellingen and Nambucca Local Government Areas; and
- **Far North Coast** – comprising Tweed, Byron, Ballina, Lismore, Richmond Valley and Kyogle Local Government Areas.

A settlement hierarchy has been developed based on the size, services, role and character of various centres. The North Coast settlement hierarchy is included in Appendix 1.

Lower North Coast subregion

The Lower North Coast subregion comprises Greater Taree, Port Macquarie–Hastings and Kempsey Local Government Areas and covers approximately 10,788 square kilometres. It is located on the Manning, Macleay and Hastings River catchments. The Great Eastern Escarpment and Great Dividing Range skirt the subregion's western part.

The Biripi and Dunghutti nations are the traditional owners of this land.

The subregion is connected with the Hunter Region to the south via the Pacific Highway and with the New England Tablelands to the west via the Oxley Highway.

The Lower North Coast is the southern gateway to the North Coast and provides the first experience of the coastal lifestyles and rich environment of the North Coast. The subregion is around three hours' drive north of Sydney, via the Pacific Highway, and a little over an hour from Newcastle.

The subregion's proximity makes it a popular destination for residents of the Sydney Metropolitan and Hunter areas. Conversely, Lower North Coast residents are increasingly able to access services offered in these metropolitan areas. There are opportunities to strengthen these ties as the Lower North Coast grows.

Port Macquarie is the subregion's regional city and offers a range of higher-order services including business, office and retail uses with arts, culture, recreation and entertainment centres that support the Lower North Coast population. Port Macquarie has the highest current and projected population of any centre in the subregion. It has a significant economic role for the Lower North Coast subregion's population as it services the wider community through its principal referral hospitals, tertiary education services and a major regional airport.

Taree is the regional centre and provides a range of supplementary services to the Lower North Coast and is a significant service hub for residents of the Manning Valley. As a regional centre it services a broad area, beyond the local surrounding settlements and shares similar functions to Port Macquarie as a regional city but serves a smaller catchment and has a more limited range of services, facilities and employment opportunities. Kempsey is a town that offers services and facilities for its surrounding catchment, and has a strong manufacturing base that provides significant employment for the subregion.

People and Housing Snapshot

Regional City	Port Macquarie
Regional Centre	Taree
Town / Village	Coastal and inland towns and villages throughout the Lower North Coast Subregion including: Kempsey Wauchope Old Bar Wingham Lake Cathie/Bonny Hills Camden Haven South West Rocks
Population in 2011	152,500
Proportion of North Coast population in 2011	28%
Population in 2036	176,200
Proportion of total North Coast population in 2036	28%
Indigenous Persons (% of Lower North Coast population)	5.1%
Dwellings in 2011	72,350
Proportion of total North Coast dwellings in 2011	28%
Dwellings in 2036	88,050
Proportion of total North Coast Lone Person Households in 2011	28%
Persons aged over 65 years in the Lower North Coast in 2011	23%
Persons aged over 65 years in the Lower North Coast in 2036	34%
Unemployment Rate (2011)	8.0%

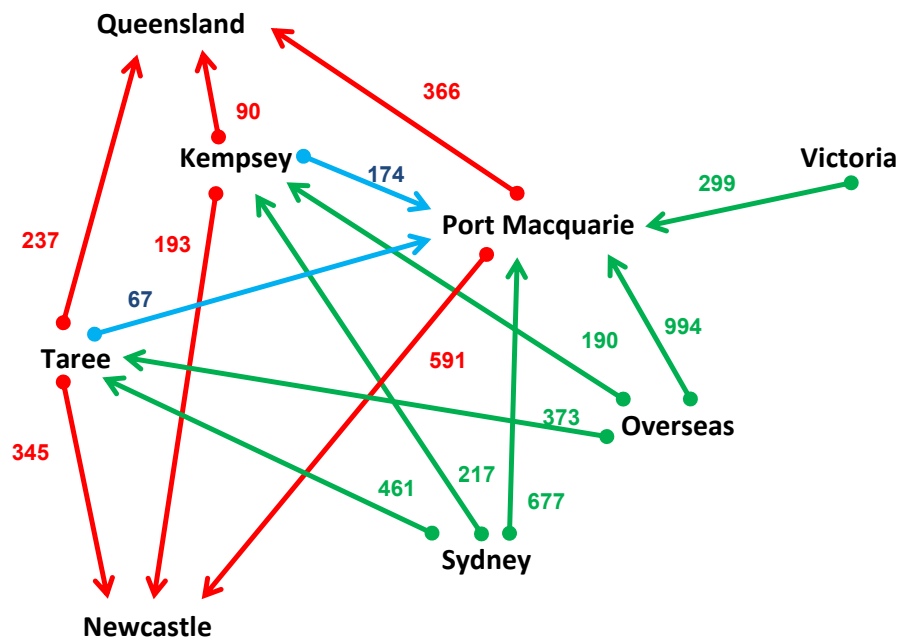
Between 1996 and 2011, the population of the Lower North Coast subregion grew by 25,650 people to 152,500. By 2036, the subregion’s population is projected to grow by 15.5%, or 23,700 people. Port Macquarie and Taree will experience the highest levels of growth – over half of the population will reside in the Port Macquarie Local Government Area where an additional 12,900 dwellings will be needed.

Percentage of the Lower North Coast’s population in 2011:		
Port Macquarie-Hastings 49%	Greater Taree 32%	Kempsey 19%

The Lower North Coast subregion has the oldest age structure of all the North Coast's subregions. By 2036, more than one-third of the population will be over 65 years of age. The ageing population will be less pronounced in Port Macquarie where the number of people aged over 65 years will increase by 10%. This is lower than the expected increase in people aged over 65 years for Greater Taree and Kempsey (13%).

Population growth across the North Coast is primarily driven by inward migration. Current migration data for the Lower North Coast (Figure 1) illustrates the majority of the in-migration over the five years to 2011 was from overseas. Over this period, outward migration was mostly to Newcastle, and then Queensland.

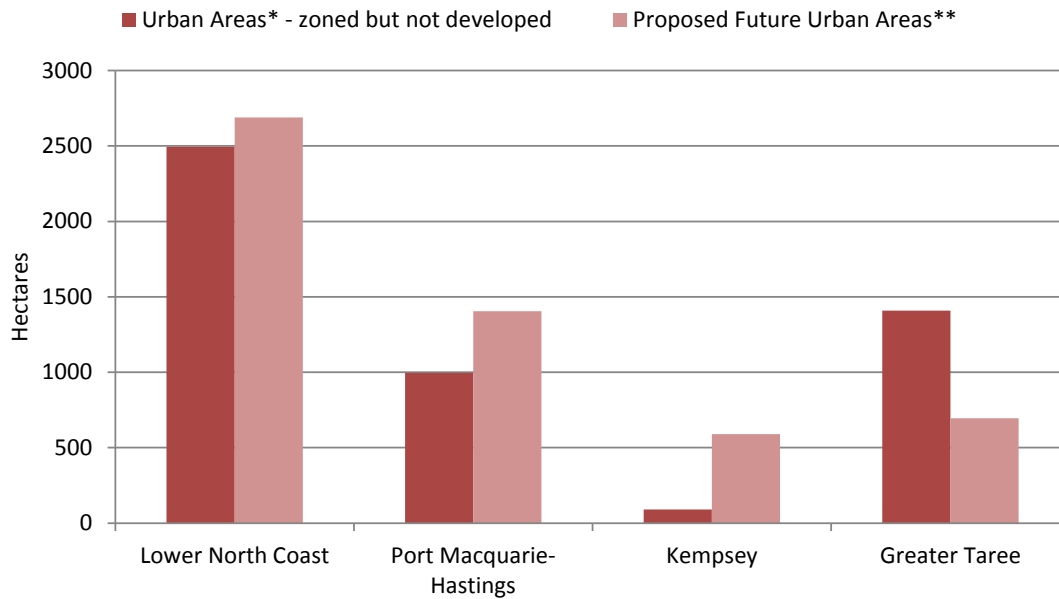
Figure 1: Lower North Coast net migration data for 2006-2011



Housing Supply

A review of land in the urban growth areas was undertaken in consultation with councils. Figure 2 provides a snapshot in time for the current supply of zoned and unzoned land on the Lower North Coast. Each council has identified proposed future urban release areas, within the urban growth areas. Not all the land within the proposed urban growth areas can be developed for urban uses due to potential constraints.

Figure 2: Current and potential residential land supply on the Lower North Coast (2015)



*Excludes environmental, recreational, special purpose and waterways, as well as employment lands.

**Includes new land release areas only, not infill or brownfield areas.

Tourism

The Lower North Coast subregion includes a number of nationally recognised tourist destinations and some of the State’s most important environmental and cultural heritage assets.

They include.

- Greater Taree, including Old Bar, Harrington, the Manning River as well as Ellenborough Falls – one of the southern hemisphere’s longest single drop waterfalls;
- Kempsey, including the historic Trial Bay Gaol, Smoky Cape Lighthouse in Hat Head National Park, as well as Crescent Head and South West Rocks; and
- Port Macquarie-Hastings, including Lake Cathie, Bonny Hills and Camden Haven.

Economy and Infrastructure

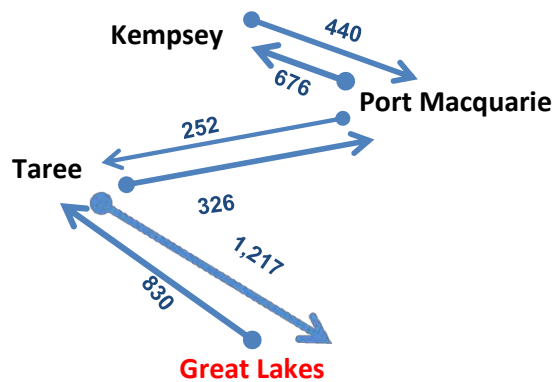
The Lower North Coast subregion has many strengths and natural advantages that will underpin growth. Given the close proximity to Sydney, Newcastle and the Lower Hunter, the Lower North Coast is increasingly being seen as a major urban growth location. The Pacific Highway upgrade will strengthen established links to Sydney, the Central Coast and the Port of Newcastle. Significant infrastructure investment is planned for the Lower North Coast to support this growth (see Appendix 2). Leveraging these subregional assets can help create a healthy and thriving community, supported by a vibrant and diverse economy.

The subregion’s largest employment sector is health care and social assistance. Retail trade is growing and becoming comparatively more important to the subregional economy. The increasing appeal of the subregion as a lifestyle destination, as well as its close links to Newcastle and Sydney, are also influencing employment growth.

Over half of all jobs are located in the Port Macquarie Local Government Area. Greater Taree and Kempsey also offer significant job opportunities. This is illustrated in the journey to work data for the subregion, shown below in Figure 3.

Kempsey and Greater Taree both have an established manufacturing base with important industry sectors including food processing, timber processing, heavy vehicles and clothing. Upgrades to the Pacific Highway will support these industries and their connection to external markets. Additionally, Greater Taree and Kempsey have opportunities for jobs growth in the logistics and warehousing sectors to support improved connectivity.

Figure 3: Lower North Coast journey to work data for 2011

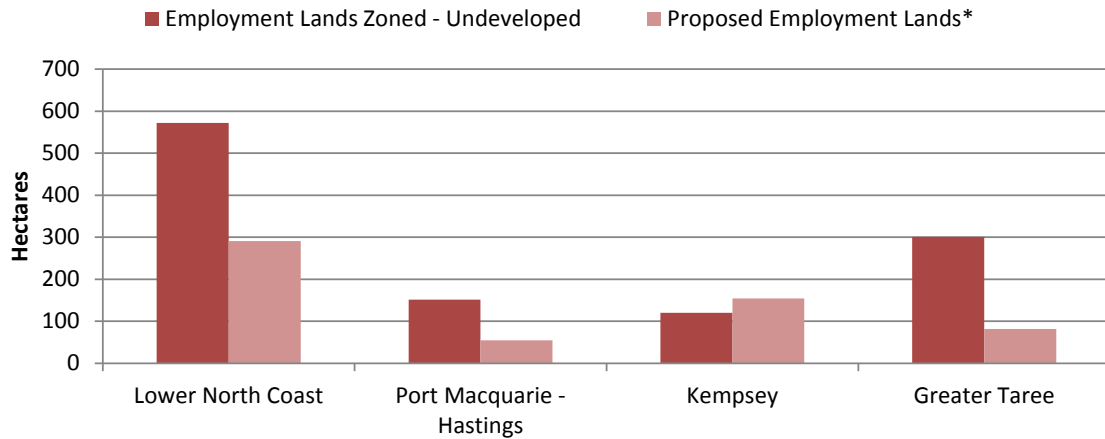


The majority of commuters travel to work between the Taree and Great Lakes Local Government Areas, reflecting the established links between these two communities. More than 1,000 people are regularly commuting between Port Macquarie and Kempsey. The upgrade to the Pacific Highway will enable Port Macquarie-Hastings and Kempsey Councils to work together to provide a range of economic and housing opportunities for businesses and new residents.

Employment Lands Supply

The 2015 North Coast Employment Land Study investigated the supply of land in the urban growth areas. Figure 4 illustrates the results of this study as well as the proposed size of future employment lands within the urban growth areas.

Figure 4: Current and potential employment lands supply on the Lower North Coast (2015)



*Includes greenfield areas only

Agriculture

Agricultural activities are widespread across the Lower North Coast. Over 450,000 hectares of land are used for agricultural production. The rural landscape is characterised by grazing, dairy and horticulture.

In 2011, the gross value of agriculture on the Lower North Coast was \$192 million, comprising one-quarter of the total agricultural value produced on the North Coast. Table 1 indicates the economic value of agricultural commodities produced on the Lower North Coast.

Table 1: Value of agriculture in the Lower North Coast subregion for 2010-11

Agricultural commodity	Lower North Coast - Gross Value (\$m)	% of NSW
Livestock - Cattle and calves (for consumption)	76.2	5
Whole milk	65.7	13
Horticulture - Nurseries and cut flowers and cultivated turf	17.2	6
Avocados	7.6	51
Eggs produced for human consumption	5.9	3
Hay - Pasture and cereal and other crops cut for hay	5.6	2
Pasture cut for hay	5.4	3
Livestock – Poultry (for consumption)	4.1	1
Macadamia nuts	1.4	3
Kiwi fruit	0.2	40

Mid North Coast subregion

The Mid North Coast subregion is the largest subregion on the North Coast and comprises the Clarence Valley, Coffs Harbour, Bellingen, and Nambucca Local Government Areas. It covers approximately 14,690 square kilometres and is located on the Clarence, Bellinger and Nambucca river catchments.

The Gumbaynggirr, Yaegl and Bundjalung nations are the traditional owners of this land.

The Pacific Highway provides connections both north towards Queensland and south towards the Hunter and Sydney. Waterfall Way provides connections to Armidale, while the Gwydir Highway provides the only connection between the North Coast and the New England for 25 metre B-double vehicles.

Located mid-way between Sydney and Brisbane, the subregion is a popular place to live and visit. It is well known for its coastal villages and its spectacular hinterland, which is characterised by rainforests and forests, banana plantations and other agricultural activity.

The main service centre on the Mid North Coast is the regional city of Coffs Harbour which provides a range of higher-order services and employment for the subregional population. Coffs Harbour provides the largest commercial component of any location in the subregion to support employment growth. Located to the north of Coffs Harbour is Woolgoolga, which acts as a service centre for residents of the northern suburbs of this local government area.

Grafton is the Mid North Coast's regional centre and includes many government offices as well as a range of supplementary and administrative services. Grafton also acts as an important transport node, providing connections inland along the Gwydir Highway, north towards Casino along the Summerland Way and towards Brisbane on the Pacific Highway. Maclean is located north of Grafton and supports Grafton as a service centre for the northern part of the subregion. Bellingen and Macksville offer supplementary services and facilities for the lower part of the subregion and have close links with Coffs Harbour for employment and services.

People and Housing Snapshot

Regional City	Coffs Harbour
Regional Centre	Grafton
Town / Village	Coastal and inland towns and villages throughout the Mid North Coast Subregion including: Bellingen Macksville Maclean Woolgoolga Nambucca Heads Dorrigo Yamba Urunga
Population in 2011	154,400
Proportion of North Coast population in 2011	28.4%
Population in 2036	181,700
Proportion of total North Coast population in 2036	28%
Indigenous Persons (percentage of Mid North Coast population)	4.8%
Dwellings in 2011	72,450
Proportion of total North Coast dwellings in 2011	28%
Dwellings in 2036	89,700
Proportion of total North Coast Lone Person Households in 2011	28%
Persons aged over 65 years in the Mid North Coast in 2011	20%
Persons aged over 65 years in the Mid North Coast in 2036	31%
Unemployment Rate (2011)	8.7%

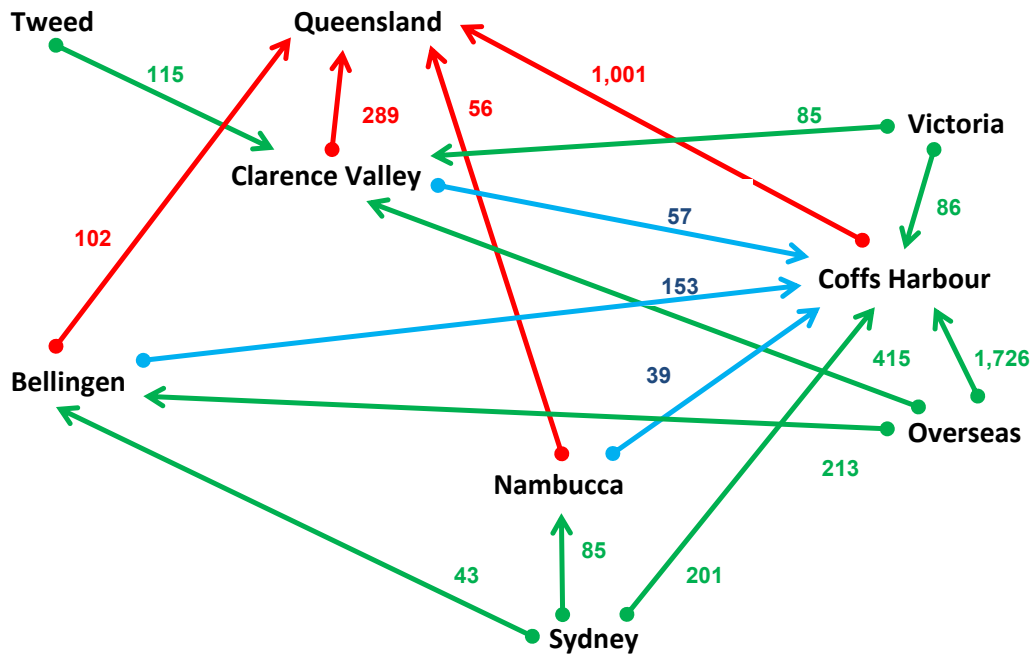
Between 1996 and 2011, the population of the Mid North Coast subregion grew by 20,250 people to 154,400. The Mid North Coast is projected to grow by 18% or 27,300 people by 2036. The highest levels of growth will be experienced in Coffs Harbour and to a lesser extent the Clarence Valley. By 2036, over half of the subregion's total population will reside in the Coffs Harbour Local Government Area where an additional 13,260 dwellings will be needed.

Percentage of the Mid North Coast's population in 2011:			
Coffs Harbour 46%	Clarence Valley 33%	Nambucca 12.5%	Bellingen 8.5%

The ageing of the subregional population will be most pronounced in the Clarence Valley, Bellingen and Nambucca Local Government Areas. The number of people aged over 65 years is projected to increase between 13% and 14%.

Population growth across the Mid North Coast is primarily driven by migration. Current migration data (Figure 5) indicates that the majority of in-migration to the Mid North Coast comes from overseas and Sydney, while outward migration was mostly to Queensland.

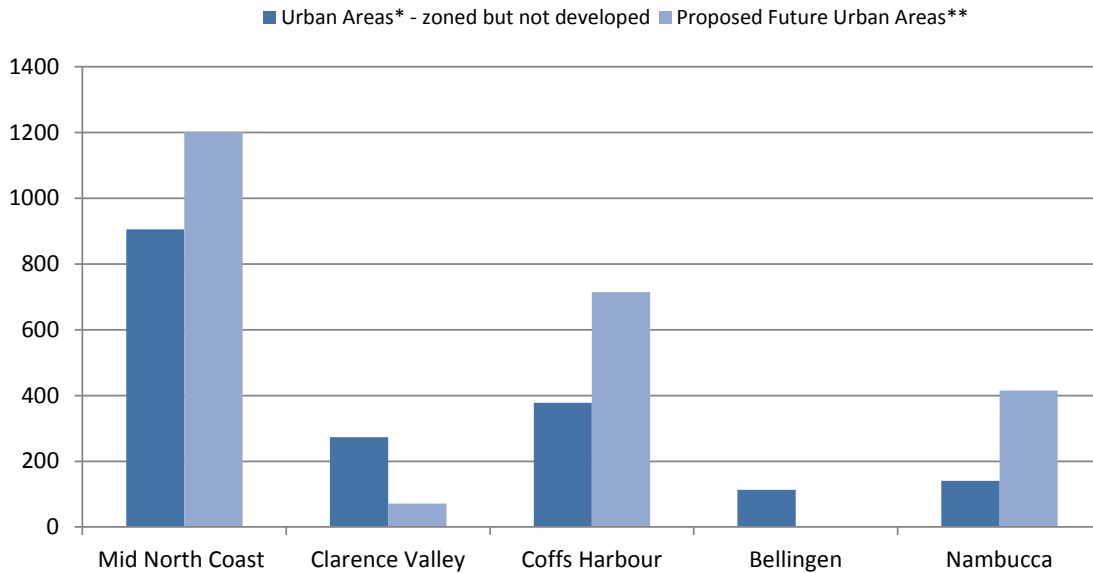
Figure 5: Mid North Coast net migration data for 2006-2011



Housing Supply

A review of land in the urban growth areas was undertaken in consultation with councils. Figure 6 provides a snapshot in time of the current supply of zoned and unzoned land in the Mid North Coast. Each council has identified proposed future urban release areas, within the urban growth areas. Not all the land within the proposed urban growth areas can be developed for urban uses due to potential constraints.

Figure 6: Current and potential residential land supply on the Mid North Coast (2015)



*Excludes environmental, recreational, special purpose and waterways, as well as employment lands.

**Includes new land release areas only, not infill or brownfield areas.

Tourism

The subregion’s environmental and recreational features make it attractive to new residents and domestic and international visitors. There are a wide range of accommodation options for visitors and conference facilities that make it popular with business travellers.

The natural environment of the Mid North Coast makes it a popular tourist destination, including as the host for the FIA World Rally championships. Some high value environmental features include:

- the World Heritage listed Dorrigo National Park in the Bellingen Shire;
- the World Heritage listed Iluka Nature Reserve in the Clarence Valley; and
- destination towns such as Nambucca Heads, Scotts Head, Urunga or Yamba.

The NSW Government will investigate opportunities to expand nature-based and cultural tourism, and visitor numbers to some of these places.

Economy and Infrastructure

The subregion’s economic make-up has changed and evolved over the last 150 years. The early economy was heavily influenced by the timber industry and agricultural activity. More recently, as increasing numbers of people have moved to the subregion for lifestyle reasons, the economy has shifted towards healthcare and social assistance and service industries.

Almost half of the subregion’s jobs are located in the Coffs Harbour Local Government Area with another third are located in the Clarence Valley. Grafton has been an important centre for the Mid North Coast and provides a range of government and administrative services to the subregion.

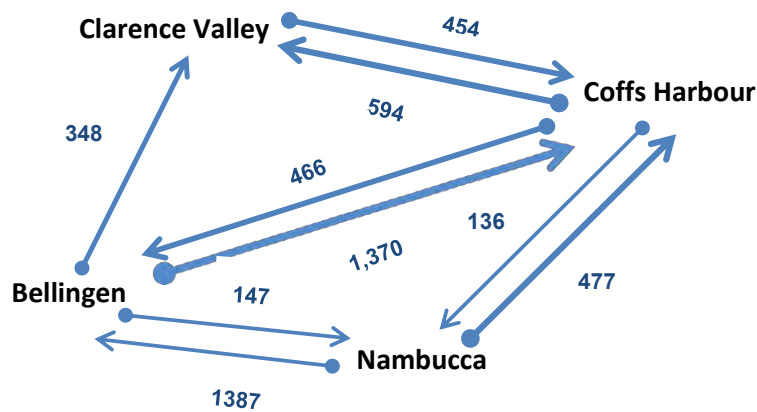
While the Mid North Coast has the highest unemployment rate in the region, it has significant employment generators such as Coffs Harbour Base Hospital, Southern Cross University -

Coffs Harbour Campus and a large tourist-based economy in retail and accommodation services. The Mid North Coast also has a strong manufacturing industry in Nambucca and Clarence Valley, due to the relatively low cost of land, the capacity to expand and the close proximity to Newcastle, Brisbane and Sydney.

People in the subregion move between adjacent local government areas for work (Figure 7). The majority of people are commuting to work between Coffs Harbour and Bellingen, and then between Clarence Valley and Coffs Harbour.

As shown in Appendix 3 significant infrastructure investment is planned for the Mid North Coast to support projected population growth and to deliver employment growth.

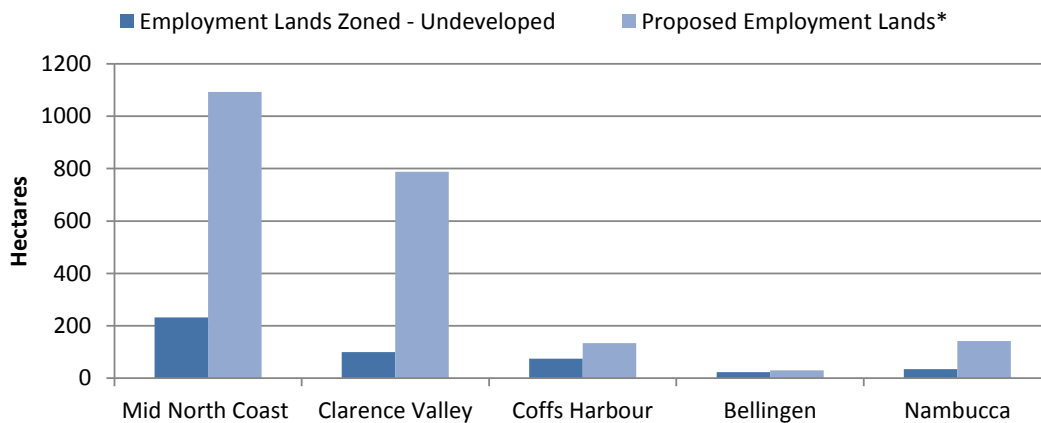
Figure 7: Mid North Coast journey to work data for 2011



Employment Lands Supply

The 2015 North Coast Employment Land Study investigated the supply of land within the urban growth areas of the Mid North Coast. Figure 8 illustrates the results of this study as well as the proposed future employment lands within the urban growth areas.

Figure 8: Current and potential employment lands supply on the Mid North Coast (2015)



*Includes greenfield areas only

Agriculture

Agricultural activities are widespread across the Mid North Coast, with over 435,000 hectares of land used for agricultural production. The rural landscape is characterised by grazing, dairy, horticulture and crops such as blueberries, sugar cane and bananas. In 2011, agriculture gross value in the Mid North Coast was \$212.7 million, comprising one-quarter of the total agricultural production value on the North Coast. The agricultural sector has continued to grow strongly in the subregion.

Since 2011, there has been significant growth in the number of blueberry farms in the subregion due to the frost-free environment. Over 90% of NSW blueberries are produced on the Mid North Coast.

Table 2: Value of agriculture in the Mid North Coast subregion for 2010-11

Agricultural commodity	Mid North Coast -Gross Value (\$m)	% of NSW
Blueberries	67.5	93
Livestock - Cattle and calves (for consumption)	55.8	3
Whole milk	26.2	5
Sugar cane	21.9	35
Bananas	11.2	60
Horticulture - Nurseries and cut flowers and cultivated turf	9.7	3
Nurseries	5.7	3
Potatoes	2.3	4
Macadamia nuts	2.1	5
Raspberries	1.4	88
Avocados	1.1	7

Far North Coast subregion

The Far North Coast subregion includes the Tweed, Byron, Ballina, Lismore, Richmond Valley and Kyogle Local Government Areas and covers approximately 10,277 square kilometres. It is located on the Richmond, Tweed, Upper Clarence and Wilson river catchments and supports one of the most biodiverse environments in Australia. It comprises nationally recognised tourist destinations and some of the State's most important environmental and cultural heritage assets.

The Bundjalung nation are the traditional owners of this land.

The Pacific Highway provides important connections to South East Queensland and Brisbane. The Bruxner Highway is an important link between Ballina, Lismore, Casino and Tenterfield on the Northern Tablelands. Summerland Way also provides important connections with Grafton, Casino, Kyogle and Beaudesert.

The northern part of the subregion borders Queensland and consequently has strong social and economic links with the Gold Coast and Brisbane. The subregion extends south along the coast as far as Evans Head and west to Woodenbong and Tabulam.

Tweed Heads is the regional city in the subregion and has strong links to South East Queensland and to the northern towns of Murwillumbah and Byron Bay.

Lismore and Ballina are the two regional centres in the subregion. They have greater autonomy from Tweed Heads compared to some other regional centres of the Mid and Lower North Coast subregions. They have a large enough catchment to support major facilities like the Lismore Base Hospital, Southern Cross University and the Ballina-Byron Airport.

Lismore is located inland from the coastal strip and provides higher-order services and administrative functions for the lower and western parts of the subregion. Ballina is an important gateway to the region via its airport and is a popular coastal lifestyle destination. Casino and Kyogle are towns that provide significant rural lifestyle opportunities, have significant agricultural value, and provide essential services and facilities to residents of the western part of the subregion.

Byron Shire boasts an eclectic mix of coastal and rural towns and villages which are popular with residents and surrounding regional neighbours. Byron is Australia's most easterly point and is known worldwide as an iconic destination. The Shire has a population of approximately 32,100 and attracts over 1.3 million visitors a year. Tourism accounts for more than half of Byron Shire's \$1.37 billion gross business revenue and makes a significant contribution to the regional economy. The Shire has emerging and niche industry sectors such as gourmet and artisan food manufacturing, creative industries, and knowledge-based enterprises that leverage the Byron brand identity. This has become critical to the region's future prosperity and employment diversity.

People and Housing Snapshot

Regional City	Tweed
Regional Centres	Ballina Lismore
Town / Village	Coastal and inland towns and villages throughout the Far North Coast Subregion including: Byron Bay Casino Kyogle Murwillumbah Mullumbimby Evans Head Coraki Kingscliff Lennox Head Alstonville
Population in 2011	236,500
Proportion of North Coast population in 2011	43%
Population in 2036	282,550
Proportion of total North Coast population in 2036	44%
Indigenous Persons (% of Far North Coast population)	3.6%
Dwellings in 2011	109,500
Proportion of total North Coast dwellings in 2011	43%
Dwellings in 2036	136,750
Proportion of total North Coast Lone Person Households in 2011	44%
Persons aged over 65 years in the Far North Coast in 2011	19%
Persons aged over 65 years in the Far North Coast in 2036	29%
Unemployment Rate (2011)	7.9%

Over the last ten years, the Far North Coast subregion has experienced the highest levels of population growth on the North Coast. Between 1996 and 2011, the population grew by 17% to 236,500 people. Population growth is expected to continue due to the subregion's proximity to South East Queensland. Between 2011 and 2036, based on current trends, the population of the Far North Coast subregion is expected to grow by over 46,050 people. Forty percent of this population will live in Tweed where an additional 16,860 dwellings will be needed.

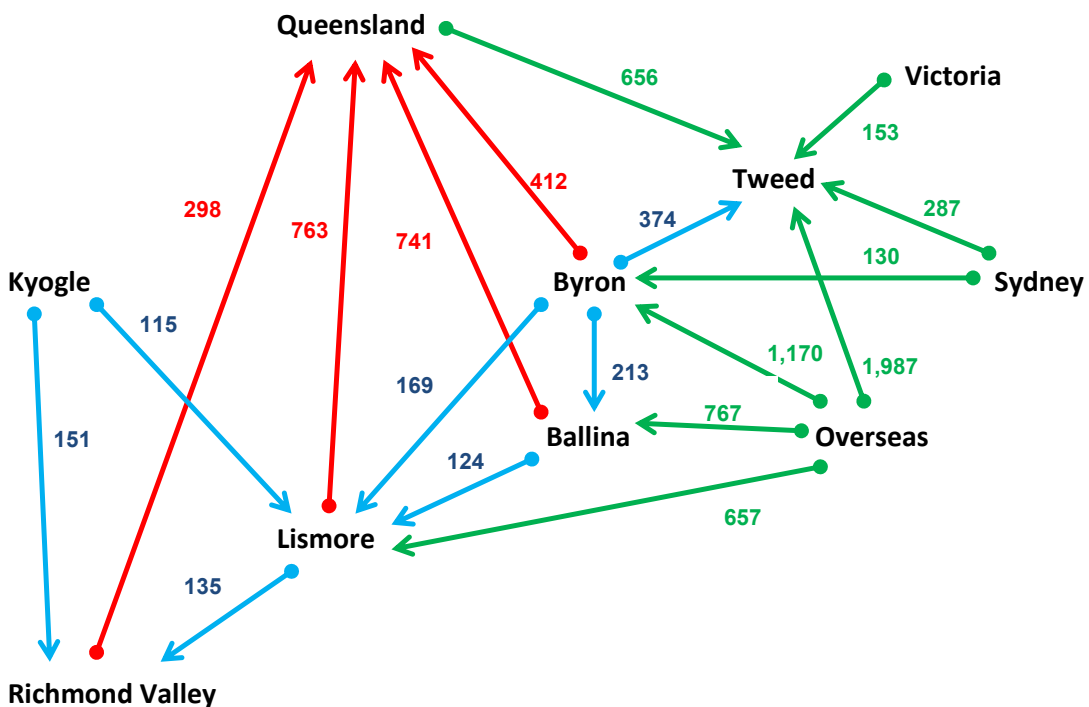
Over the same period, South East Queensland’s population is projected to grow by 1.3 million people (almost 20% of Australia’s population growth). By 2035, an additional 320,000 people are expected to reside on the Gold Coast, which directly adjoins Tweed Shire. Accommodating the Gold Coast’s increase in population will require an additional 130,000 dwellings, plus a large amount of associated business and industrial land.

Percentage of the Far North Coast’s population in 2011:					
Tweed	Lismore	Ballina	Byron	Richmond Valley	Kyogle
37%	19%	17%	13%	10%	4%

Current migration data (Figure 9) illustrates the majority of the in-migration to the subregion comes from overseas, with only minor net migration from Sydney. Outward migration was predominantly to Queensland. Tweed was the only local government area with a positive migration movement over the five years to 2011. People moved from Byron to surrounding local government areas and from coastal areas to Lismore.

Historically, the influence of Queensland has been felt primarily in the Tweed Local Government Area. Impacts on the wider subregion have been experienced through tourism. As South East Queensland continues to grow its influence is likely to spread further south into the wider subregion.

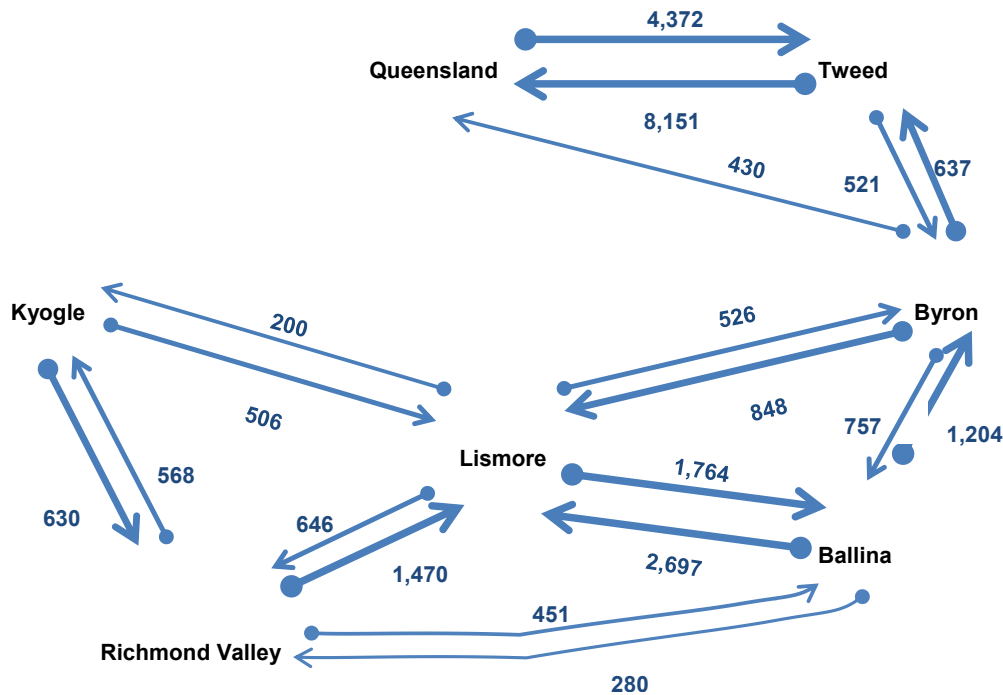
Figure 9: Far North Coast net migration data for 2006-2011



As illustrated in Figure 10 large numbers of the subregion’s residents (especially from Tweed Shire) rely on South East Queensland for employment and services. The subregion’s urban

areas are increasingly interconnected, with large numbers of people regularly commuting between coastal and hinterland centres. Larger employment centres, such as Lismore, also experience net inflows of people accessing work from other local government areas.

Figure 10: Far North Coast journey to work data for 2011



The subregion's ties with South East Queensland provide unique opportunities and challenges. The growth of South East Queensland, coupled with improved connectivity between the two states as a result of recently completed Pacific Highway upgrades, is already placing significant growth pressure on the Far North Coast subregion. The South East Queensland Regional Plan identifies the Tweed coast almost as an extension of the greater Gold Coast urban area. Several planning proposals have recently been submitted to Tweed Shire Council seeking to allow new industrial and residential releases in the coastal area and along the edge of the upgraded highway. Day and weekend trippers from Queensland are now pushing further south, putting pressure on the infrastructure of coastal towns like Byron Bay.

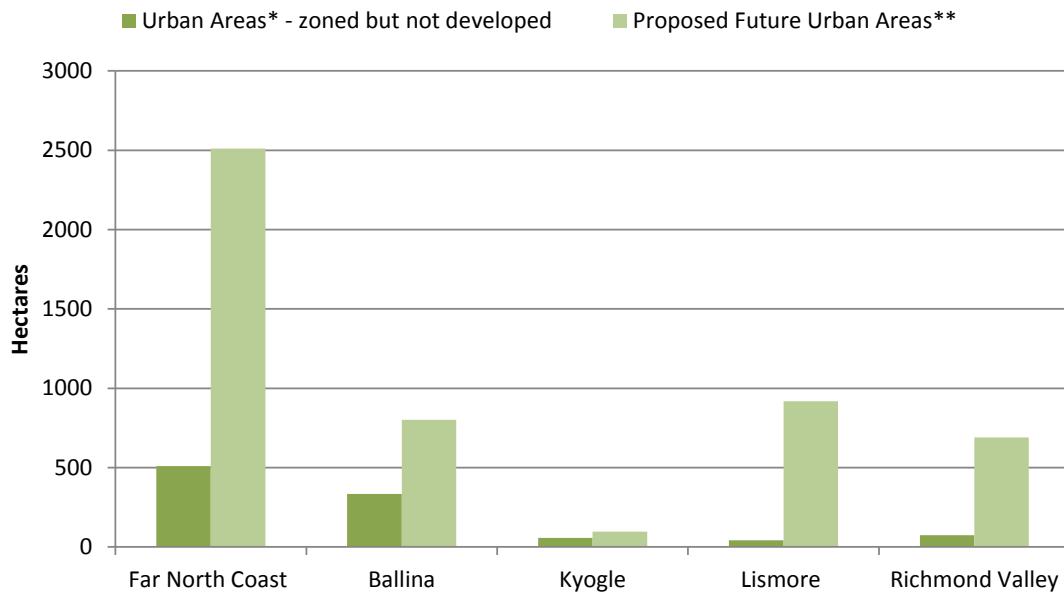
Housing Supply

A review of land in the urban growth areas was undertaken in consultation with councils.

Attachment 3

Figure 11 provides a snapshot in time for the current supply of zoned and unzoned land on the Far North Coast. Each council has identified proposed future urban release areas, within the urban growth areas. Not all the land within the proposed urban growth areas can be developed for urban uses due to potential constraints.

Figure 11: Current and potential residential land supply on the Far North Coast (2015)



*Excludes environmental, recreational, special purpose and waterways, as well as employment lands.

**Includes new land release areas only, not infill or brownfield areas.

Tourism

The Far North Coast is highly valued by residents and visitors. The subregion’s diverse attractions include beaches, rural scenery, river valleys, villages, World Heritage Areas, local arts and crafts and festival events. Byron Bay provides an international gateway to the subregion’s many tourism assets and attractions. Events and festivals hosted across Byron Shire also contribute to the national and international reputation of the subregion as a cultural and entertainment destination.

The Far North Coast is strongly linked to the tourism economy of the Gold Coast region, which offers significant growth opportunities for the subregion. In 2011, the Gold Coast region attracted 10.3 million visitors. In the same year, Tweed Shire attracted 147,700 visitors. Tweed Heads has a shared economy with Coolangatta, based heavily on tourism. Byron Bay is another significant tourist destination on the Far North Coast with an estimated average of 1.36 million visitors per year.

Economy and Infrastructure

Health care and social assistance, education and training and retail trade represent the largest employment industries on the Far North Coast. Alongside traditional agricultural, forestry and fishing industries, the developing creative and knowledge-based industries provide important economic opportunities. The Far North Coast has well-developed education facilities, including Southern Cross University campuses, six TAFE campuses and nearly 30 institutions specialising in arts, crafts, theatre and film.

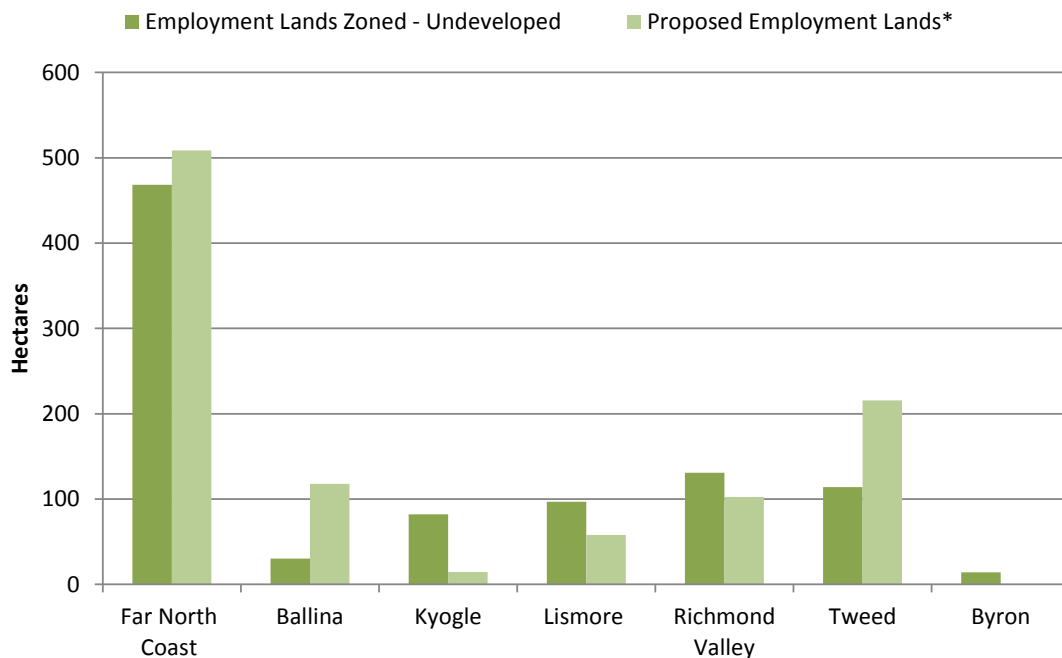
Tweed and Lismore have the greatest share of employment in the subregion, providing 35% and 20% of jobs respectively. Ballina provides a further 18% of jobs and Byron 13%.

As shown in Appendix 4, significant infrastructure investment is planned for the Far North Coast to support projected population growth and to deliver employment growth.

Employment Land Supply

The *2015 North Coast Employment Land Study* investigated the supply of land within the urban growth areas. Figure 12 illustrates the results of this study as well as the proposed future employment lands within the urban growth areas.

Figure 12: Current and potential employment lands supply on the Far North Coast (2015)



*Includes greenfield areas only

Agriculture

Agricultural activities are widespread across the Far North Coast, with over 470,000 hectares of land used for agricultural production. In 2011, agriculture gross value from the Far North Coast was worth \$400 million – the largest contributor on the North Coast.

Fertile soils and a favourable subtropical climate produce a diversity of agricultural landscapes. The volcanic soils of the Cudgen-Duranbah plateau enable intensive horticulture production. The floodplains primarily support sugar cane production. Elevated basaltic slopes and marginal lands support bananas, avocados, macadamias and cattle grazing, and contain much retained biodiversity. Table 3 indicates the economic value of agricultural commodities produced on the Far North Coast.

Table 3: Value of agriculture in the Far North Coast subregion 2010-11

Agricultural commodity	Far North Coast - Gross Value (\$m)	% of NSW
Livestock - Cattle and calves (for consumption)	93.2	6
Livestock - Poultry (for consumption)	52.5	8
Sugar cane	39.7	63
Whole milk	42.4	8
Horticulture - Nurseries and cut flowers and cultivated turf	44.8	14
Macadamia nuts	38.7	91
Bananas	7.3	39
Livestock - Pigs (for consumption)	9.4	6
Passionfruit	3.6	97
Avocados	3.3	22
Custard apples	2.6	90
Soybeans	2.2	21
Herbs	0.5	11
Guava	0.7	100
Papaws	0.3	100%
Mangoes	0.1	33

Appendix 1: North Coast Settlement Hierarchy

Centre type	Function	Centre location
Regional city	<ul style="list-style-type: none"> • Provide the greatest range of higher-order services and employment opportunities in education, health, entertainment, community support, professional and personal service, comparison and specialty retail, sport and recreation. • Provide the largest commercial component of any location in the subregion to support employment growth. • Act as the main shopping and business centre for the subregion, with a full-scale shopping mall, regional education and health facilities, taller office and residential buildings and central community facilities. • Source of significant parks and recreational and major regional sporting facilities. • Act as an administrative service centre for Government. • The Local Government Area offers a minimum of 20,000 jobs. • The Local Government Area typically has more than 30,000 dwellings. • The Local Government Area typically home at least 60,000 people. 	Coffs Harbour Port Macquarie Tweed Heads
Regional centre	<ul style="list-style-type: none"> • Provide infrastructure and characteristics similar to the regional cities, while serving smaller catchments. They generally offer a more limited range of services, facilities and job opportunities. • Perform an important role in the subregion's economy, and provide essential services to their catchments. • Act as administrative service centres for State agencies. • The Local Government Area offers a minimum of 10,000 jobs in the area. • Typically have more than 20,000 dwellings. • Typically home to between 30,000 and 60,000 people. 	Ballina Lismore Taree Grafton
Town/Village	<ul style="list-style-type: none"> • Have a structured urban form that is self-contained with shopping and business services and a variety of job opportunities in tourism and retail. They rely on the regional centre and regional city for other opportunities. • Typically have a main street, sports facilities and reasonable access to parkland. • Some villages may only provide for convenience needs (such as a general store/post office and/or a hotel) and typically have limited commercial development. • Provide services and facilities for surrounding rural areas. Important commuter areas for 	Coastal and inland towns and villages throughout the North Coast including: Kempsey Wauchope Old Bar

Centre type	Function	Centre location
	regional centres and cities. <ul style="list-style-type: none"> • May provide higher-order services such as manufacturing, bulky goods, warehousing, health and professional services. 	Wingham Lake Cathie/Bonny Hills Camden Haven South West Rocks Bellingen Macksville Maclean Woolgoolga Nambucca Heads Dorrigo Yamba Urunga Byron Bay Casino Kyogle Murwillumbah Mullumbimby Evans Head Coraki Kingscliff Lennox Head Alstonville

Appendix 2: Infrastructure investment on the Lower North Coast

	Project or Program	Timing	Funding Status	Project Status	Delivery Agency	Strategic Justification
Transport	Pacific Highway: Oxley Highway to Kundabung	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Pacific Highway: Kundabung to Kempsey	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Pacific Highway: Frederickton to Eungai	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Upgrades to sections of Oxley Highway between Port Macquarie and Wauchope	1-5 years	NSW Long Term Transport Master Plan	In progress	RMS	Upgrading of this Highway will improve connectivity to Port Macquarie City Centre, the Pacific Highway and the new release area at Thrumster.
	Oxley Highway and Wrights Road Intersection Improvements, Port Macquarie	1-5 years	NSW Budget (partially funded)	Funded	RMS	These upgrades will improve connectivity to the City Centre, new Charles Sturt campus, the Port Macquarie Base Hospital and capacity for housing growth in the area.
Health	Port Macquarie Base Hospital Expansion	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	A new in-patient mental health unit will more than double the number of mental health beds at the hospital, which forms part of the Port Macquarie Health Services Precinct.
	Kempsey District Hospital Redevelopment	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	The redevelopment will provide new and expanded facilities to increased service capacity to meet the changing care needs of the community.
	Kempsey Ambulance Station	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	The new station will ensure the area continues to be well-served by emergency services infrastructure for the safety of existing and future populations.

	Project or Program	Timing	Funding Status	Project Status	Delivery Agency	Strategic Justification
	Manning Hospital Redevelopment	1-5 years	NSW Budget (partially funded)	In progress	Ministry of Health	The redevelopment will deliver a significant enhancement to cancer care and renal services as well as create space for intensive care services. The hospital forms part of the Taree Health Services Precinct which is well supported by complementary land uses such as the University of Newcastle's Rural Clinical School and Taree TAFE, which runs courses in nursing and aged care.
Education	New Charles Sturt University Campus, Port Macquarie	Long term 10+ years	Charles Sturt University	In progress	Charles Sturt University	The works will provide a new campus for up to 5,000 students by 2030 to assist in accommodating the region's growing demand for tertiary education opportunities.
	Taree TAFE – Facilities Upgrade	1-5 years	NSW Budget (partially funded)	In progress	TAFE Commission	Upgrades are to include nursing and aged care facilities onsite to provide vocational training in these skill sectors and respond to the communities changing care needs.
Emergency Services	Wingham Fire Station Extension	1-5 years	NSW Budget 2015/16	In progress	Fire & Rescue NSW	The extension will ensure the area continues to be well-served by emergency services infrastructure for the safety of existing and future populations.

Appendix 3: Infrastructure investment on the Mid North Coast

	Project or Program	Timing	Funding Status	Project Status	Delivery Agency	Strategic Justification
Transport	Pacific Highway: Nambucca Heads to Urunga	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Pacific Highway: Warrell Creek to Nambucca Heads	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Pacific Highway: Woolgoolga to Ballina	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Coffs Harbour Bypass (planning) and delivery	1-20 years	NSW Budget (partially funded)	Planning commenced	RMS	The bypass will provide an uninterrupted traffic flow along the Pacific Highway, further reducing travel times and improving travel efficiency and road safety in the locality.
	Summerland Way additional crossing of the Clarence River at Grafton	1-5 years	NSW Budget (partially funded)	Planning commenced	RMS	A second bridge at Grafton will help to reduce congestion and traffic delays in the area while also improving flows on the Summerland Way, which provides an important connection north towards Casino.
	Upgrading the timber bridge over Sportsman Creek at Lawrence	1-5 years	Bridges for the Bush Program (partially funded)	Planning commenced	RMS	A new bridge over Sportsman Creek will improve travel safety and reliability and connectivity to urban areas.
	Coffs Harbour Airport upgrades	1-5 years	Regional Tourism Infrastructure Fund	Planning commenced	Transport for NSW	The upgrades will include the expansion of the airport parking apron and improvements to the terminal to handle more passengers.
	Coffs Harbour Hospital	1-5	NSW Budget	Funded	Ministry of	The redevelopment will include new operating theatres,

	Redevelopment	years	(partially funded)		Health	improved community health services, enhancements to existing surgical services, and an ambulatory care area to cater for the needs of a growing and changing population. The upgrades will also contribute to creating the Coffs Harbour Health Services Precinct where complementary and compatible land uses will be encouraged in close proximity to the hospital.
Health	Coffs Harbour Health Campus Car Park	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	The provision of a new car park will continue to improve access to health care.
	Grafton Hospital Ambulatory Care	1-5 years	NSW Budget (partially funded)	Planning commenced	Ministry of Health	A new facility at Grafton Base Hospital will improve health care delivery, including renal services, occupational therapy and physiotherapy, to support the projected demand for these services.
	Macksville Hospital Redevelopment	1-5 years	NSW Budget (partially funded)	Planning commenced	Ministry of Health	The redevelopment of this hospital will improve ambulatory care and outpatient treatments to accommodate future community health needs, and attract health professionals to live and work in the region.
Emergency Services	Northern NSW Correctional Centre, Grafton	1-5 years	NSW Budget	Funded	Department of Justice	The centre will meet the demand for more correctional places on the North Coast.
Electricity	Grafton North Zone Substation upgrade	1-5 years	NSW Budget	Currently under construction	Essential Energy	Upgrading of the zone substation will increase power supply capacity to accommodate growing demand for electricity.

Appendix 4: Infrastructure investment on the Far North Coast

	Project or Program	Timing	Funding Status	Project Status	Delivery Agency	Strategic Justification
Transport	Pacific Highway: Tintenbar to Ewingsdale	1-5 years	NSW Budget (partially funded)	Construction commenced	RMS	The duplication of the Pacific Highway will improve transport connectivity and the freight network between Sydney and Brisbane by reducing travel times and improving travel safety and efficiency.
	Ballina Byron Airport upgrades	1-5 years	Regional Tourism Infrastructure Fund	Planning commenced	Transport for NSW	The upgrades will include the resurfacing of the airport's parking apron and improvements to the airport terminal to increase passenger numbers.
	Lismore Airport upgrades	1-5 years	Regional Tourism Infrastructure Fund	Planning commenced	Transport for NSW	The upgrades will include improvements to the airport's security, lighting, amenities and general aviation facilities to assist in attracting more passengers.
	Replacement of the Tabulam Bridge across the Clarence River	1-5 years	Bridges for the Bush Program (partially funded)	Planning commenced	RMS	Replacing the existing bridge will improve road transport productivity along the Bruxner Highway, which serves as an important east-west road connection for the movement of goods and people to and from the region.
Health	Tweed Hospital Upgrade	1-5 years	NSW Budget (partially funded)	Funded	Ministry of Health	<i>The upgrade will include a new emergency department, enhanced wards and specialist units and a new multi-storey car park. The upgrades will also contribute to a new Tweed Health Services Precinct where complementary and compatible land uses will be encouraged in close proximity to the hospital.</i>
	Pottsville Ambulance Station	1-5 years	NSW Budget (partially funded)	Funded	Ministry of Health	<i>The new station will ensure the area continues to be well serviced by emergency services infrastructure for the safety of existing and future populations and will complement the existing Pottsville HealthOne facility.</i>

Project or Program	Timing	Funding Status	Project Status	Delivery Agency	Strategic Justification
Murwillumbah Hospital Car Park improvements	1-5 years	NSW Budget (partially funded)	Funded	Ministry of Health	<i>The provision of improved car parking will provide ongoing access to health care.</i>
Lismore Base Hospital Redevelopment (Stage 3A)	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	<i>The redevelopment will improve access to and equity in the delivery of a wider range of services, and additional capacity to respond to the growth in demand and the needs of the local community. It will also assist in creating the Lismore Health Services Precinct by encouraging complementary and compatible land uses in close proximity to the hospital.</i>
Lismore Base Hospital Car Park	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	As part of the redevelopment of the Base Hospital additional car parking is required.
Byron Central Hospital	1-5 years	NSW Budget (partially funded)	Currently under construction	Ministry of Health	The delivery of a new hospital will provide emergency facilities as well as a mental health unit and ambulatory care to cater for the needs of a growing and changing population.
Coraki HealthOne Care Centre	1-5 years	NSW Budget (partially funded)	Funded	Ministry of Health	This centre will integrate primary and community health care services to improve access and health outcomes for disadvantaged and vulnerable groups, as well as provide aged care services to meet the needs of an ageing population. It will also reduce demands for hospital care by providing chronic disease management in the community.
Ballina District Hospital Upgrade	1-5 years	NSW Budget (partially funded)	Funded	Ministry of Health	The delivery of a new hospital will provide emergency facilities as well as a mental health unit and ambulatory care to cater for the needs of a growing and changing population.

	Project or Program	Timing	Funding Status	Project Status	Delivery Agency	Strategic Justification
Education	Pottsville Beach Public School Upgrade	1-5 years	NSW Budget (partially funded)	Funded	Department of Education and Communities	The upgrades will support the delivery of secondary education by providing facilities for up to 1,000 students.
	New Ballina High School	1-5 years	Rebuilding NSW fund	Project planning phase	Department of Education and Communities	The provision of a new school will support the delivery of secondary education.
Emergency Services	New Tweed Heads Police Station	1-5 years	NSW Budget (partially funded)	Currently under construction	NSW Police Force	The delivery of a new station will allow for the expansion of services to respond to the demands of a growing population and ensure its safety.
	New Ballina Fire and Rescue Station	1-5 years	NSW Budget (partially funded)	Currently under construction	Fire & Rescue NSW	The new station will ensure the area continues to be well- serviced by emergency services infrastructure for the safety of existing and future populations.
Electricity	Mullumbimby Zone Substation upgrade	1-5 years	NSW Budget	Currently under construction	Essential Energy	Upgrading the zone substation will increase power supply capacity to accommodate a growing demand for electricity.
	Lismore to Mullumbimby via Ballina upgrade	1-5 years	NSW Budget	Currently under construction	Essential Energy	Upgrading of the network will increase power supply capacity to meet the growing demand for electricity in the Ballina Shire, Byron Shire and Lismore City Local Government Areas and improve the reliability of supply.



REPORT TO ORDINARY COUNCIL MEETING

ACQUISITION OF EASEMENT FOR UNDERGROUND CABLE AND PADMOUNT SUBSTATION - PARK BEACH HOLIDAY PARK, COFFS HARBOUR

REPORTING OFFICER:	Team Leader – Property Development
DIRECTOR:	Director Sustainable Infrastructure
COFFS HARBOUR 2030:	LP1.1 Promote opportunities around renewable energy, sustainable tourism, sustainable agriculture and fisheries, local produce, creative and clean industries
ATTACHMENTS:	ATT 1 – Plan of Proposed Easement

Recommendation:

That Council:

1. **Make application to the Office of Local Government seeking the Minister's approval to make a recommendation to the Governor for Governor's consent to place an acquisition notice in the Gazette to acquire an Easement in gross for Underground Powerline approximately 2 wide and Multipurpose Installation being dimensions of approximately 7 metres by 4.2 metres. Attachment 1 to this report shows the location of the proposed easements. The acquisition is by compulsory process under the Land Acquisition (Just Terms Compensation) Act, 1991 with the consent of the Crown.**
2. **Enter into a pre-acquisition agreement in regard to Nil compensation under Section 63 of the Land Acquisition (Just Terms Compensation) Act, 1991.**
3. **Execute any necessary documents under the common seal of Council.**
4. **Upon acquisition of the easements in Council's favour that they be transferred to Essential Energy for Nil compensation and at Council's cost.**

EXECUTIVE SUMMARY

The purpose of this report is to obtain formal Council approval to make the appropriate applications to the Minister and Governor to obtain their consent to the compulsory acquisition of an easement for electrical underground cables and a padmount substation. Once acquired the easements are to be transferred to Essential Energy as previously agreed which will protect recently constructed electrical infrastructure at the Park Beach Holiday Park.

REPORT

Description of Item:

Coffs Harbour City Council is the Corporate Manager of the Coffs Coast State Park Trust which manages the Park Beach Holiday Park which is located on Crown land. The land is described as Reserve 140089 for Caravan Park notified 26 May 1995 and Reserve 1012190 for public purposes of access and public requirements, rural services, tourism purposes and environmental and heritage conservation notified 25 August 2006.

The Council in its role managing the Park Beach Holiday Park has recently upgraded the electrical infrastructure at the park and as part of this process Essential Energy required an easement over the upgraded works. Council has carried out the physical works and now requires an easement to be created over those works in the location shown on the plan labeled Attachment 1 to this report. Once the easement is created in Council's favour it can be transferred to Essential Energy.

Given the land under the park is owned by the Crown, the only option available to create an easement is via the compulsory acquisition process under the Land Acquisition (Just Terms Compensation) Act, 1991.

The Crown have consented as land owner to this process and have further advised that they will not require compensation for the grant of the easement on the basis Council are responsible for all costs of the matter. This arrangement will be formalised between Council and the Crown via a Section 63 Pre-acquisition Agreement pursuant to the Just Terms Act prior to the compulsory acquisition application being lodged by Council to the Office of Local Government.

Once Council's formal agreement to the acquisition of the easement has been obtained, the process from thereon is purely administrative.

Issues:

The acquisition and creation of the easement is procedural and was a requirement of the electrical upgrading works being undertaken. Council has previously given an undertaking that it would create the easement as required in Essential Energy's favour via the execution of a Customer and Landowner Deed.

Options:

Council has two options:

1. To consent to the recommendation to compulsorily acquire the easements and then subsequently transfer them to Essential Energy.
2. To refuse consent to the compulsory acquisition process proceeding.

To refuse consent would place Council in an awkward position of having already completed the works at a substantial cost and not proceeding with its obligation to create the easements.

Sustainability Assessment:

- **Environment**

The creation of the easements will in itself have no environmental impact.

- **Social**

The creation of the easements will allow Council to comply with its requirements and continue to operate the Park Beach Holiday Park in a safe and efficient manner.

- **Civic Leadership**

The continued safe operation of the Park Beach Holiday Park in accordance with the objectives of Coffs Harbour 2030.

- **Economic**

Broader Economic Implications

The creation of the easements will have negligible impact.

Delivery Program/Operational Plan Implications

All costs in relation to this matter will be borne by the operational budget of the Park Beach Holiday Park. The costs could be anticipated to be in the order of \$10,000-\$15,000.

Risk Analysis:

The risk in relation to this matter has been assessed as minor and insignificant.

Consultation:

This matter has been discussed with Council's solicitor, the Manager of the Park Beach Holiday Park and Coffs Coast State Park Trust, in addition to State Government staff.

Related Policy, Precedents and / or Statutory Requirements:

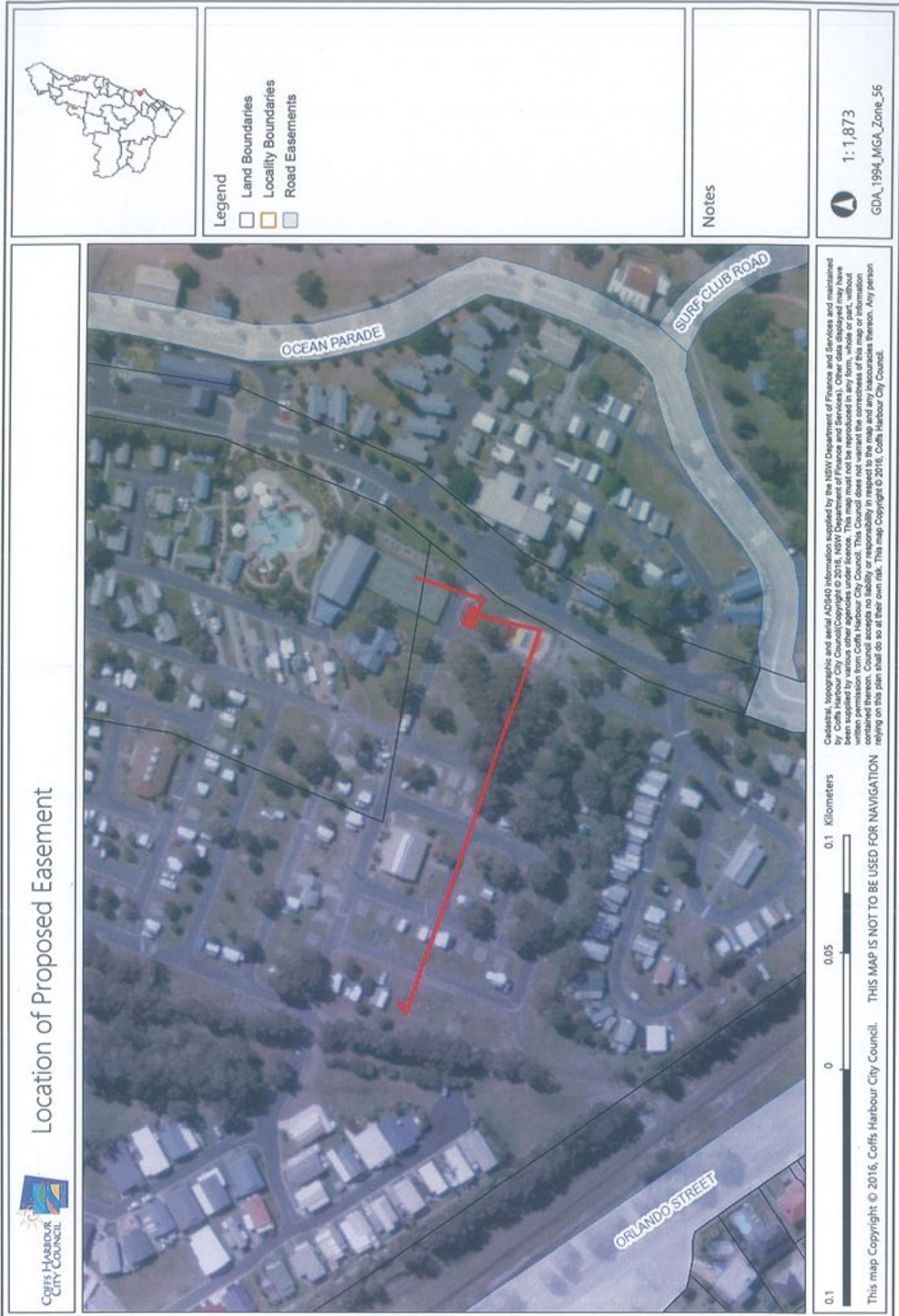
Council has in the past acquired lands and easements for public purposes by compulsory process.

Implementation Date / Priority:

The matter will be dealt with immediately following Council's resolution.

Conclusion:

There is no reason for Council not to consent to the acquisition of the easement. The electrical upgrading of the Park Beach Holiday Park was a project undertaken within the bounds of good business practice and the easement matter is simply a procedural requirement of Essential Energy that now needs to be finalised.





REPORT TO ORDINARY COUNCIL MEETING

TRAFFIC COMMITTEE MEETING NO. 2/2016

REPORTING OFFICER: Traffic Committee
DIRECTOR: Director Sustainable Infrastructure
COFFS HARBOUR 2030: MA 2.2 Facilitate safe traffic, bicycle and pedestrian movement
ATTACHMENTS: ATT1 Minutes of Traffic Committee 2/2016 held 27 April 2017
ATT2 Traffic Instruments - Traffic Committee 2/2016

Recommendation:

T.24 – Adjustment of Signs and Linemarking for No Stopping - Bangalee Crescent Toormina 5939800 & 5945974

That the existing No Stopping Zones on both sides of Bangalee Crescent Toormina, be extended approx. 40 metres west (ie 52 metres from the traffic lights hold line at Toormina Road intersection), as per plan T.24-2016.

T.25 – Park Beach Road Coffs Harbour Pedestrian Refuge - Linemarking, No Stopping and Keep Left

That a 40m No Stopping zone be installed on both sides (20m each side) adjacent to the new refuge on Park Beach Road 170m west of Phillip Street, Coffs Harbour intersection together with Keep Left signage and standard linemarking, as per plan T.25-2016.

T.26 - Collingwood Street Coffs Harbour Pedestrian Refuge - Linemarking, No Stopping, Keep Left and No Parking

That a 20m No Stopping zone be installed and the No Parking zone (9m) reinstalled east of the new No Stopping zone adjacent to the new refuge on Collingwood Street east of Edgar Street, Coffs Harbour intersection together with Keep Left and Left Only signage and line marking, as per plan T.26-2016.

T.27 - Parking Restriction - 130 West High Street Coffs Harbour

That the 1 hour car parking space in West High Street (South) East of Lyster Street, Coffs Harbour, be replaced with a 15 minute parking zone, as per plan T.27-2016.

T.28 - No Stopping - 48 West High Street Coffs Harbour 5736506

That the request be denied.



REPORT TO ORDINARY COUNCIL MEETING

T.29 – Upper Orara Road, Upper Orara – Upper Orara Public School – Bus Zone 5947620

Deferred pending further investigations.

T.30 - Bus Zone Signs - Beryl and Marcia Street Coffs Harbour 5959654

That approval is given to install 30m bus zones at Pacific Highway bus stops

1. North of the Beryl Street intersection (West), Coffs Harbour, as per plan T.30a -2016.
2. North of the Marcia Street intersection (West), Coffs Harbour, as per plan T.30b - 2016.

T.31 – Traffic Issues Service Road - The Big Banana 351 Pacific Highway Coffs Harbour 6005539

That approval be given for the installation of two 15 minute parking zones for 28m and 35m. One 10m loading zone and a 23m No Stopping zone on the western side and a 89m No Stopping on the eastern side of the Big Banana service road, Coffs Harbour, as per plan T.31-2016.

T.32 - No Stopping - Stadium Drive Coffs Harbour

That approval is given to install a No Stopping zone in Stadium Drive, Coffs Harbour from the International Stadium entrance east for 70m, as per plan T.32-2016.

T.33 – Parking - Camperdown Street Coffs Harbour 5994914

That the conversion of angled parking to parallel parking in Camperdown Street, adjacent the Pier Hotel be deferred pending the development of a detailed design of the proposed upgraded pedestrian refuge on the intersection of Camperdown Street and Harbour Drive, Coffs Harbour (to be constructed in 2016 – 2017).

T.34 - Temporary Road Closure - 2016 NAB Coffs Coast Cycle Challenge 5986469

That approval is given for the 2016 NAB Coffs Coast Cycle Challenge. The Hill Climb to be held on Saturday 13 August 2016. The Challenge consisting of a 100km, 60km, 40km, 20km and 10km rider to be held on Sunday 14 August 2016.

Approval is given for the road closure, 100 metres West of Orara Way, Coramba, to the intersection of Eastern Dorrigo Way/Bushmans Range Road, Lowanna, from 2.00pm - 4.00pm and the temporary closure of the southern traffic lane (west bound) of Eastern Dorrigo Way, at the start and finish lines for 200 metres from 1.30pm – 4.00pm (when required) for the purpose of holding the NAB Coffs Coast Cycle Challenge Uphill Climb subject to the following conditions:

1. A current insurance certificate of currency for a minimum insured amount of \$20 000 000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1st August 2016.



REPORT TO ORDINARY COUNCIL MEETING

2. NSW Police approval is obtained to be submitted by 1st August 2016

The submission and approval of relevant council event application/s and compliance with any conditions imposed therein

- 3. Where a Traffic Management Plan is deemed required by council, Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s with map indicating any alternative routes required for traffic detours. This includes the following conditions:**
- a. Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and to be submitted to Council before 1st August 2016**
 - b. All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event**
 - c. Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police**
 - d. Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons**
- 4. Consultation with emergency services (Fire & Ambulance) and any identified issues addressed**
- 5. Consultation with taxi operators and arrangements made for provision of services during conduct of the event**
- 6. Community and affected business consultation including adequate response/action to any raised concerns**
- 7. Arrangements made for private property access and egress affected by the event**
- 8. The organisers be responsible for all costs associated with the temporary closure, including advertising.**
- 9. All participants to obey road rules at all times during the event.**
- 10. Organiser to ensure all participants' parking is legal and safe.**
- 11. All cyclists to remain at the finish line on Eastern Dorrigo Way until last cyclist has completed the climb and the downhill ride to be marshalled.**



REPORT TO ORDINARY COUNCIL MEETING

T.35 - Temporary Road Closure First Avenue Sawtell - VW Spectacular

The road closures be advertised and providing no substantive objections are received, the closure be approved subject to the following:

1. A current insurance Certificate of Currency for a minimum insured amount of \$20,000,000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 25 June 2016
2. NSW Police approval is obtained and submitted to Council by 25 June 2016

The submission and approval of relevant council event application/s and compliance with any conditions imposed therein

3. Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s. The following traffic control conditions shall also be observed;
 - a. Traffic Control Plans to include a map indicating any alternative routes required for traffic detours.
 - b. Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and submitted by 25 June 2016.
 - c. All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event
 - d. Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police
 - e. Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons
4. Consultation with emergency services (Fire & Ambulance) and any identified issues addressed in a timely manner
5. Consultation with bus and taxi operators and arrangements made for provision of services during conduct of the event
6. Community and affected business consultation including adequate response/action to any raised concerns
7. Arrangements made for private property access and egress affected by the event
8. The event organiser notifies local community of the impact of the event/s by advertising in the Coffs Coast Advocate a minimum of one week prior to the operational impacts taking effect. The advertising must include the event name, specifics of any traffic impacts or road closures and times, alternative route arrangements, event organiser, a personal contact name and a telephone number for all event related enquiries or complaints
9. That the applicant organise for the events to be listed on Coffs Harbour City Council website.
10. The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising



REPORT TO ORDINARY COUNCIL MEETING

T.36 - Temporary Road Closure - Woolgoolga Curryfest 2016 5987595

That approval to be given to the temporary road closure of the following:

- Beach Street from Wharf Street to Carrington Street, Woolgoolga
- Queen Street from Beach Street to Market Street, Woolgoolga
- Market Street from Nightingale Street to Queens Street, Woolgoolga
(half Queen Street/Market Street intersection to remain open).

for the purpose of conducting the Woolgoolga Curryfest on Saturday 24 September 2016 the road closure will be advertised and providing no substantive objections are received, the closure will be approved, subject to the following:

1. A current insurance Certificate of Currency for a minimum insured amount of \$20,000,000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1st September 2016
2. NSW Police approval is obtained and submitted to Council by 1st September 2016
3. The submission and approval of relevant council event application/s and compliance with any conditions imposed therein
4. Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s. The following traffic control conditions shall also be observed;
 - a. Traffic Control Plans to include a map indicating any alternative routes required for traffic detours.
 - b. Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and submitted by 1 September 2016.
 - c. All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event
 - d. Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police
 - e. Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons
5. Consultation with emergency services (Fire & Ambulance) and any identified issues addressed in a timely manner
6. Consultation with bus and taxi operators and arrangements made for provision of services during conduct of the event
7. Community and affected business consultation including adequate response/action to any raised concerns
8. Arrangements made for private property access and egress affected by the event



REPORT TO ORDINARY COUNCIL MEETING

9. The event organiser notifies local community of the impact of the event/s by advertising in the Coffs Coast Advocate a minimum of one week prior to the operational impacts taking effect. The advertising must include the event name, specifics of any traffic impacts or road closures and times, alternative route arrangements, event organiser, a personal contact name and a telephone number for all event related enquiries or complaints
10. That the applicant organise for the events to be listed on Coffs Harbour City Council website.
11. The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising.

T.37 - Temporary Road Closure - Sawtell Chilli Festival 3 July 2016 5994909 R.501520

That approval be given for the temporary road closure of First Avenue, Sawtell, between 50m north of Second Avenue and Boronia Street, and Second Avenue from 30m west and 35m east of First Avenue between the hours of 6.00am and 6.00pm on Saturday, 3 July 2016.

The road closure will be advertised and providing no substantive objections are received, the closure be approved subject to the following:

1. A current insurance Certificate of Currency for a minimum insured amount of \$20,000,000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1st June 2016
2. NSW Police approval is obtained and submitted to Council by 1st June 2016
3. The submission and approval of relevant council event application/s and compliance with any conditions imposed therein
4. Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s. The following traffic control conditions shall also be observed;
 - a. Traffic Control Plans to include a map indicating any alternative routes required for traffic detours.
 - b. Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and submitted to Council by 1st June 2016
 - c. All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event
 - d. Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police
 - e. Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons



REPORT TO ORDINARY COUNCIL MEETING

5. Consultation with emergency services (Fire & Ambulance) and any identified issues addressed in a timely manner
6. Consultation with bus and taxi operators and arrangements made for provision of services during conduct of the event
7. Community and affected business consultation including adequate response/action to any raised concerns
8. Arrangements made for private property access and egress affected by the event
9. The event organiser notifies local community of the impact of the event/s by advertising in the Coffs Coast Advocate a minimum of one week prior to the operational impacts taking effect. The advertising must include the event name, specifics of any traffic impacts or road closures and times, alternative route arrangements, event organiser, a personal contact name and a telephone number for all event related enquiries or complaints
10. That the applicant organise for the events to be listed on Coffs Harbour City Council website.
11. The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising.

T.38 - Intersection at Pacific Highway/West High Street Coffs Harbour 5508526 R.509970

That approval to reduce the approved left turn lane in West High Street (north), Coffs Harbour to 20.0m from the intersection of the Highway and install one (1) 12.5m Loading zone and two (2) 6.5m half hour parking spaces as per plan T.38-2016.

T.39 - Modifications to William Bayldon School bus bay and informal parking area on road reserve, Lyons Road, Toormina

Approval to install a left turn only sign, a no entry sign, a no stopping zone, lane markings and a bus zone in the William Bayldon School bus bay, Lyons Road, Toormina as per plan T.39-2016.

EXECUTIVE SUMMARY

To confirm Minutes of the informal Traffic Committee Meeting 2/2016 held on 27 April 2016.

REPORT

Description of Item:

Issues:

The Local Traffic Committee (LTC) Meeting minutes are presented to Council for approval of 39 items pertaining to regulatory signs and line-marking on local roads.

Issues:

Council should note carefully the recommendations of the LTC as they relate to the authorisation of traffic control facilities and prescribed traffic control devices with the aim to improve road safety and traffic management on local roads.

Options:

Council's delegation under the Roads Act 1993 requires Council to seek the advice of the NSW Police and the Roads and Maritime Services (RMS) before exercising their delegated functions. This is done via the Local Traffic Committee.

In cases where the Local Traffic Committee advice is unanimous, and Council intends to follow that advice, Council may authorise the implementation of the facility or device without further notifying the RMS or the NSW Police.

If the Council wishes to act contrary to unanimous LTC advice, then Council must notify in writing, both the NSW Police and the RMS representatives on the LTC. Council must then refrain from taking any action for 14 days so that the NSW Police or the RMS is given an opportunity to appeal to the Chairperson, Regional Traffic Committee should they wish.

In the case of an appeal, the decision of the Chairperson, Regional Traffic Committee is binding and final for matters under the Road Transport (Safety and Traffic Management) Act 1999.

Council does not need to notify the NSW Police or the RMS if they decide not to proceed with any proposal for any reason.

Sustainability Assessment:

- **Environment**

Not applicable.

- **Social**

The recommendations in the report serve to improve road safety and traffic flow in the Local Government Area.

- **Civic Leadership**

Objective - MA2 We have a system of well-maintained and safe roads for all users
MA 2.2 Facilitate safe traffic, bicycle and pedestrian movement - Provider.

- **Economic**

- **Broader Economic Implications**

- Not applicable.

- **Delivery Program/Operational Plan Implications**

- Council has an existing budget for minor works associated with traffic improvements.

Risk Analysis:

The risk assessment has identified the following risks associated with the Local Traffic Committee recommendations:

- That Council fulfill its delegations as a road manager
- That Council fail to implement risk mitigation measures identified in the Local Traffic Committee meeting

To mitigate these risks it is recommended that Council:

- Consider carefully the recommendations from the Local Traffic Committee following investigation and approval of the Roads and Maritime Services and the Police
- That Council implement the recommendations to mitigate the road safety risks.

Consultation:

The Local Traffic Committee members' attendance is listed on the minutes. Most of the matters raised were requests from the community. Relevant stakeholders were consulted before the Local Traffic Committee meeting.

Related Policy, Precedents and / or Statutory Requirements:

- Traffic control facilities and prescribed traffic control devices may be authorised for use on a road or road related area, whether a public road or on private land, only by the RMS or Council.
- Traffic may be regulated for various purposes by means of notices or barriers erected by a road authority
- Section 50 of the *Transport Administration Act 1988* permits RMS to delegate its functions to other public agencies such as Councils.
- Section 53A Part 6 permits RMS to give directions to Councils in relation to RMS functions.
- The *Road Transport (Safety and Traffic Management) Act 1999*, incorporating the *Road Rules 2008* provides for a system of traffic laws relating to all vehicles and pedestrians.

Implementation Date / Priority:

Road related modifications will be listed in the works program for installation within two months of the Council meeting.

Conclusion:

Council to confirm Minutes of the formal Traffic Committee Meeting 1/2016.

Attachment 1

MINUTES

Local Traffic Committee Meeting

**Wednesday
27 April 2016**

VENUE: Rigby House Computer Training Room

TIME: 10.30am

PRESENT: Paul Meredith, Coffs Harbour City Council arrived at 10.45am
Anne Shearer, Coffs Harbour City Council
Robert Fletcher, Coffs Harbour City Council
Cr Nan Cowling, Coffs Harbour City Council arrived at 11.10am
Senior Constable Wal Brooks, Coffs Harbour Police
David Brooks, Compliance Coordinator, Coffs Harbour City Council
Tony Mills, Newcombe Coach Lines
Ian Shanahan, Roads & Maritime Services
Sebastian Livolsi, Coffs District Taxi Cab Network

APOLOGIES:

Malcolm Britt, Busways
Gregory Aitken, Roads & Maritime Services
Andrew Fraser MP, Member for Coffs Harbour

**CONFIRMATION OF MINUTES OF PREVIOUS MEETING
23 February 2016**

Attachment 1

BUSINESS ARISING

A. FORMAL ITEMS SECTION (Items for approval by Council under the delegation)

T.24 – Adjustment of Signs and Linemarking for No Stopping - Bangalee Crescent Toormina 5939800 & 5945974

Background:

Request for the adjustment of signs and linemarking for No Stopping in Bangalee Crescent, Toormina.

Summary of Report:

The left turn lane from Bangalee Crescent onto Toormina Road, Toormina, at existing traffic lights has unrestricted parking.

This is causing congestion and difficulties for motorists (particularly buses) accessing the left turn lane when vehicles are parked at the location.

Recommendation to Committee:

That the existing No Stopping Zones on both sides of Bangalee Crescent Toormina, be extended approx. 40 metres west (ie 52 metres from the traffic lights hold line at Toormina Road intersection).

RECOMMENDATION TO COUNCIL:

That the existing No Stopping Zones on both sides of Bangalee Crescent Toormina, be extended approx. 40 metres west (ie 52 metres from the traffic lights hold line at Toormina Road intersection), as per plan T.24-2016.

T.25 – Park Beach Road Coffs Harbour Pedestrian Refuge - Linemarking, No Stopping and Keep Left

Background:

Council received funding under the Pedestrian Access and Mobility Plan (PAMP) to install a pedestrian refuge in Park Beach Road, Coffs Harbour 170m west of Phillip Street intersection.

Summary of Report:

Council has installed a pedestrian refuge in Park Beach Road, Coffs Harbour 170m west of Phillip Street intersection under PAMP funding from RMS. As a requirement of Australian Standards and RMS supplements to the same standard, regulatory No Stopping and Keep Left signage is required to be installed, together with lane edge linemarking.

Recommendation to Committee:

That a 40m No Stopping zone be installed on both sides for 20m adjacent to the new refuge on Park Beach Road 170m west of Phillip Street, Coffs Harbour intersection together with Keep Left signage and standard linemarking.

RECOMMENDATION TO COUNCIL:

That a 40m No Stopping zone be installed on both sides (20m each side) adjacent to the new refuge on Park Beach Road 170m west of Phillip Street, Coffs Harbour intersection together with Keep Left signage and standard linemarking, as per plan T.25-2016.

Attachment 1

T.26 - Collingwood Street Coffs Harbour Pedestrian Refuge - Linemarking, No Stopping, Keep Left and No Parking

Background:

Council received funding under the Pedestrian Access and Mobility Plan (PAMP) to install a pedestrian refuge in Collingwood Street, Coffs Harbour just east of Edgar Street intersection.

Summary of Report:

Council will be installing a pedestrian refuge in Collingwood Street, Coffs Harbour just east of Edgar Street intersection under PAMP funding from RMS. As a requirement of Australian Standards and RMS supplements to the same standard, regulatory No Stopping and Keep Left signage is required to be installed, together with lane edge line marking. An existing 9.0m of timed No Parking zone (installed under T.46-2011) on the north side of Collingwood Street will need to be relocated east of the proposed No Stopping zone, as well as 20m of No Parking zone, (Sundays only) on the southern side that will require replacement with No Stopping.

Recommendation to Committee:

That a 20m No Stopping zone be installed and the No Parking reinstated east of the new No Stopping zone (9m) adjacent to the new refuge on Collingwood Street east of Edgar Street, Coffs Harbour intersection together with Keep Left and Left Only signage and line marking.

RECOMMENDATION TO COUNCIL:

That a 20m No Stopping zone be installed and the No Parking zone (9m) reinstated east of the new No Stopping zone adjacent to the new refuge on Collingwood Street east of Edgar Street, Coffs Harbour intersection together with Keep Left and Left Only signage and line marking, as per plan T.26-2016.

T.27 - Parking Restriction - 130 West High Street Coffs Harbour

Background:

Coffs Harbour City Council – Water Services, have requested a 15 minute parking restriction outside No.130 West High Street Coffs Harbour.

Summary of Report:

Council's water crew regularly are experiencing difficulty accessing the stop valve for maintenance located as it is situated in a 1 hour car parking space in West High Street (south) East of Lyster Street. The alternative is to turn off a stop valve further west; which unnecessarily affects water supply to additional businesses and residents.

Recommendation to Committee:

That 15 minute parking be installed in 1 hour car parking space in West High Street (South) East of Lyster Street, Coffs Harbour.

RECOMMENDATION TO COUNCIL:

That the 1 hour car parking space in West High Street (South) East of Lyster Street, Coffs Harbour, be replaced with a 15 minute parking zone, as per plan T.27-2016.

Attachment 1

T.28 - No Stopping - 48 West High Street Coffs Harbour 5736506

Background:

Request from 48 West High Street Coffs Harbour Neighbourhood Association to install a No Stopping sign prohibiting vehicles from parking in front of the property to the east of the driveway entrance

Summary of Report:

The Neighbourhood Association are concerned about the safety of residents exiting the units at 48 West High Street, following a few near misses. Drivers exiting the property have had their vision blocked by parked vehicles. The owners are concerned that there might be a crash in the near future. They request a few clear car lengths to assist owners when entering the premises, allowing a section to pull into before turning up the driveway. They are concerned about turning into the driveway when vehicles are speeding and tailgating.

There have been no reported crashes along this section of West High Street (2009 – 2014). A traffic count conducted in August 2012 west of Moonee Street recorded peak volumes of 430 vehicles per hour (one direction). Parking is not at capacity during the day, but spaces may be limited overnight due to resident parking in this high density zone. It was observed that gap selection can be more difficult during peak hour. This is similar to other complexes along this section of road, some with more limited sight distance. A no stopping zone adjacent this driveway would further limit parking, provide a precedent for many other residents who exit similar or more constrained driveways in the same area. There is a roundabout just west of the driveway so drivers can choose to exit left only.

Recommendation to Committee:

That the request be denied.

RECOMMENDATION TO COUNCIL:

That the request be denied.

T.29 – Upper Orara Road, Upper Orara – Upper Orara Public School – Bus Zone 5947620

Background:

The Principal of Upper Orara School has approached Council with concerns about traffic management on Upper Orara Road, Orara.

Summary of Report:

The school currently has 28 students, with a pre-school centre catering for 19 children on the same site. There is potential for the school size to increase to over 65, particularly following the implementation of catchment areas for the valley.

The main issues are:

- One school bus stopping in the bus zone facing the oncoming traffic with the door facing the traffic lane
- The other school bus stopping on the southern side of Upper Orara Road which means that students have to cross the road
- The length of the bus zone is 12.3m
- Bus passengers are walking close to the parent parking area.

There has been no recent history of crashes within the school zone (2009 – 2014). The school requested a children's crossing, but the traffic volumes (273 average per day with peak hour being 30 vehicles) do not meet the criteria.

Attachment 1

Council have been negotiating with the bus companies and Transport for NSW to re-route the buses. A Busways representative has agreed to meet with Council to further this proposal.

It is proposed to install a bus zone at the northern end of the school which connects to an alternative entrance to the site via a footpath. There is space to install a full length bus zone, although some modification to the pavement and grass verge will be required.

Recommendation to Committee:

Approval to relocate and lengthen the school bus zone according to the guidelines, adjacent to the northern end of the school fence, in Upper Orara Road, Upper Orara.

RECOMMENDATION TO COUNCIL:

Deferred pending further investigations.

T.30 - Bus Zone Signs - Beryl and Marcia Street Coffs Harbour 5959654

Background:

Request for bus zone signs to be installed for Busways as they have had complaints from their bus drivers about vehicles parked in the bus stops near Beryl and Marcia Street which obstructs the buses.

Summary of Report:

Council has previously agreed to install bus zones in high profile locations where buses experience consistent problems with illegal parking. The bus stops on the West side of the Pacific Highway adjacent Beryl Street and Marcia Street are located within a parking lane and close to many services and businesses, so demand is high. Motorists are often unaware of the parking restrictions at bus stops and/or cannot assess the distance accurately, which could cause the bus to obstruct the traffic close to the signalised intersection.

Recommendation to Committee:

Approval to install 30m bus zones at Pacific Highway bus stops

1. North of the Beryl Street intersection (West), Coffs Harbour
2. North of the Marcia Street intersection (West), Coffs Harbour.

RECOMMENDATION TO COUNCIL:

That approval is given to install 30m bus zones at Pacific Highway bus stops

1. North of the Beryl Street intersection (West), Coffs Harbour, as per plan T.30a -2016.
 2. North of the Marcia Street intersection (West), Coffs Harbour, as per plan T.30b - 2016.
-

Attachment 1

T.31 – Traffic Issues Service Road - The Big Banana 351 Pacific Highway Coffs Harbour 6005539

Background:

Request from the Big Banana to replace No Parking Signage with No Stopping on the service road in front of the site and replace No parking on the southern end (west) with a loading zone.

Summary of Report:

The service road in front of the Big Banana Coffs Harbour between Island View Close and the main entrance is sign posted as no parking on both sides. Pavement width from kerb to kerb is 7.0m.

The General Manager of the Big Banana has advised that vehicles continually park on both sides of the road leaving no room for cars to pass on the two way street and block the south bound exit at Island View Close. It becomes particularly dangerous in holiday times with pedestrians manoeuvring through the traffic, there is ample parking (approx. 300 car spaces) provided at the rear of the site

Recommendation to Committee:

That the No Parking Zone on both sides of the service road in front of the Big Banana be replaced with No Stopping Zone and 15m of Loading zone on the southern end (west side).

RECOMMENDATION TO COUNCIL:

That approval be given for the installation of two 15 minute parking zones for 28m and 35m. One 10m loading zone and a 23m No Stopping zone on the western side and a 89m No Stopping on the eastern side of the Big Banana service road, Coffs Harbour, as per plan T.31-2016.

T.32 - No Stopping - Stadium Drive Coffs Harbour

Background:

Council are requesting the installation of a No Stopping zone on Stadium Drive, Coffs Harbour for the extent of the upgraded section of the road to prevent vehicles obstructing the shoulder.

Summary of Report:

Council are about to upgrade a section of Stadium Drive east of the International Stadium Entrance. This is a blackspot funding project to realign the curve and re-seal the road. Some kerb and gutter will be installed at the same time funded by another grant in anticipation of future footpath works. The road will have a 2m shoulder which may be used for cycling. To prevent vehicles parking in the shoulder Council proposes a no stopping zone for the extent of the works. At present this zone is designated as no parking.

Recommendation to Committee:

Approval to install a no stopping zone in Stadium Drive, Coffs Harbour from the entrance to the International Stadium for 70m.

RECOMMENDATION TO COUNCIL:

That approval is given to install a No Stopping zone in Stadium Drive, Coffs Harbour from the International Stadium entrance east for 70m, as per plan T.32-2016.

Attachment 1

T.33 – Parking - Camperdown Street Coffs Harbour 5994914

Background:

The owners of the Pier Hotel located on the corner of Harbour Drive and Camperdown Street have requested the conversion of the existing angled parking on Camperdown Street to parallel parking and a loading zone adjacent the Hotel.

Summary of Report:

The request was prompted by several factors:

- Members of the public have been using the Pier Hotel car park for general parking
- There is a high demand for parking in the area
- The need for improved parking for delivery vehicles
- Parked vehicles in the angled parking bay are overhanging the footpath
- The Pier Hotel proposes to reconstruct the timber verandah using timber posts along the footpath. Vehicles overhanging the footpath could hit the timber posts.

The proposal will reduce the number of parking bays along this section of road. There is a need to retain the taxi zone to service the Jetty strip (6am – 8pm)

Council has also applied for funding to relocate the pedestrian refuge at the intersection of Camperdown and Harbour Drive. The concept plan proposed to relocate the refuge further south and to construct blisters and upgraded ramps. Council's plan allowed for two taxi parking bays. This could be modified to one taxi bay and one loading zone subject to the detailed design.

Council recommends that a detailed design is prepared for the pedestrian refuge in consultation with the neighbouring businesses and the taxi company and that any action is deferred until this is completed.

Recommendation to Committee:

That the conversion of angled parking to parallel parking in Camperdown Street, adjacent the Pier Hotel be deferred pending the development of a detailed design of the proposed upgraded pedestrian refuge on the intersection of Camperdown Street and Harbour Drive, Coffs Harbour.

RECOMMENDATION TO COUNCIL:

That the conversion of angled parking to parallel parking in Camperdown Street, adjacent the Pier Hotel be deferred pending the development of a detailed design of the proposed upgraded pedestrian refuge on the intersection of Camperdown Street and Harbour Drive, Coffs Harbour (to be constructed in 2016 – 2017).

T.34 - Temporary Road Closure - 2016 NAB Coffs Coast Cycle Challenge 5986469

Background:

Rotary Club, request approval for a temporary road closure for the Annual 2016 NAB Coffs Coast Cycle Challenge on Saturday 13 August and Sunday 14 August 2016.

Summary of Report:

Saturday 13 August:

A road closure is required from 100 metres West of Orara Way, Coramba, to the intersection of Eastern Dorrigo Way/Bushmans Range Road, Lowanna, from 2.00pm - 4.00pm and the temporary closure of the southern traffic lane (west bound) of Eastern Dorrigo Way, at the start and finish lines for 200 metres from 1.30pm – 4.00pm (**when required**) for the purpose of holding the 2016 NAB Coffs Coast Cycle Challenge Ulong Uphill Climb (13kms).

Attachment 1

Sunday 14 August:

No road closures are required for the Cycle Challenge. It is proposed to have four separate rides (100km, 60km, 40km and 10km) starting and finishing at the Geoff King Motor Oval, Stadium Drive, Coffs Harbour and following a similar route to previous years :

100km, 60km, 40km route:

- From Geoff King Motors Oval, turn right onto Hogbin Drive, left onto Sawtell Road then through Sawtell Village to Lyons Road, onto Pine Creek Way to Raleigh, Waterfall Way through to Bellingen, North Arm Road to Pine Creek Way and return via Lyons Road, Sawtell Road, Hogbin Drive to Geoff King Motors Oval.
- The 60km riders will turn around at the intersection Pine Creek Way and Pacific Highway, Raleigh and return to Geoff King Motors oval via same route
- The 40km riders will turn around at the Archville Station Road roundabout and return to Geoff King Motors oval via same route.

20km route:

- From Geoff King Motors Oval, turn left onto Stadium Drive and follow the bike path to the Pacific Highway
- Turn left at the Pacific Highway and continue on the cycle path to Lyons Road
- Turn left at Lyons Road and continue onto Sawtell Village, Sawtell Road, Hogbin Drive and return to Geoff King Motors Oval
- Riders with a disability will participate in the 20km ride under supervision.

10km route

- Riders will cross to the cycle path at the Hogbin Drive/Stadium Drive roundabout and
- Continue north on the cycle path to Christmas Bells Road
- Turn around at the end of Christmas Bells Road, then left into Aviation Drive, and then back onto the Hogbin Drive Cycle path
- Return to Geoff King Motors Oval via the Hogbin Drive cycle path.

Recommendation to Committee:

That approval is given for the 2016 NAB Coffs Coast Cycle Challenge. The Hill Climb to be held on Saturday 13 August 2016. The Challenge consisting of a 100km, 60km, 40km, 20km and 10km rider to be held on Sunday 14 August 2016.

Approval is given for the road closure, 100 metres West of Orara Way, Coramba, to the intersection of Eastern Dorrigo Way/Bushmans Range Road, Lowanna, from 2.00pm - 4.00pm and the temporary closure of the southern traffic lane (west bound) of Eastern Dorrigo Way, at the start and finish lines for 200 metres from 1.30pm – 4.00pm (**when required**) for the purpose of holding the NAB Coffs Coast Cycle Challenge Ulong Uphill Climb subject to the following conditions:

1. The organisers of the Ulong Hill Climb Event liaise with affected businesses and residents.
2. The organisers be responsible for erection of traffic barriers and control of traffic using accredited traffic controllers.
3. The organisers be responsible for all costs associated with the temporary closure, including advertising.

Attachment 1

4. A current insurance Certificate of Currency for a minimum insured amount of \$20 million and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1 August 2016.
5. RMS accredited Traffic Control Plan to be submitted by 1 August 2016.
6. All participants to obey road rules at all times during the event
7. Organiser to ensure all participants' parking is legal and safe.
8. All cyclist to remain at the finish line on Eastern Dorrigo Way until last cyclist has completed the climb and the downhill ride be marshalled.

RECOMMENDATION TO COUNCIL:

That approval is given for the 2016 NAB Coffs Coast Cycle Challenge. The Hill Climb to be held on Saturday 13 August 2016. The Challenge consisting of a 100km, 60km, 40km, 20km and 10km rider to be held on Sunday 14 August 2016.

Approval is given for the road closure, 100 metres West of Orara Way, Coramba, to the intersection of Eastern Dorrigo Way/Bushmans Range Road, Lowanna, from 2.00pm - 4.00pm and the temporary closure of the southern traffic lane (west bound) of Eastern Dorrigo Way, at the start and finish lines for 200 metres from 1.30pm – 4.00pm (when required) for the purpose of holding the NAB Coffs Coast Cycle Challenge Ulong Uphill Climb subject to the following conditions:

1. **A current insurance certificate of currency for a minimum insured amount of \$20 000 000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1st August 2016**
2. **NSW Police approval is obtained to be submitted by 1st August 2016**
3. **The submission and approval of relevant council event application/s and compliance with any conditions imposed therein**
4. **Where a Traffic Management Plan is deemed required by council, Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s with map indicating any alternative routes required for traffic detours. This includes the following conditions:**
 - a. **Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and to be submitted to Council before 1st August 2016**
 - b. **All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event**
 - c. **Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police**
 - d. **Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons**
5. **Consultation with emergency services (Fire & Ambulance) and any identified issues addressed**

Attachment 1

6. **Consultation with taxi operators and arrangements made for provision of services during conduct of the event**
 7. **Community and affected business consultation including adequate response/action to any raised concerns**
 8. **Arrangements made for private property access and egress affected by the event**
 9. **The organisers be responsible for all costs associated with the temporary closure, including advertising.**
 10. **All participants to obey road rules at all times during the event.**
 11. **Organiser to ensure all participants' parking is legal and safe.**
 12. **All cyclists to remain at the finish line on Eastern Dorrigo Way until last cyclist has completed the climb and the downhill ride to be marshalled.**
-

T.35 - Temporary Road Closure First Avenue Sawtell - VW Spectacular

Background

Hundreds of VW-cars converge on Nambucca Heads and Valla Beach every second year. One of the largest volkswagen shows in Australia.

Summary of Report

Sawtell Chamber of Commerce are requesting a temporary road closure of First Avenue between Boronia Street and Second Avenue Sawtell on Monday 25 July 2016, between 3.00pm – 8.00pm to host the 2016 VW Spectacular Show and Shine.

Traffic control would be provided by the Rural Fire Service.

Recommendation to Committee:

The road closures be advertised and providing no substantive objections are received, the closure be approved subject to the following:

1. The organisers of the car rally show liaise with affected businesses and residents obtain approval including the local bus company.
2. The organisers be responsible for erection of traffic barriers and control of traffic using accredited traffic controllers.
3. The organisers be responsible for all costs associated with the temporary closure, including advertising.
4. A current insurance Certificate of Currency for a minimum insured amount of \$20 million and noting the Coffs Harbour City Council as an interested party for the event be submitted by 25 June 2016.
5. Traffic Management Plan and RMS accredited Traffic Control Plan to be submitted by 25 June 2016.
6. A temporary bus zone be installed in First Avenue north of Second Avenue as alternative to the Ex-Services Club bus zone.

RECOMMENDATION TO COUNCIL:

The road closures be advertised and providing no substantive objections are received, the closure be approved subject to the following:

1. **A current insurance Certificate of Currency for a minimum insured amount of \$20,000,000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 25 June 2016**
2. **NSW Police approval is obtained and submitted to Council by 25 June 2016**

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3. The submission and approval of relevant council event application/s and compliance with any conditions imposed therein
4. Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s. The following traffic control conditions shall also be observed;
 - a. Traffic Control Plans to include a map indicating any alternative routes required for traffic detours.
 - b. Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and submitted by 25 June 2016.
 - c. All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event
 - d. Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police
 - e. Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons
5. Consultation with emergency services (Fire & Ambulance) and any identified issues addressed in a timely manner
6. Consultation with bus and taxi operators and arrangements made for provision of services during conduct of the event
7. Community and affected business consultation including adequate response/action to any raised concerns
8. Arrangements made for private property access and egress affected by the event
9. The event organiser notifies local community of the impact of the event/s by advertising in the Coffs Coast Advocate a minimum of one week prior to the operational impacts taking effect. The advertising must include the event name, specifics of any traffic impacts or road closures and times, alternative route arrangements, event organiser, a personal contact name and a telephone number for all event related enquiries or complaints
10. That the applicant organise for the events to be listed on Coffs Harbour City Council website.
11. The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising

T.36 - Temporary Road Closure - Woolgoolga Curryfest 2016 5987595

Background

The Woolgoolga Curryfest Committee have requested road closures for the Curryfest Festival to be held on Saturday 24 September 2016 from 5.00am to 7.00pm as follows:

- Beach Street from Wharf Street to Carrington Street, Woolgoolga
- Queen Street from Beach Street to Market Street, Woolgoolga
- Market Street from Nightingale Street to Queen Street, Woolgoolga (half Queen Street/Market Street intersection to remain open).

Attachment 1

This is a well-supported annual event which benefits the Woolgoolga Community. Council has received no complaints about former road closures.

Recommendation to Committee:

That approval to be given to the temporary road closure of the following:

- Beach Street from Wharf Street to Carrington Street, Woolgoolga
- Queen Street from Beach Street to Market Street, Woolgoolga
- Market Street from Nightingale Street to Queens Street, Woolgoolga (half Queen Street/Market Street intersection to remain open).

For the purpose of conducting the Woolgoolga Curryfest on Saturday 24 September 2016 subject to:

The road closure will be advertised and providing no substantive objections are received, the closure will be approved, subject to the following:

1. A Traffic Management Plan (TMP) incorporating a current Traffic Control Plan (TCP) be submitted. The plan shall be prepared by a person holding appropriate certification issued by Roads and Maritime Services (RMS) qualified in designing or modifying traffic control plans to an accepted standard. Plans should be dated and signed by the accredited designer and also include their certificate number and expiry date.
2. A current insurance Certificate of Currency for Public Liability Insurance for a minimum insured amount of \$20 million and noting that Coffs Harbour City Council as an interested party for the event be submitted by 14 September 2016.
3. The organisers to notify affected traders and residents of the road closures.
4. The organisers be responsible for erection of traffic barriers and control of traffic using accredited traffic controllers.
5. The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising.
6. The organisers to notify emergency services and public transport operators of the road closures.

RECOMMENDATION TO COUNCIL:

That approval to be given to the temporary road closure of the following:

- **Beach Street from Wharf Street to Carrington Street, Woolgoolga**
- **Queen Street from Beach Street to Market Street, Woolgoolga**
- **Market Street from Nightingale Street to Queens Street, Woolgoolga (half Queen Street/Market Street intersection to remain open).**

for the purpose of conducting the Woolgoolga Curryfest on Saturday 24 September 2016 the road closure will be advertised and providing no substantive objections are received, the closure will be approved, subject to the following:

1. **A current insurance Certificate of Currency for a minimum insured amount of \$20,000,000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1st September 2016**
2. **NSW Police approval is obtained and submitted to Council by 1st September 2016**
3. **The submission and approval of relevant council event application/s and compliance with any conditions imposed therein**
4. **Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management**

Attachment 1

Plan and Traffic Control Plan/s. The following traffic control conditions shall also be observed;

- a. **Traffic Control Plans to include a map indicating any alternative routes required for traffic detours.**
 - b. **Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and submitted by 1 September 2016.**
 - c. **All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event**
 - d. **Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police**
 - e. **Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons**
5. **Consultation with emergency services (Fire & Ambulance) and any identified issues addressed in a timely manner**
 6. **Consultation with bus and taxi operators and arrangements made for provision of services during conduct of the event**
 7. **Community and affected business consultation including adequate response/action to any raised concerns**
 8. **Arrangements made for private property access and egress affected by the event**
 9. **The event organiser notifies local community of the impact of the event/s by advertising in the Coffs Coast Advocate a minimum of one week prior to the operational impacts taking effect. The advertising must include the event name, specifics of any traffic impacts or road closures and times, alternative route arrangements, event organiser, a personal contact name and a telephone number for all event related enquiries or complaints**
 10. **That the applicant organise for the events to be listed on Coffs Harbour City Council website.**
 11. **The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising.**

T.37 - Temporary Road Closure - Sawtell Chilli Festival 3 July 2016 5994909 R.501520

Background:

Approval has been given for the temporary road closure of First Avenue, Sawtell, between 50m north of Second Avenue and Boronia Street, and Second Avenue from 30m west and 35m east of First Avenue between the hours of 6.00am and 6.00pm on Saturday, 3 July 2016.

Recommendation to Committee:

That Council approve the temporary road closure of First Avenue, Sawtell, between 50m north of Second Avenue and Boronia Street, and Second Avenue from 30m west and 35m east of First Avenue between the hours of 6.00am and 6.00pm on Saturday, 3 July 2016.

The road closure will be advertised and providing no substantive objections are received, the closure be approved subject to the following:

Attachment 1

1. The organisers of the Chilli Festival liaise with affected traders and residents.
2. The organisers be responsible for erection of traffic barriers and control of traffic using accredited traffic controllers.
3. The organisers be responsible for all costs associated with the temporary closure, including advertising.
4. A current insurance Certificate of Currency of the applicants Public Liability Insurance for a minimum insured amount of \$20 million and noting the Coffs Harbour City Council as an interested party for the event be submitted by 24 June 2016.
5. Traffic Management Plan to be submitted for approval by 24 June 2016.
6. Copy of police approval be submitted before 24 June 2016.
7. That organisers and officials liaise with the local bus company to obtain approval on routes used.

RECOMMENDATION TO COUNCIL:

That approval be given for the temporary road closure of First Avenue, Sawtell, between 50m north of Second Avenue and Boronia Street, and Second Avenue from 30m west and 35m east of First Avenue between the hours of 6.00am and 6.00pm on Saturday, 3 July 2016.

The road closure will be advertised and providing no substantive objections are received, the closure be approved subject to the following:

1. **A current insurance Certificate of Currency for a minimum insured amount of \$20,000,000 and noting the Coffs Harbour City Council as an interested party for the event be submitted by 1st June 2016**
2. **NSW Police approval is obtained and submitted to Council by 1st June 2016**
3. **The submission and approval of relevant council event application/s and compliance with any conditions imposed therein**
4. **Local Traffic Committee advice is sought for the event Traffic Management Plan prior to approval of traffic control devices. This includes a Risk Management Plan and Traffic Control Plan/s. The following traffic control conditions shall also be observed;**
 - a. **Traffic Control Plans to include a map indicating any alternative routes required for traffic detours.**
 - b. **Traffic Control Plans to be drawn to scale and indicate the provision of passageways and clearances for pedestrian and emergency access. Plans should be prepared in accordance with Roads & Maritime Services Guide to Traffic Control at Worksites and submitted to Council by 1st June 2016**
 - c. **All signage erected for the event should not cause a hazard for motorists or pedestrians and be removed immediately following the completion of the event**
 - d. **Temporary Speed Zone Authorisation is obtained from the roads authority for any reduced speed limit/s required as part of the traffic control for the event. Where local council is the roads authority, notification of any reduced speed limit should be forwarded to Roads and Maritime Service and NSW Police**
 - e. **Conformance with approved Traffic Management Plan and associated Traffic Control Plans which shall be implemented and controlled by Roads & Maritime Services accredited persons**
5. **Consultation with emergency services (Fire & Ambulance) and any identified issues addressed in a timely manner**

Attachment 1

6. **Consultation with bus and taxi operators and arrangements made for provision of services during conduct of the event**
7. **Community and affected business consultation including adequate response/action to any raised concerns**
8. **Arrangements made for private property access and egress affected by the event**
9. **The event organiser notifies local community of the impact of the event/s by advertising in the Coffs Coast Advocate a minimum of one week prior to the operational impacts taking effect. The advertising must include the event name, specifics of any traffic impacts or road closures and times, alternative route arrangements, event organiser, a personal contact name and a telephone number for all event related enquiries or complaints**
10. **That the applicant organise for the events to be listed on Coffs Harbour City Council website.**
11. **The organisers are responsible for all costs associated with the temporary closure and clean up, including advertising.**

T.38 - Intersection at Pacific Highway/West High Street Coffs Harbour 5508526
R.509970

Background:

Objections to parking loss from Council approval for the installation of three traffic lanes (right turn only, straight through and left turn only) in West High Street, Coffs Harbour at the intersection with the Pacific Highway.

Summary of report:

After recommendations from Traffic Committee meeting on 23 Feb 2016 (traffic instrument T8-2016). Council approved the installation of three traffic lanes (right turn only, straight through and left turn only) in West High Street, Coffs Harbour at the intersection with the Pacific Highway,

Council has since received objections at the proposed loss of parking along the northern side of West High Street from the Coffs Hotel as a result of the proposed left turn only.

Reducing the left turn lane to 20.0m from the intersection would enable the 12.5m Loading zone to remain and two 6.5m half hour parking spaces to remain.

Recommendation to committee:

Reduce the approved left turn lane in West High to 20.0m from the intersection of the Highway and install one (1) 12.5m Loading zone and two (2) 6.5m half hour parking spaces. And install a T1 turn path line across the intersection for the through movement east to Harbour Drive, Coffs Harbour.

RECOMMENDATION TO COUNCIL:

That approval to reduce the approved left turn lane in West High Street (north), Coffs Harbour to 20.0m from the intersection of the Highway and install one (1) 12.5m Loading zone and two (2) 6.5m half hour parking spaces as per plan T.38-2016.

T.39 - Modifications to William Bayldon School bus bay and informal parking area on road reserve, Lyons Road, Toormina

Background

Council seeking approval to install left turn only and no entry signs on school bus bay, Lyons Road, Toormina

Attachment 1

Council is installing a cycleway and shared path in Lyons Road. The shared path at the intersection of Lyons Road and Toormina Road provides improved access for students attending William Bayldon Public School. Council is seeking funding from the Department of Education to install a formal car park in the adjacent reserve which is currently used by Parents to pick up students. The school report that Parents also pick up students from the internal driveway, but the school does not have the capacity to cater for this number of vehicles, including taxis servicing the students with special needs attending the unit on this campus.

Council is installing kerb and gutter as part of the works, limiting access to the car park to a wide layback adjacent the bus bay. This will allow 2 way access with vehicles exiting via the bus bay. To manage the traffic movements, Council requests the installation of a left turn only sign on the median and a no entry sign on the eastern exit of the bus bay.

Traffic Committee advises the installation of bus zone signs for the extent of the bus bay, no stopping signs on the median and a single lane line marked in the bus bay.

RECOMMENDATION TO COUNCIL:

Approval to install a left turn only sign, a no entry sign, a no stopping zone, lane markings and a bus zone in the William Bayldon School bus bay, Lyons Road, Toormina as per plan T.39-2016.

Attachment 1

B. INFORMAL ITEMS SECTION (Traffic Engineering Advice)

B.8 - Pedestrian Safety - Robin Street/West High Street Coffs Harbour 5995191

Origin:

A Sahdra Bus Lines bus operator has witnessed in afternoon peak school zone times students crossing without looking, east of the roundabout intersection of West High Street and Robin Street Coffs Harbour.

Summary of Report:

The pedestrian crossing in West High Street East of the Robin Street roundabout is used by school students from Narranga Public School and other students as well as other pedestrians before and after school time. Some parents park in West High Street and walk to the school. Shop 36 on this intersection is an attractor for students and adults. About 45 people were observed using the crossing after school, including some young unaccompanied students. During school peak hour there is a constant stream of traffic including buses and heavy vehicles. Traffic counts conducted in West High Street (near Moonee Street) recorded an AADT of 9300 with peak hour volumes of 920 and 840 in each direction. Whilst there have been no reported crashes on this crossing, the volume of traffic and potentially higher speeds during off peak hours raises the risk of an incident occurring. Council recommends the installation of a school zone along this section of the road with flashing lights, particularly for east bound traffic where sight distance is constrained by the road geometry.

Committee advice:

Install advance warning signs and zig zag.

B.9 - Parking Issues - Nile Street Coffs Harbour

Origin:

Pedestrian questioned the legality of vehicles parked on the grass verge in Nile Street (north) adjacent Coffs Harbour High School.

Summary of Report:

The complainant was walking along Nile Street North on the road as the vehicles were parked on the grass verge preventing pedestrian access. A driver seemingly objected to the pedestrian on the road and sounded his horn. The pedestrian maintains that the vehicles on the north side should be fined for parking illegally overhanging the road pavement and blocking pedestrian access. There is a footpath on the southern side of Nile Street. Parking is in high demand in this area and the verge is used primarily for school staff and student parking. The road is 11- 2m wide with no line marking and the grass verge is 3-4m wide. The street could be listed for installation of kerb and gutter, and possibly a footpath in the future, but in the interim, what controls, if any, should Council implement to reduce risk on this road?

Committee advice:

Develop parking plan for all roads adjacent Coffs High School.

Attachment 1

B.10 - Cycle Lane - Bray Street, Coffs Harbour 5968230

Origin:

Complaint from a cyclist who has been hit in the same place 3 times in 2 years .The bike lane directly going west on Bray Street, Coffs Harbour. Cars turn into the shopping centre at the top of the hill, impatient drivers go into the bike lane. This is where the cyclist has been hit.

Summary of report:

West of the creek crossing near No 36 Bray Street a bicycle lane is marked on both sides of Bray Street. The marking consists of an E1 line at the edge of the traffic lane with painted bicycle logos abutting the line at intervals. The bicycle lane is effectively shared with the full width parking lane rather than being a separate linemarked lane between the parking lane and the traffic lane.

At the shops at 78 Bray Street a 46 m long No Stopping zone is marked opposite the driveway to permit westbound traffic to pass beside a propped right turning vehicle. A bus zone abuts the western end of the No Stopping and carries through to Norfolk Crescent.

On the northern side of Bray Street a bus zone is located on the eastern side of the shop access.

The problem appears to be that a westbound cyclist is at risk of conflict with westbound vehicles passing through the No Stopping area when the parking lane is used to pass a propped right turning vehicle.

Both traffic lanes are 3.1 m and parking lanes are 3.4 to 3.5 m. A standard BAR treatment would require a half road width of 7.2 m inclusive of a 1.2 m cycle lane moved to the left side to abut the kerb.

If the existing bicycle lane linemarking was removed through the length of the No Stopping zone and a 1.2 m wide bicycle lane marked to abut the kerb lip on the left side cyclists would keep left, the bicycle lane may be more visually prominent and a trafficable width would be available for the passing vehicle to pass between the turning vehicle and the bicycle lane.

An associated matter is that where the bicycle lane crosses a side road at T intersections, that the continuous line becomes a broken line through the intersection. This may be confusing to motorists in the stem of the T as the broken line appears to be a T intersection holding line at the very edge of the through lane rather than back at the gutter line, and that there is insufficient separation between vehicles in the intersection.

Possible alternatives to consider to amend the linemarking include:

1. No change to existing linemarking and add Give Way signs and holding lines to more heavily trafficked intersections.
2. Remove the broken line through the intersection and return the bicycle lane line with a curve into and out of the intersection. This effectively stops and starts the bicycle lane each side of the intersection.
3. Provide a second broken line through the intersection to define the width of the bicycle lane. This will assist drivers in the stem of the T to stop short of the through lane. Integration of the new line with the bicycle lane each side of the intersection is unresolved.

Committee advice:

Install more cyclist logos and green paint at key conflict areas in Bray Street Coffs Harbour.

Attachment 1

B.11 - Sikh Parade Temporary Road Closures Various Streets Woolgoolga

Origin:

The Sikh community in Woolgoolga have requested a rolling road closure of various roads in Woolgoolga and the closure of Beach Street, Woolgoolga for the traditional Indian Vaisakhi Parade in Woolgoolga on Saturday 16 April 2016. Police approval was given on condition that they had a debriefing meeting after the event.

Summary of Report:

The organisers closed Beach Street from Carrington Street to Nightingale Street Woolgoolga from 12.30pm -1.30pm.

The rolling closures affected Nightingale Street, Trafalgar Street, Fawcett Street, Gordon Street, Scarborough Street, Hastings Street returning to the temple on River Street. The parade traditionally calls in in at homes, the school and the Hastings Street temple. It is based on a village event. Seven Priests and musicians sat on a flatbed truck with the holy book during the parade. Other vehicles taking part in the procession were required to be registered with the event organisers. A speed limit of 15kph was required at all times and pedestrians were required to walk together away from vehicles.

The police conditions include 6 traffic controllers and two user pays police officers in cars to control the intersections.

The parade was held on Saturday 16 April from 10.30am- 3.00pm.

Committee advice:

Police report event was incident free. Council to contact organisers to advise and request application 6 months before the event.

B.12 - Request for Parking Restrictions - Isles Drive, Coffs Harbour 5728302

Origin:

Council received some requests for parking restrictions in Isles Drive (East) following the installation of paid parking in the Coffs Harbour Health Campus: further requests from business owners.

Summary of report:

Council received some complaints in August 2015 following the installation of paid parking in the Coffs Harbour Health Campus of hospital staff parking in Isles Drive obstructing heavy vehicle access. A loading zone on the north side of Isles Drive was approved at the December 2015 meeting. There have been further requests from business owners to install no stopping zones adjacent and opposite K&J Truck depot, Cromack Transport, Souths Trucks and One Steel. Parked vehicles obstruct turning heavy vehicles, including b-doubles. They are further constrained by queuing traffic at the signalised intersection. Council recommends the installation of a 105m no stopping zone from the southern intersection of the Pacific Highway to the second K&J Truck driveway

Committee advice:

Approval to install 105m no stopping zone in Isles Drive (south), Coffs Harbour from the Pacific Highway to the second driveway of K& J Truck depot to facilitate truck movements.

(install left turn lane line on North side of Isles Drive, Coffs Harbour).

Attachment 1

B.13 - Road Safety Intersection of Frances Street and Gundagai Street Coffs Harbour 5539099

Origin:

Resident on the corner of Frances and Gundagai Street is very concerned about the number of crashes on this intersection, particularly in the wet.

Summary of Report:

Council has submitted an application for black spot funding following 7 crashes (2009 – 2014) on the corner of Frances and Gundagai Street. The business owner on the corner has written to Council several times to report crashes and vehicles out of control on the corner, particularly in the wet. The latest incident involved a vehicle crashing into the business car park and the fence of number 64 Frances Street. Council is seeking information from the Police regarding the circumstances of the crash, and advice from the committee about possible interim measures that could be implemented.

Committee advice:

Install Traffic calming in Gundagai Street, Coffs Harbour and modify centre median back from the Gundagai /Frances Street intersection and review/remark lines.

B.14 – Solitary Islands Way speed zones

Origin:

Council and RMS have received requests to review the speed zones in Solitary Islands Way from Sandy Beach (south) Highway intersection to Emerald Beach intersection and the length of the Hoys Road 60kph zone north of the Highway intersection. Also the existing speed zone from Woolgoolga to Arrawarra which is currently 100kph

Summary of Report:

RMS forwarded 11 complaints that the 60kph speed zones in Solitary Islands Way are too low for the road design and request that they be increased to 80kph. The two sections in question are 1. Sandy Beach south Highway intersection to Emerald Beach, and a request to reduce the length of the 60kph zone north of the Moonee Beach intersection (Hoys Road). Council is requesting a speed zone review of this two sections.

Secondly, Council have recently installed new linemarking in Solitary Islands Way from Woolgoolga to Arrawarra which narrows the road to two lanes and incorporates and separated 2.5m bi-directional cycleway. Several members of the public have expressed concern that 100kph speed zone is now too fast for this road, particularly at the intersections of Safety Beach Drive and Arrawarra Road. Residents say they would be concerned about finding a safe gap during peak hours from these intersections with no acceleration lanes.

A school bus driver also finds it difficult to find a safe gap when exiting Centenary Drive at the existing speed of 80kph, and would be very concerned if the speed limit was increased to 100kph. Council requests that RMS take into account the concerns of residents, and the volume of traffic accessing Arrawarra, Safety Beach and Centenary Drive, as well as the presence of children, bicycles and other pedestrians sharing the road with traffic before determining the speed zone.

Importantly, Council requests that RMS decisions are made objectively and consistently according to the approved Speed Zone Guidelines.

Attachment 1

Committee advice

Council liaise with RMS to provide Community feedback about Solitary Islands Way Woolgoolga to Arrawarra.

B.15 – Traffic Issues - Gordon/Coff Street Intersection, Coffs Harbour

Origin

Issues with right turning vehicles from Gordon Street into Coff Street, Coffs Harbour. Suggestion - Ban right turn from Gordon Street or remove edge line from Coff Street Intersection to allow legal movement.

Committee advice

Leave edge line in Coffs Street Coffs Harbour and no right turn from Gordon Street Coffs Harbour.

T.16 - High Street Woolgoolga No Entry signs 5966497

Origin

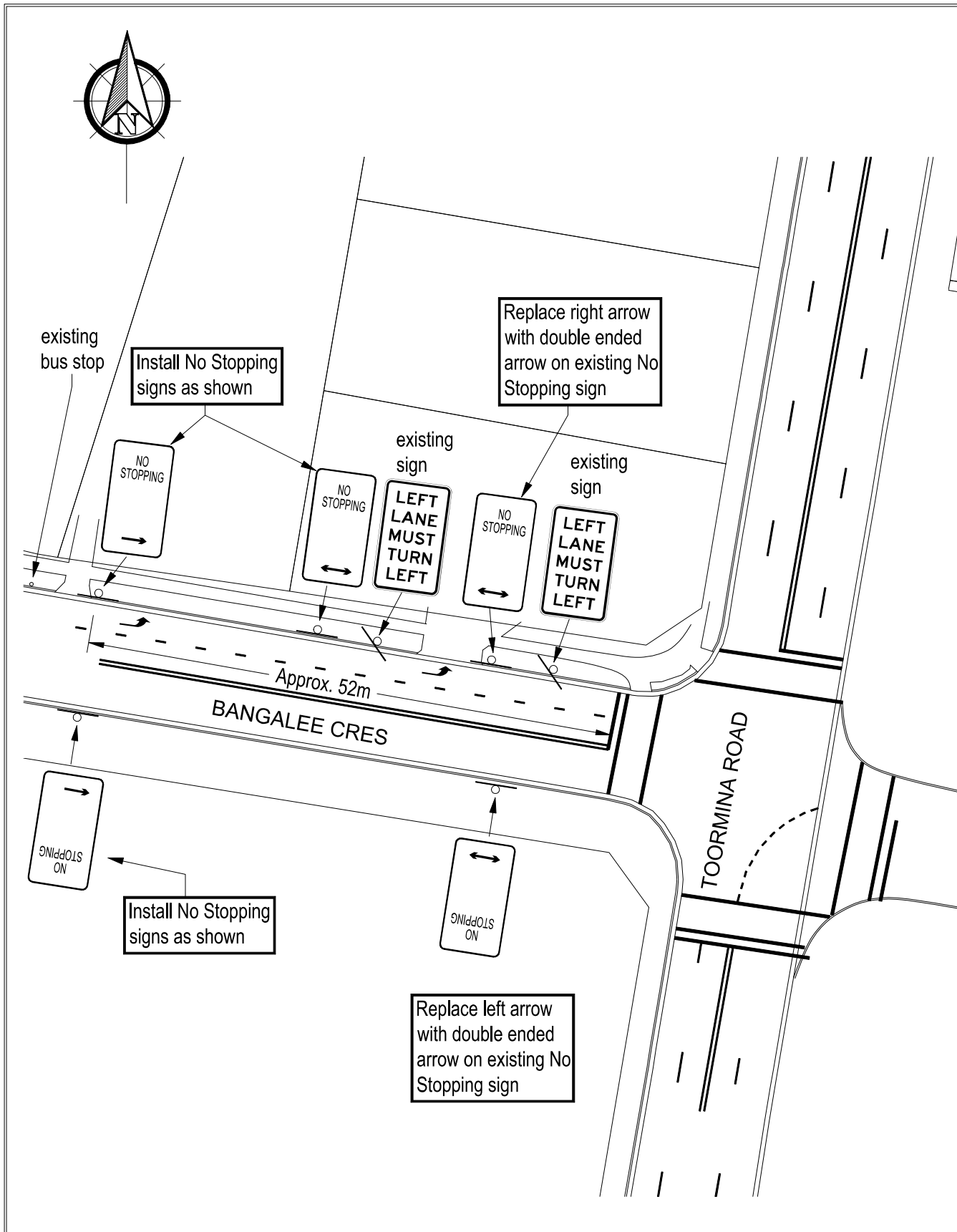
Resident is concerned about the effectiveness of the current traffic arrangements in High Street Woolgoolga, but also that signs are not changed unless a more effective plan is developed. Customer is also questioning Council and Police response to the illegal traffic movements at the intersections of High Street / Scarborough St and High Street/ Nightingale Street.

Committee advice

Council proposes to conduct a Local Traffic Area Management Plan - broadening the plan to surrounding streets. Police will respond to the residents' GIPA request. They can task a Police car to patrol the area when available, but it's not a priority.

NEXT MEETING:

Meeting ended at 2.00pm.



NOTES:

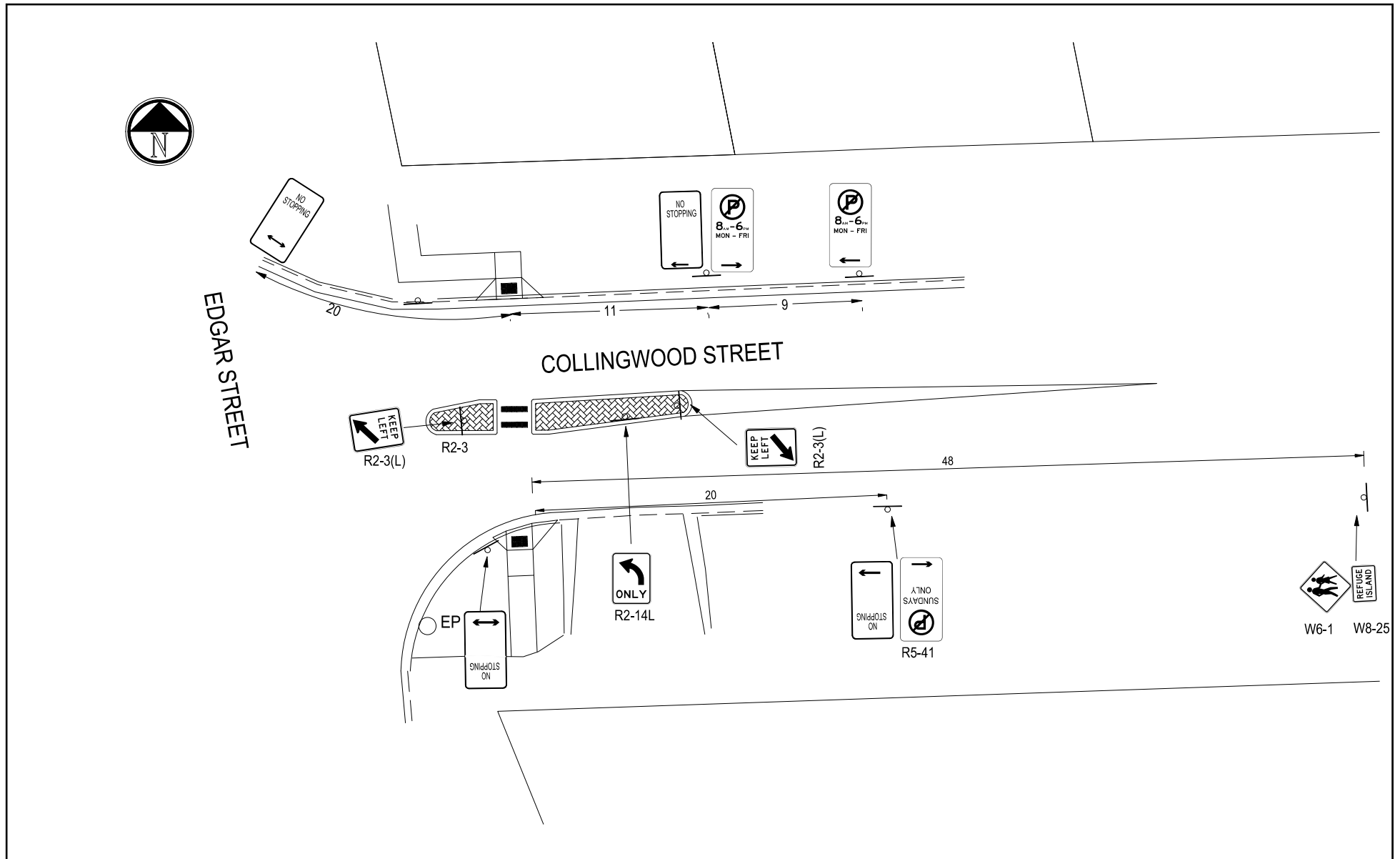
No Stopping Zones on both sides of Bangalee Crescent Toormina, be extended approx. 40 metres west (ie 52 metres from the traffic lights hold line at Toormina Road intersection).



TRAFFIC INSTRUMENT

T24 - 2016

BANGALEE CRES - NO STOPPING
TOORMINA



NOTES:

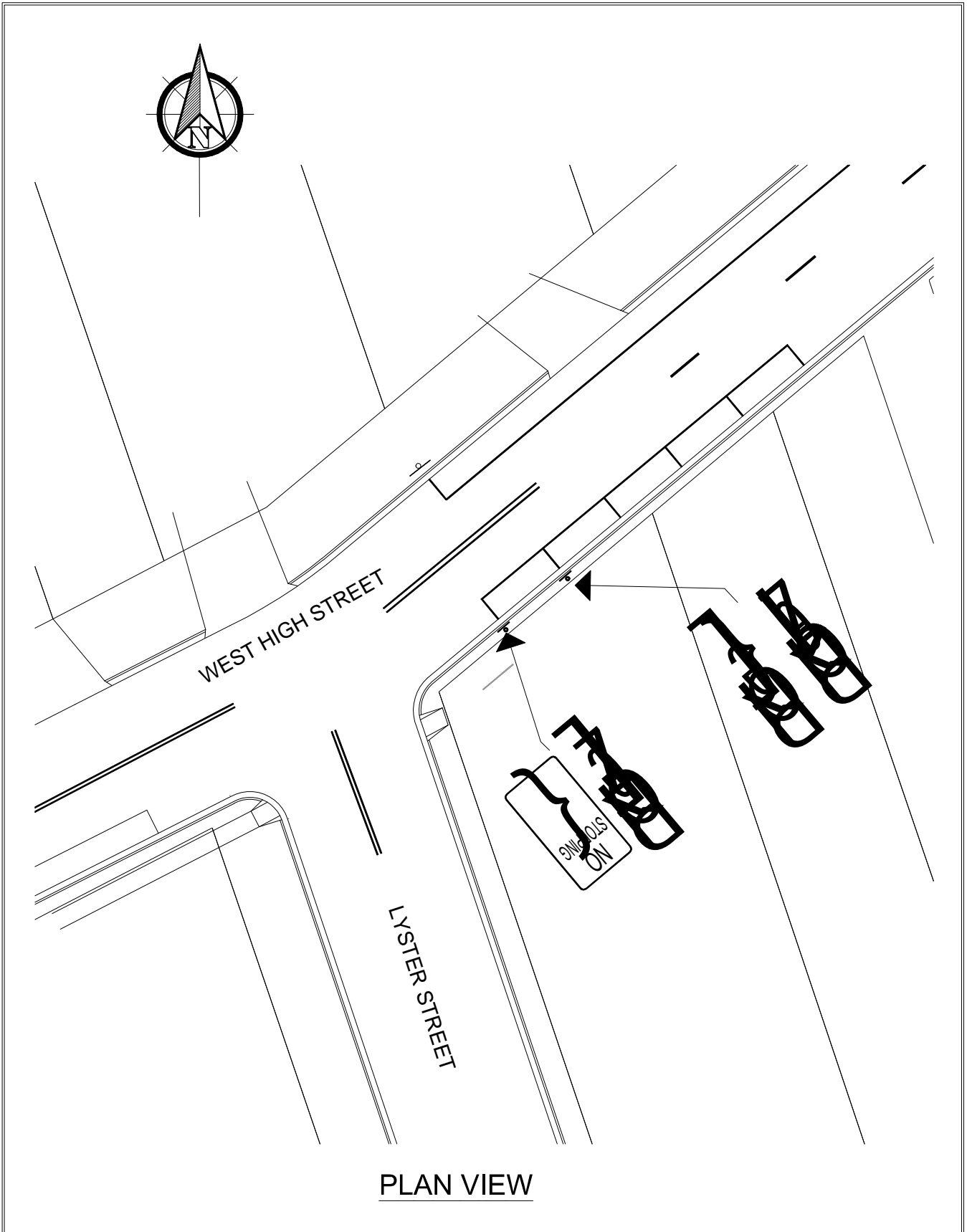
That a 20m No Stopping zone be installed and the No Parking zone (9m) reinstated east of the new No Stopping zone adjacent to the new refuge on Collingwood Street east of Edgar Street, Coffs Harbour intersection together with Keep Left and Left Only signage and line marking, as per plan



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TRAFFIC INSTRUMENT

T26-2016
 COLLINGWOOD STREET - NO STOPPING
 COFFS HARBOUR



PLAN VIEW

NOTES:

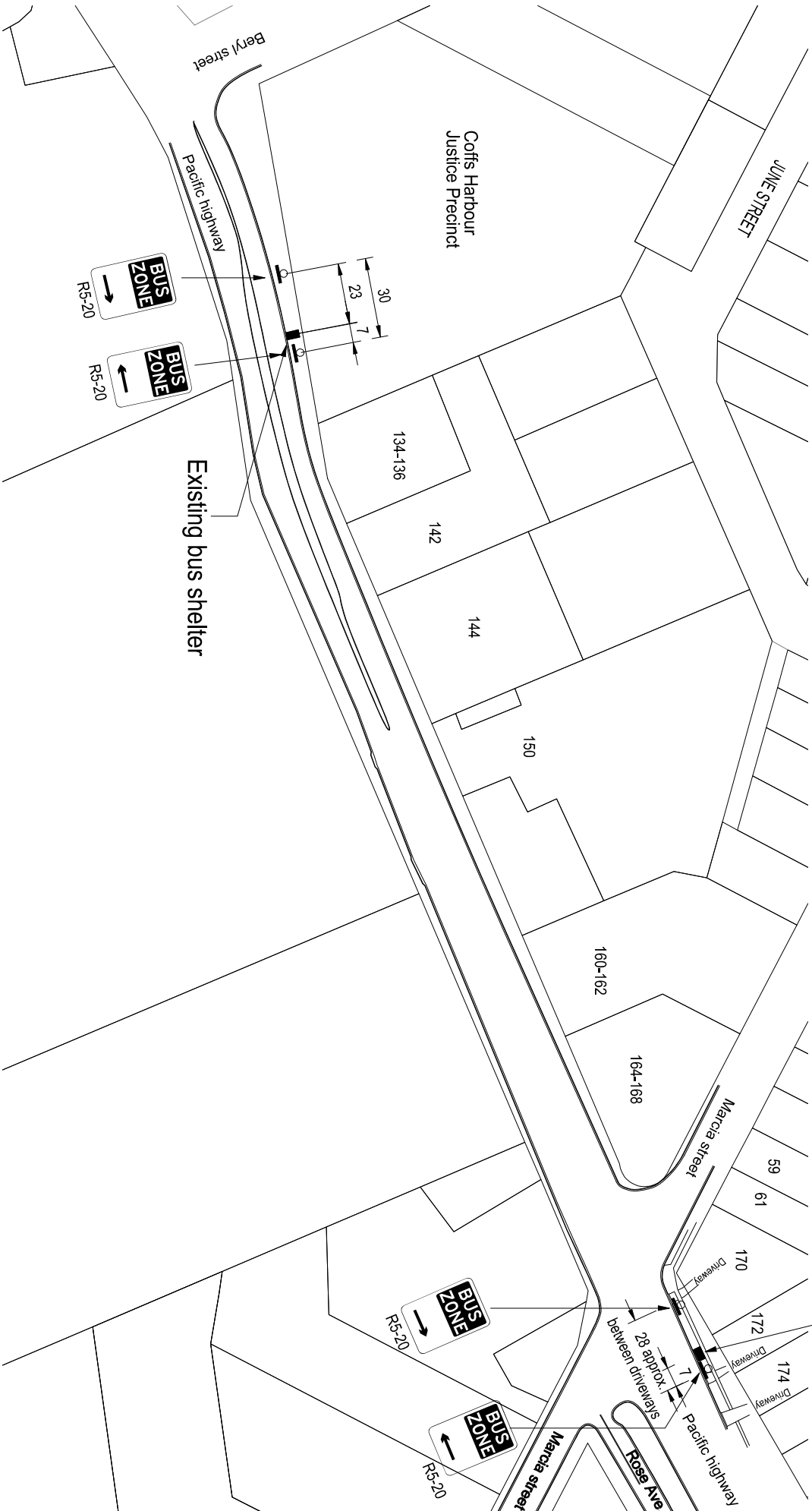
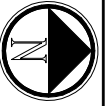
15 minute parking be installed in 1 hour car parking space in West High Street (South) East of Lyster Street, Coffs Harbour



TRAFFIC INSTRUMENT

T27-2016

WEST HIGH ST - 15min PARKING
COFFS HARBOUR



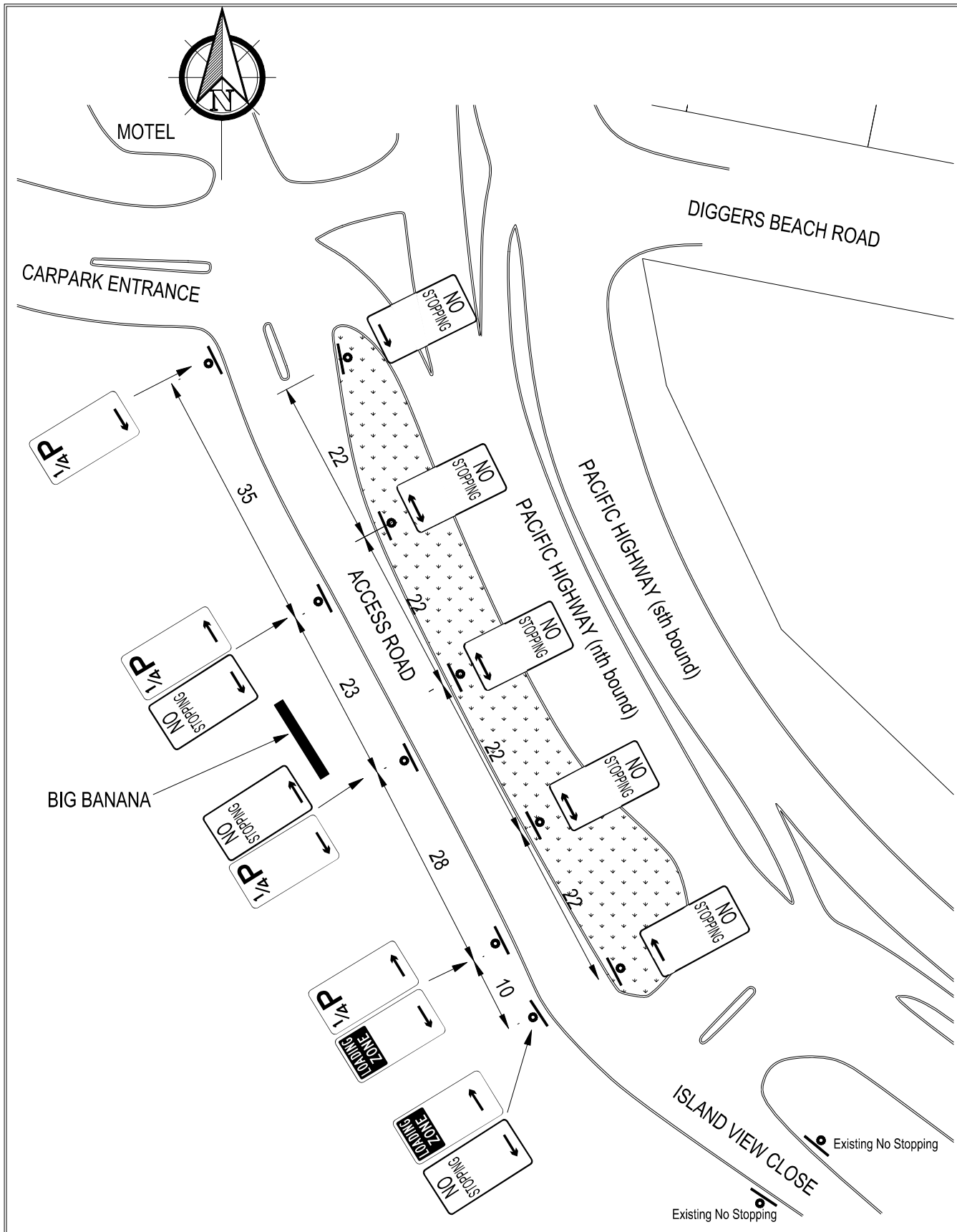
NOTES:
 Install 30m bus zones at Pacific Highway bus stops at the following locations:
 1. North of the Beryl Street intersection (West), Coffs Harbour, as per plan.
 2. North of the Marcia Street intersection (West), Coffs Harbour, as per plan.



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TRAFFIC INSTRUMENT

T30-2016
 PACIFIC HIGHWAY - BUS ZONES
 COFFS HARBOUR



NOTES:

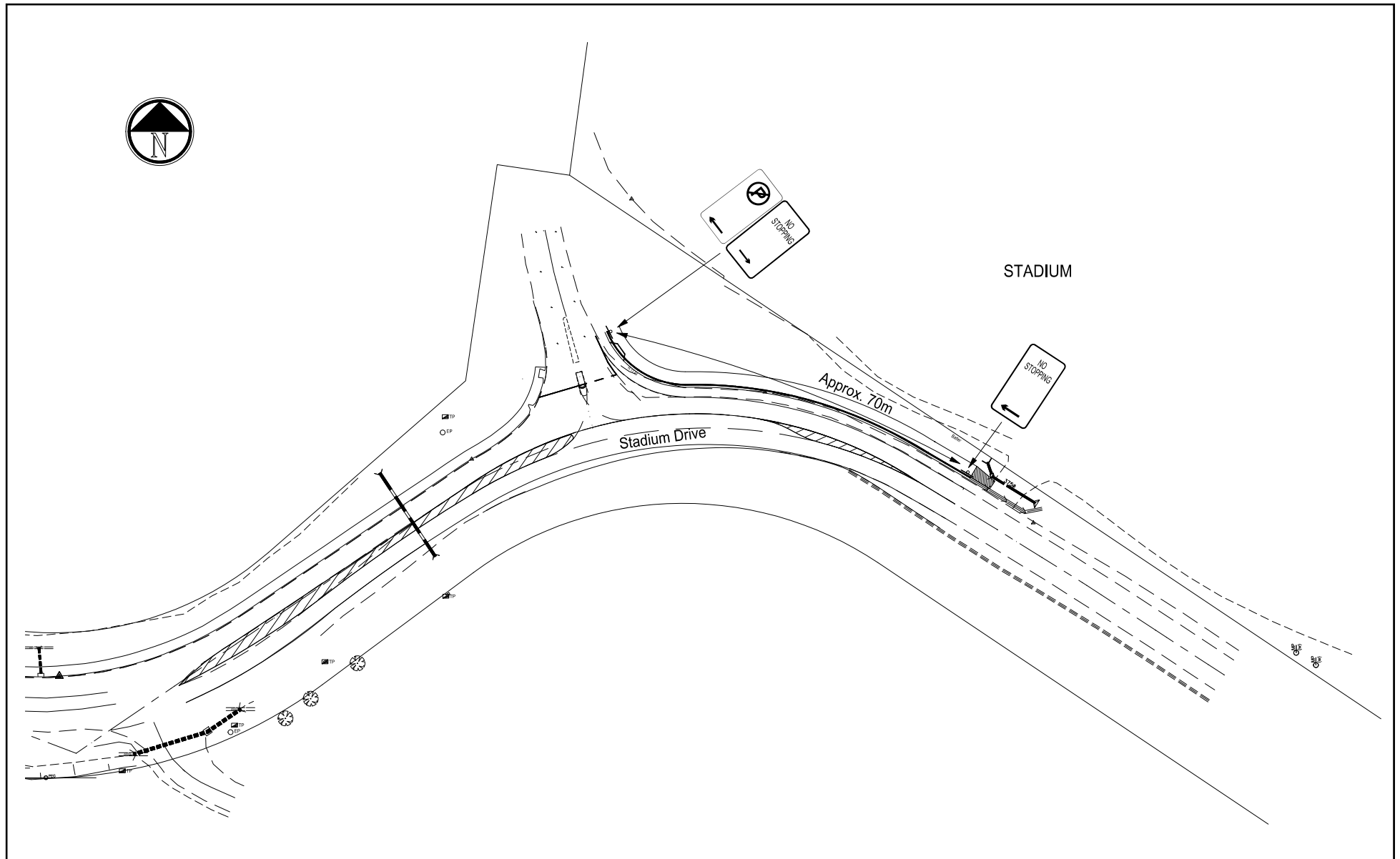
Installation of two 15 minute parking zones for 28m and 35m. One 10m loading zone and a 23m No Stopping zone on the western side and a 89m No Stopping on the eastern side of the Big Banana service road, Coffs Harbour, as per plan



TRAFFIC INSTRUMENT

T.31-2016

No Stopping, 15 min Parking & Loading zone
COFFS HARBOUR (Big Banana)



NOTES:

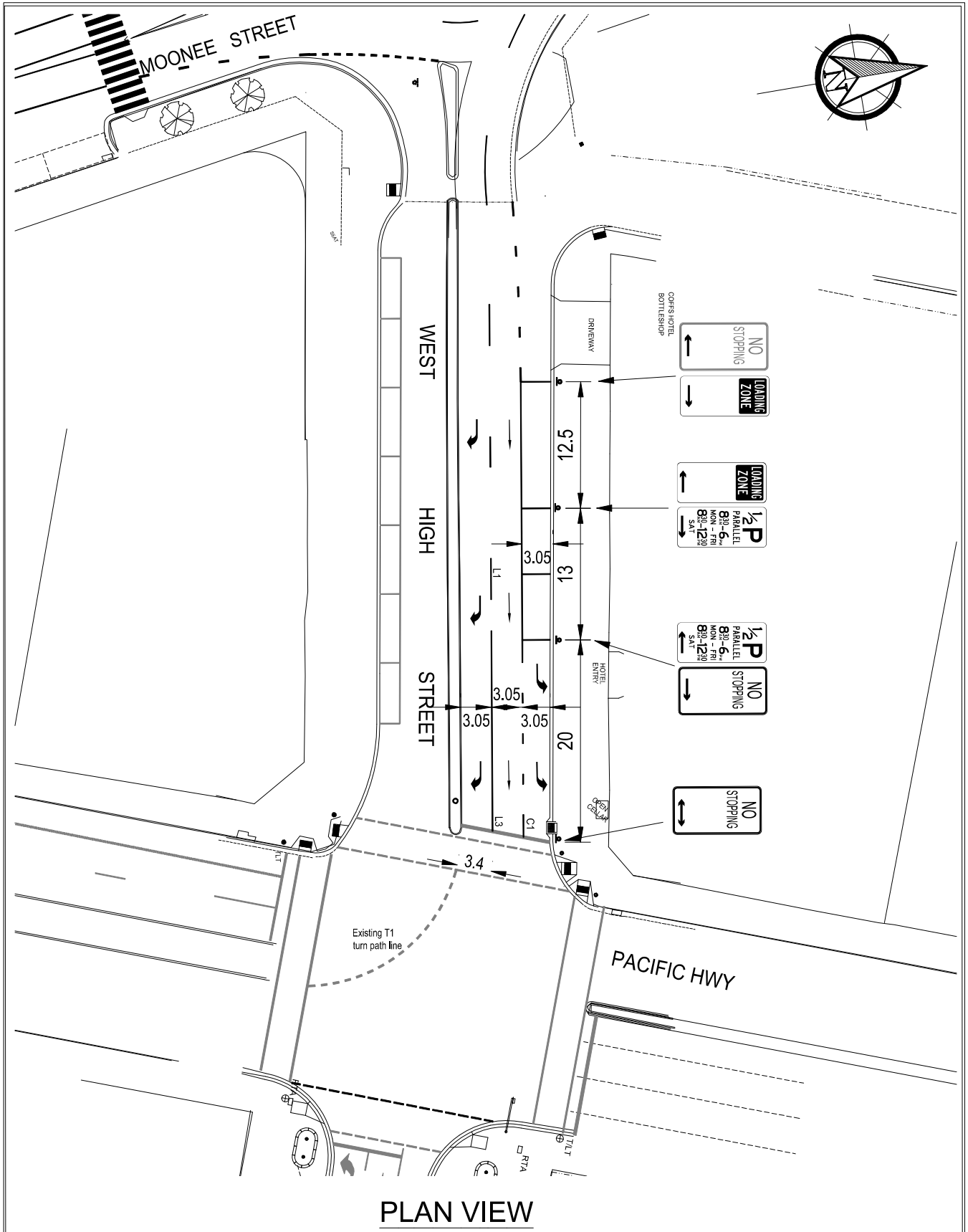
no stopping zone in Stadium Drive, Coffs Harbour from the entrance to the International Stadium for 70m.



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TRAFFIC INSTRUMENT

T32-2016
STADIUM DRIVE - NO STOPPING
COFFS HARBOUR



PLAN VIEW

NOTES:

reduce the approved left turn lane in West High Street (north), Coffs Harbour to 20.0m from the intersection of the Highway and install one (1) 12.5m Loading zone and two (2) 6.5m half hour parking spaces as per plan

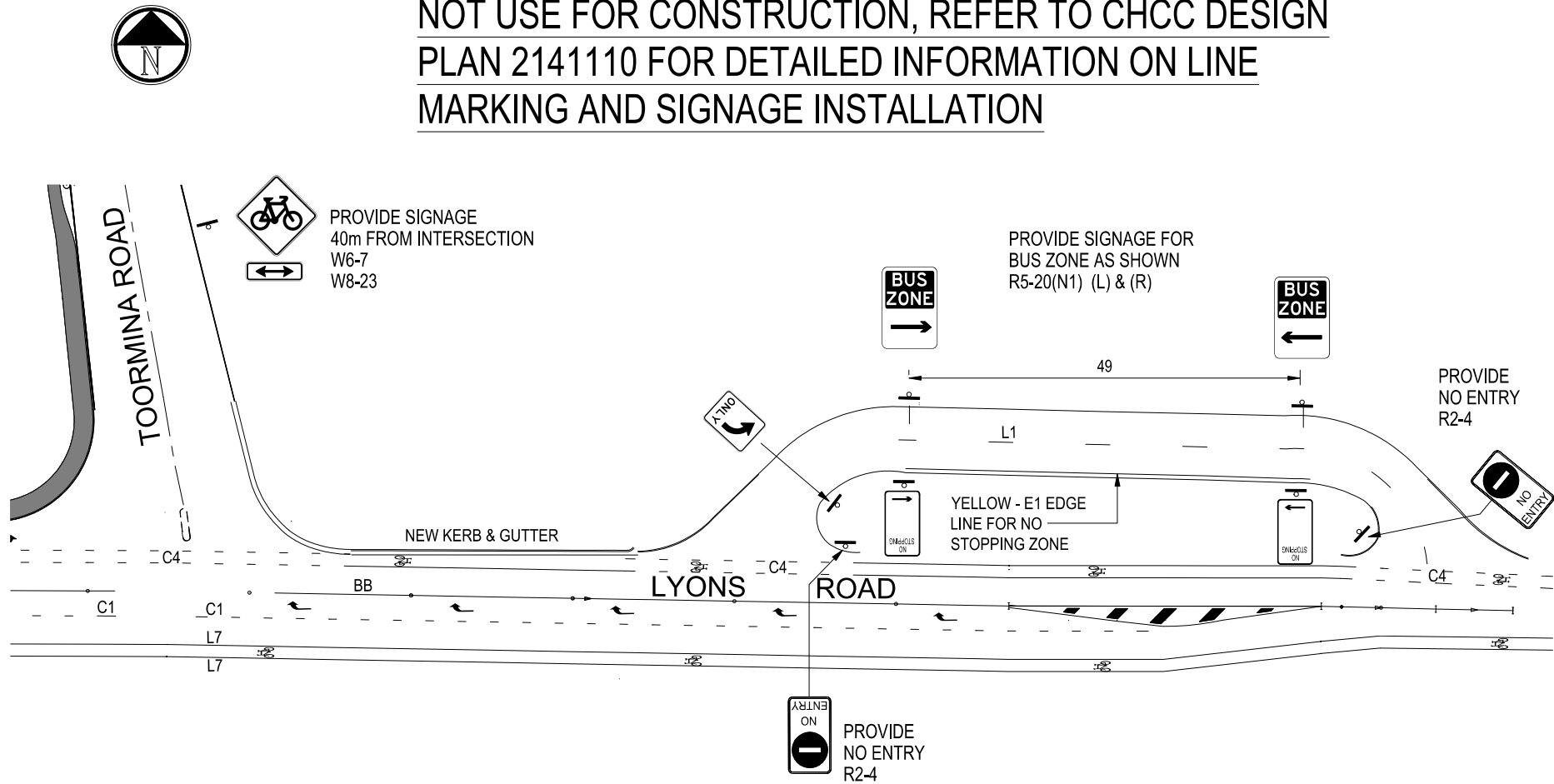


TRAFFIC INSTRUMENT

T.38-2016

WEST HIGH ST - LEFT TURN ADDITION
COFFS HARBOUR

NOTE: THIS PLAN IS FOR TRAFFIC INSTRUMENT ONLY, DO NOT USE FOR CONSTRUCTION, REFER TO CHCC DESIGN PLAN 2141110 FOR DETAILED INFORMATION ON LINE MARKING AND SIGNAGE INSTALLATION



NOTES:

Left turn only sign, no entry signage, no stopping zone, lane markings and a bus zone in the William Bayldon School bus bay, Lyons Road, Toormina as per plan



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TRAFFIC INSTRUMENT

T39-2016
 LYONS ROAD - SCHOOL BUS BAY
 TOORMINA