



2 February 2015

Dear Councillor,

Your attendance is requested at an Ordinary Council Meeting of the Blayney Shire Council to be held in the Chambers, Blayney Shire Community Centre on Monday, 9 February 2015 at 6.00 pm for consideration of the following business -

- (1) Acknowledgement of Country
- (2) Recording of Meeting Statement
- (3) Apologies for non-attendance
- (4) Confirmation of Minutes - Ordinary Council Meeting held on 08.12.14
- (5) Matters arising from Minutes
- (6) Disclosures of Interest
- (7) Public Forum
- (8) Mayoral Minute
- (9) Notices of Motion
- (10) Reports of Staff
  - (a) General Manager
  - (b) Corporate Services
  - (c) Engineering Services
  - (d) Environmental Services
- (11) Delegates Reports
- (12) Committee Reports
- (13) Questions from Councillors
- (14) Closed Meeting

Yours faithfully

Rebecca Ryan  
**General Manager**

**5.30pm - Lifeline Central West - Alex Ferguson**

**5.40pm - Central NSW Tourism - Lucy White**

**5.50pm - WBC Update - Donna Galvin**

## **Meeting Calendar - 2015**

### **February**

Time	Date	Meeting	Location
10.00am	6 February 2015	Central West Libraries Committee	Orange City Council
6.00 pm	9 February 2015	Council Meeting	Community Centre
10.00 am	11 February 2015	Central Tablelands Water	Grenfell
5.00 pm	12 February 2015	Cemetery Forum	Community Centre
5.00 pm	12 February 2015	Economic Development Committee	Community Centre
5.45 pm	12 February 2015	Access Advisory Committee	Community Centre
4.00 pm	17 February 2015	Local Emergency Management Committee	Community Centre
9.00 am	18 February 2015	Audit Committee	Community Centre
5.30 pm	19 February 2015	Sports Council	Community Centre
10.00 am	20 February 2015	Traffic Committee	Community Centre

### **March**

Time	Date	Meeting	Location
6.00 pm	9 March 2015	Council Meeting	Community Centre
6.00 pm	12 March 2015	Towns and Villages Committee	Community Centre

### **April**

Time	Date	Meeting	Location
10.00 am	8 April 2015	Central Tablelands Water	CTW Office, Blayney
5.00 pm	9 April 2015	Economic Development Committee	Community Centre
6.00 pm	13 April 2015	Council Meeting	Community Centre
10.00 am	17 April 2015	Traffic Committee	Community Centre
5.30 pm	23 April 2015	Financial Assistance Committee	Community Centre

**INDEX OF REPORTS OF THE BLAYNEY SHIRE COUNCIL MEETING**  
**HELD ON MONDAY 9 FEBRUARY 2015**

**GENERAL MANAGER'S REPORTS**

01) BLAYNEY COUNCIL FIT FOR THE FUTURE OPTIONS .....	2
02) BLAYNEY COMMUNITY ENGAGEMENT STRATEGY FFF.....	8
03) STAGE 2 ORGANISATIONAL STRUCTURE REVIEW .....	11

**CORPORATE SERVICES REPORTS**

04) ADOPTION OF STATEMENT OF BUSINESS ETHICS .....	17
05) 2016 ELECTION SERVICES .....	19
06) REQUEST FOR INTEREST FREE LOAN ADOPTION .....	21
07) SIX MONTHLY DELIVERY PLAN REVIEW - DECEMBER 2014.....	22
08) QUARTERLY BUDGET REVIEW STATEMENT - DECEMBER 2014.....	22
09) REPORT OF COUNCIL INVESTMENTS AS AT 31 DECEMBER 2014.....	26
10) REPORT OF COUNCIL INVESTMENTS AS AT 28 JANUARY 2015 .....	31

**INFRASTRUCTURE SERVICES REPORTS**

11) WIRE MESH REPLACEMENT IN CARCOAR AND NEWBRIDGE .....	35
12) INFRASTRUCTURE SERVICES MONTHLY REPORT .....	37
13) LAND ACQUISITION FOR ROAD WIDENING AT 425 FOREST REEFS ROAD, MILLTHORPE .....	41
14) STRATEGIC BUSINESS PLAN FOR SEWERAGE SERVICES .....	42

**PLANNING AND ENVIRONMENTAL SERVICES REPORTS**

15) DEVELOPMENT APPLICATION NO. 122/2014 - TATTOO/ART STUDIO AT LOT 102 DP1055449 - 22 BUESNEL LANE, MILLTHORPE .....	45
16) DEVELOPMENT APPLICATION NO.126/2014 - ERECTION OF A DWELLING AT LOT 158 DP750399 - 1 SAWYER STREET, BARRY .....	60
17) PLANNING PROPOSAL TO AMEND BLAYNEY LOCAL ENVIRONMENTAL PLAN 2012 .....	69

**COMMITTEE REPORTS**

18) MINUTES OF THE BLAYNEY SHIRE SPORTS COUNCIL MEETING HELD 20 NOVEMBER 2014 .....	71
19) MINUTES OF THE BLAYNEY SHIRE ACCESS ADVISORY COMMITTEE MEETING HELD ON 27 NOVEMBER 2014 .....	72
20) MINUTES OF THE BLAYNEY SHIRE TOWNS AND VILLAGES COMMITTEE MEETING HELD 11 DECEMBER 2014 .....	73

01) **BLAYNEY COUNCIL FIT FOR THE FUTURE OPTIONS**  
(General Manager)

**RECOMMENDED:**

1. That Council has the right scale and capacity to be a Council within the Central West Joint Organisation (JO) as recommended by the Independent Panel Review of Local Government in NSW.
2. That Blayney Shire Council prepares a submission to the Office of Local Government using the the Council Improvement Proposal (Template 2).
3. That the Mayor and General Manager be authorised to proceed with discussions with neighbouring councils for a new sub-regional alliance within the Central West JO.

**REPORT**

On Wednesday 17 and Thursday 18 December 2014, individual Councillor and staff workshops were held with the objective to review the NSW Governments Fit for the Future (FFF) reform program and determine a preferred strategy for Blayney Shire Council. Both workshop sessions were facilitated by the Executive Manager of the Wellington, Blayney and Cabonne (WBC) Alliance.

Councils Finance team presented to both workshops, the self-assessment results of Council's financial ratios and Key Performance Indicator (KPI) average over the last three (3) years against the benchmarks for sustainability, infrastructure and service management and efficiency as determined by NSW Treasury. Whilst Council currently meets only three (3) of the seven (7) criteria, the important factor to note is the implementation plan to improve these financial ratios over time.

Councillors and staff provided feedback and a list of positive and negative impacts were collated for the various options available to Blayney Shire Council, which included;

- a merger with either Cabonne/Orange or Bathurst/ Oberon Councils,
- a rural Council or
- remain as a Council within the Central West Joint Organisation (JO).

The preferred position from both workshops was that Blayney Shire remain a Council within the Central West JO.

**Fit for the Future Reform Program**

The NSW Government has provided a significant financial incentive to regional councils undertake a merger under the FFF reform package that aims to alleviate the constraints and costs incurred of aligning services.

This offer being in the form of an untied grant of; \$5m for a two (2) council merger and \$11m for a three (3) council merger.

A small council which elects to become a Rural Council will be eligible to access the \$4m Innovation Fund to implement a project such as developing IT systems to enable shared administrative arrangements with a partner council or developing a centre of excellence to provide services to other councils such as engineering or contract management.

The NSW Government will part fund (50%) for the engagement of a consultant from an approved technical expert panel to investigate a Council Merger option. Should Council decide to undertake financial analysis or attaining expert advice for standing alone or preparing the proposal then this would be at Council's own expense.

Despite the financial incentives provided in the FFF program, there remains no evidence that given the distances involved and communities of interest, that large geographical areas provide suitable economies of scale or additional services not already achieved by regional collaboration. The positive aspects of aligned tourism objectives, a larger pool of skilled professional staff, opportunities for succession planning and the additional financial resources was countered by the loss of identity and elected representation, reduced employment capacity in Blayney, the potential closure of depots or office and cost of a merger being greater than the funding on offer.

The OLG has a detailed process for preparing a plan to become FFF.

Council first decides if Blayney has the right scale and capacity using the Panel's recommendation as the starting point, then must select one of three (3) template proposal options being a;

1. Council Improvement Proposal
2. Council Merger Proposal or
3. Rural Council Proposal

Councillors have received various updates about the FFF program and reference is made to the detailed information which is publically accessible on the website [www.fitforthefuture.nsw.gov.au](http://www.fitforthefuture.nsw.gov.au). This website includes the Revitalising Local Government Final Report (October 2013), the NSW Governments Response to the recommendations and the specific program guidelines and criteria be that for JO's, Rural Councils, Mergers or Improvement Plans.

### **Independent Panel Review**

In terms of scale and capacity, Blayney Shire can demonstrate most of the strategic capacity criterion which include and is not limited to;

- effective regional collaboration,
- a robust revenue base,
- knowledge and innovation,

- staff skills and resources,
- political leadership and
- effective state/federal government partnerships.

The Independent Panel Review of Local Government recommendation for Blayney was as a '*Council in Central West JO or merge with Orange*'; within Group E: being '*Other Potential mergers to consolidate major regional centres*'. The philosophy behind this was that the well-established major regional centre could play a leadership role and offer technical support where required to the smaller councils. This recommendation requires the regional centre and the surrounding rural councils to work together collaboratively and productively.

### **Rural Council**

In addition, the workshops provided an opportunity for Councillors and staff to review the Rural Council Workshop Outcomes Report and undertake a critical assessment of whether it meets the general characteristics of a Rural Council.

Whilst Council agrees with the definitions and characteristics of a Rural Council, Blayney Shire does not meet the Rural Council Characteristics as presented by the Office of Local Government (OLG) and a submission was made on that basis in early January. The table below provides a summary of this assessment.

<b>Characteristics of a Rural Council (as per Fit for the Future Rural Councils Workshop Outcomes)</b>	<b>Does this apply to Blayney?</b>
Small and static or declining population spread over a larger area	No
Local economies that are based on agricultural/resource industries	No
High operating costs associated with a dispersed population and large area	No
High importance of retaining local identity, social capital, and capacity for service delivery	Maybe
Low rate base and high grant reliance	No
Difficulty in attracting and retaining skilled and experienced staff	No
Risk in ongoing financial sustainability and provision of adequate services and infrastructure	It Depends
Long distance to a major (or sub) regional centre	No
Limited options for merger	No

### **Pilot Joint Organisation**

As per previously advised, the Central West Joint Organisation (JO) has been successfully approved as a Pilot JO. Blayney Shire will continue to provide input into the governance and financial arrangements of the new JO with a

view to ensuring operational service delivery and associated funding thereof remains with and the responsibility of local councils. It has been agreed that the JO is not a fourth tier of government nor a provider of Council services or employer of Council employees.

### **Wellington, Blayney and Cabonne (WBC) Alliance**

On the WBC Alliance front, Wellington Shire Council has indicated a commitment for funding and participating in the Alliance to 30 June 2015 at this stage. Given the Independent Local Government Review Panel recommendation for Wellington, a more strategic move may require Wellington to align with the Orana group of councils. This has implications for the future of the WBC Alliance, which has demonstrated ten (10) years of successful collaboration and resource sharing.

It is recommended that the Mayor and General Manager proceed to negotiate with neighbouring councils within the Central West JO for potential alliance members with the view to creating a new sub-regional collaborative arrangement.

The success of any such alliance is pre-determined by the intent and goodwill of each partner council. If the arrangement becomes political or is for the wrong reason, then it will ultimately fail.

### **Neighbouring Councils**

Cabonne Shire Council has formalised its preferred position of remaining a Council within the Central JO, however are proposing the creation of a Joint Services Entity with Orange City and/ or Blayney Shire Councils.

Both the Mayor and General Manager have publicly supported a new sub-alliance of councils within the Central West JO that may include Cabonne, CTW, Cowra and Orange Councils. The reservation held is the structure of the Joint Entity as proposed, being a new organisation or trading business owned by the member councils. This is unnecessary and appears complicated given that current legislation already enables Councils to share resources and services. And as a founding member of the WBC Alliance there are demonstrated examples of councils sharing expertise, plant, equipment and processes that provide economies of scale.

At its ordinary monthly meeting Orange City Council is considering a report in regards to FFF submission options on Tuesday 3 February 2015. The recommendation in summary; that subject to confirmation of the resolved position to specifically agree to a merger and to agree to sharing costs, invite Cabonne and Blayney Shire Councils to undertake a business case for a merger.

Based on previous studies undertaken on shared resources for the WBC Alliance, the cost of a business case for a merger could be in the vicinity of \$80-\$120k. The cost to Blayney as proposed in the Orange City Council report could be \$20-\$40k.

Whilst a small point, the recommendations for neighbouring councils, by the NSW Independent Local Government Review Panel with the preferred options shown in bold as published in the Revitalising Local Government Report (2013) are as follows;

Orange City	Council in Central West JO or <b>merge with Cabonne</b> and/or Blayney
Cabonne	Council in Central West JO or <b>merge with Orange</b>
Blayney	Council in Central West JO or merge with Orange
Bathurst	Council in Central West JO or merge with Oberon
Oberon	Council in Central West JO or merge with Bathurst
Cowra	Council in Central West JO or merge with Weddin

Bathurst Regional Council has yet to formalise a resolution of a preferred position.

Realistically, given the political environment, Council needs to be prepared to consider invitations from both Orange City and Bathurst Regional Councils to undertake a business case for a merger proposal.

### **FFF Timeframe**

FFF Proposals are due by 30 June 2015 and a Council resolution is required as to the preferred option. Furthermore, Council needs to demonstrate due diligence in researching and investigating options and in consulting and engaging with the community about the preferred option.

Council staff are working towards the following timetable;

January - February	<ul style="list-style-type: none"> <li>Identify areas for improvement and plan strategies to improve the Financial KPI benchmarks</li> <li>Commence Community Engagement Strategy</li> </ul>
March	<ul style="list-style-type: none"> <li>Financial, Asset Backlog and Levels of Services Delivery analysis</li> <li>Community consultation and stakeholder engagement to review current IP&amp;R documents and identify community priorities to help inform the Improvement Proposal</li> </ul>
April	<ul style="list-style-type: none"> <li>Prepare improvement strategies and undertake financial modelling to quantify the projected outcomes</li> <li>Operational Plan, Delivery Plan and Resourcing Strategy review endorsed by Council for public exhibition</li> </ul>



- Community consultation and stakeholder engagement to review Improvement Plan Proposal
- May
- Finalise the draft proposal and have it endorsed by Council with Council Resolution to submit
- June
- Submit the FFF proposal by 30 June 2015

In terms of gathering feedback it is essential to question the improvement of each the of the options available to Blayney Shire in terms of the following;

- Financial stability
- Economies of scale
- Efficiencies
- Service delivery
- Ability to provide the services our communities will require in the future
- Local employment
- Advocacy with state and federal governments
- Decision making for local issues

### **BUDGET IMPLICATIONS**

There is no budget allocation for Council to complete the FFF submission. It is given the process will consume much of the senior executive team's and various finance and infrastructure department staff time from now until June 2015. This is time that certainly could be directed to more productive projects, however it is the opinion of the General Manager that there is adequate expertise within the senior executive team to confidently complete the Improvement Proposal by the due date.

It is anticipated that current staff resources and those Councillors who may be available will undertake the community engagement process with WBC Executive Manager being available for support as required.

The OLG FFF Relationship Manager allocated to Blayney Shire will be utilised to provide feedback and input as required.

### **POLICY IMPLICATIONS**

### **Attachments**

Nil

**02) BLAYNEY COMMUNITY ENGAGEMENT STRATEGY FFF**  
(General Manager)

**RECOMMENDED:**

1. That Council endorse the Fit for the Future Community Engagement Strategy 2015.

**REPORT**

Council is required to consult with the community and stakeholders to review the current IP&R documents; Blayney's Community Strategic Plan, Delivery Plan and Operational Plan and identify community priorities to inform the Fit for the Future (FFF) Council Improvement Proposal which is due 30 June 2015.

There remains considerable work by staff prior to having this conversation with the community in terms of preparing relevant, concise and easy to understand financial information and the asset/infrastructure qualitative data. Council long term financial planning analysis should have this information and feedback about acceptable levels of service for each of Council's assets and infrastructure.

Council's Community Engagement Strategy and Policy, adopted by Council in May 2013 details why Council should engage with the Community, the risks, guiding principles and characteristics of successful community engagement.

Council ideally is wishing to inform and consult with ratepayers and stakeholders about the decision that Blayney has the right scale and capacity to be a Council within the Central West Joint Organisation as recommended by the Independent Panel Review of Local Government.

Firstly Council should explain 'why' this decision has been made and the processes used for making a decision. Then it is essential that Council exchange information and allow the community to express their feedback on this particular issue.

To inform and educate the community about FFF, it is proposed that Council utilise the Blayney Chronicle Community News page, quarterly Community Newsletters, Website Q&A's fact sheets and local radio programs. Both the Mayor and General Manager, whilst attending community meetings and local business sessions can take the opportunity to raise the matter of FFF and promote the upcoming consultation process.

The next phase will include inviting community members, local business and stakeholders into the discussion about being FFF and seeking feedback about the current level of Council services.

Council has an established number of Advisory Committee's which are ideally placed and may be included in this process in addition to a FFF Roadshow hosted by Council in Blayney and the surrounding Villages attended by senior staff and Councillors who may be available.

In summary the following Community Engagement Strategy and timeframe includes;

<b>Informing and Educating the Community</b>  Blayney Chronicle Community News page  Quarterly Community Newsletter February  Website Q&A's fact sheets  Newspaper and Radio Interview programs  Attendance at Community meetings	January - March
<b>Consultation with Community and Stakeholders</b>  Blayney Chronicle Community News page  Quarterly Community Newsletter April  Website Q&A's fact sheets  Newspaper and Radio Interview programs  Advisory Committee's – Towns and Villages, Access, Cemetery,  FFF Roadshow – Blayney, Millthorpe, Barry, Neville, Newbridge, Lyndhurst, Mandurama	March - May

In conjunction with the Community consultation is the staff engagement and involvement in FFF. The General Manager and Directors will continue to update and include all staff in what Council activities are in regards to FFF, and provide opportunities for communication to flow both ways so that Council is likewise kept informed of staff issues or concerns that may arise during this process.

**BUDGET IMPLICATIONS**

This Community Engagement strategy will not be a huge impact to Councils Operational Plan and is achievable within current advertising and communication budgets, utilising current staff resources.

Should the services of an external facilitator be required, the Wellington Blayney Cabonne (WBC) Alliance Executive Manager will be sought as preference to bought in services.

**POLICY IMPLICATIONS**

BSC Community Engagement Strategy & Policy, May 2013

**Attachments**

Nil

**03)                    STAGE 2 ORGANISATIONAL STRUCTURE REVIEW**  
(General Manager)

**RECOMMENDED:**

1. 1. That Council note the General Manager's review of the Organisational Structure.
2. The General Manager provide a report back to Council on the assessment and implementation plan of the proposed increase to the Infrastructure Services workforce.

**REPORT**

In order address the failure of Council in completing a significant proportion of the capital and operational infrastructure and building works program, a preliminary review of the resource issues and challenges associated with the current workforce levels has been undertaken. This report details the proposed recruitment and appointment of additional employees in Infrastructure Services.

This, being Stage 2 of the organisational structure review may be implemented over a period and includes;

- 7 x Works Operators
  - 1 x Signs, 1 x Construction Carpenter, 2 x Vegetation, 1 x Bitumen, 2 x Sewer and Parks/Recreation Relief Operators (shared with Works)
- 2 x Trainee Works Operators
  - 1 x Road Construction and 1 x General Construction
- 1 x Cadet Engineer
- 1 x Mechanic
- 1 x Asset/GIS Officer

Included in the proposed changes, are some reallocating of reporting lines within the Department and rebadging of the Works Supervisor role to a Works Superintendent. Essentially four (4) Ganger positions; being Bitumen, Signs, Road Construction and General Construction, will have a normal fixed crew and are allocated by the Works Superintendent the staff and plant resources required from a pool of Truck Drivers and Relief Works Operators depending on the projects at hand.

There are two (2) indoor staff proposed, being a Cadet Engineer and an Asset/GIS Officer, which will address the current gap in managing the many small capital projects and quantifying Councils infrastructure and asset data, that will in turn provide more accurate financial information for all regulatory and legislative reporting purposes.

The creation of the Cadet Engineer within the organisation provides an avenue for local youth to begin a career in Civil Engineering with a degree qualification as an outcome from their employment.

Suitable tertiary engineering courses are currently delivered by University of Southern Queensland and University of New England; however Charles Sturt University in Bathurst recently announced it will deliver a Civil Engineering Course from 2016.

The significant benefit to the organisation however is with the creation of an additional ten (10) outdoor staff and provides;

- The opportunity to create two (2) Trainee Works Operators within the organisation which supports local Year 12 students to enter into a two (2) year paid Traineeship with a qualification as an outcome, with potential for a succession plan for retiring workers. These positions are proposed to be allocated to both the general construction and roads construction sections. As skills increase these trainees will be expected to provide an additional resource to the individual crews, for concreting works such as footpaths, building repairs and improvements, and road works including roller driving, drainage construction, general labouring duties and traffic control.
- A small Signs Crew will be able to install signage, and replace the many faded and redundant signs throughout the shire, as well as guide post installation.
- The Patching Crew will be bolstered by the inclusion of an additional person to operate the safety escort vehicle rather than being limited in their ability to undertake works, because of competing demands for staff in other areas.
- The workshop will be enhanced with an additional mechanics position to more efficiently maintain Council's light vehicle fleet and heavy plant, whilst also ensuring Council provides a responsive and financially sound fleet section.

### **Background**

In February 2013, a proposed increase to Infrastructure Services workforce of nine (9) employees was included in the 2013/2017 Workforce Management Strategy and approved by Council. This would have increased the current workforce from 42 to 51 FTE's. However, this was premised on an approved Special Rate Variation (SRV) of 15% for six (6) years. Given the IPART approval and subsequent SRV of 6% for two (2) years, a more conservative approach was taken and therefore the approved employment levels have not been implemented.

As previously notified by the General Manager to Council, a review of the organisational structure was undertaken by MANEX within the first few weeks of the General Manager's commencement in late November 2014.

The outcome of Stage 1, was some rearrangement of existing positions or position titles within the current structure and some modifications to current Position Descriptions to better align them with the demands and needs of each Department.

Council was advised that a restructure opportunity, being Stage 2 and specific to Infrastructure Services was being prepared pending staff consultation, detailed financial analysis and a critical review of the capital and operational works program; staff, plant and budget implications. In order to achieve some long term objectivity, the current labour charge vs estimates were checked against the 10 year Long Term Financial Plan (LTFP) and adjusted for plant charge out, materials, quarries, service contracts with assumptions made for CPI, wage increases and capital works relating to bridges and Parks and Gardens have been excluded. This revealed an estimate labour charge surplus equivalent to on average 15 staff, over the 10 year period of the LTFP.

Council's Finance team then worked forward at the input side, which essentially applied the science of re-calculating the additional workforce increase at each suggested salary grade to determine if there was any budget impact.

A further Stage 3 is proposed, which sees the addition of another 4.5 FTE's, being;

- 0.5 x Water Treatment Engineer
- 4 x Works Operators
  - 3 x Traffic and 1 x Trainee Parks/Recreation

Stage 3 whilst being prepared in draft will be deferred pending the completion of the 2015/19 Delivery Program, the reviewed LTFP and Council's Fit for the Future (FFF) submission. This will also need to take into account more accurate Infrastructure data and Asset Management Plans, service level reviews and the outcome of FFF.

The opportunity for a shared Water Treatment Engineer with another organisation will benefit Councils collaboration and resource sharing objectives. It ensures that Council delivers upon its defined Capital and Operation programs, offering its communities a secure and financially sound sewer (water) business.

The appointment of a traffic facilities crew of three (3) Works Operators will enable Council to deliver its own traffic control at work sites, and is estimated to save at least \$70,000 net that is currently expended on Contract Traffic Management services

### **Issues**

The average age of the outdoor employees is 52, with at least five (5) staff reaching retirement age within the next four (4) years. There is a natural attrition and current turnover rate of outdoor staff of 3.6 per annum (on average past five (5) years).

Council needs to ensure that adequate succession plans are in place to train new staff, engage local people in Council employment and compete with Mining industry positions.

These additional positions address some current WHS issues associated with patching and signs crew, sick leave and productivity overall. It will alleviate the organisations current incapacity and lack of resources to successfully complete both capital and operational projects as presented in the current Delivery Program and Special Rate Variation (SRV) program.

The implementation process of Stage 2, as per the Local Government Award (2014) involves further consultation and negotiation with staff, creation of position descriptions, salary grading, recruitment and appointment. It is expected this will take approximately three (3) to four (4) months. Infrastructure Services staff have been consulted about this proposal and it has been endorsed by the Consultative Committee, and the changes seen as positive and necessary. Existing staff may choose to apply for newly created positions and there may be others that require a Position Review. The Cadet Engineer role may be best deferred to 2016 which provides the current Year 12 group time to consider and plan for this opportunity.

The risk of Council not responding to this critical resource issue is the continuing limitation and failure to deliver infrastructure services. In the long term there may be further deterioration in the asset base (widening backlog) that is critical to any assessment undertaken in reviewing scale and capacity of local government in NSW and Australia.

### **Options**

Council may choose a business as usual approach, where staffing numbers remain the same, or wait for the outcome of the NSW State Governments local government FFF reform program. In terms of addressing community service needs, delivering projects in the current Delivery Plan/Operational Plan and meeting FFF objectives, this is not recommended.

And whilst Council may prefer to employ contract or casual staff on a short term basis this does not deliver long term WHS, training, staff development outcomes.

Council has been employing a number of casual and contract staff to assist with specific jobs, in some cases for a period of months. This management tool, in addition to use of paid Overtime; whilst providing an opportunity to ensure a project is completed within a scheduled timeframe is not sustainable on a long term basis.

There are also specific requirements as per the NSW Local Government Award (2014) which limits the provision of term contracts to either; a specific task or project, is an externally funded position, is for a role to provide relief for position that is vacant, an apprenticeship or traineeship program, a trialling of a new work area or seasonal work.

Should the work catch up and budget forecasts reveal less confidence in Councils capacity to remain financially sustainable then a staff freeze could be activated in the future.



**BUDGET IMPLICATIONS**

The second quarterly Quarterly Budget Review Statement (QBRs) to 31 December 2014 as presented to Council does not take into account the additional employees requested as per this report.

The General Manager will review and provide to Council prior to the third quarter QBRs (30 March 2015) detailed budget implications of this proposal, taking into consideration the various options available for addressing this resource issue. It is recommended that a further report be provided to Council with this long term financial analysis and a time frame for implementation.

The preparation of the 2015/16 Operational Plan and 2015/19 Delivery Plan will also enable the organisation to assess the back log of works against Reserves held.

An analysis and test of estimates provided by Infrastructure Services against the budget and current spend data, on a cash only basis was undertaken by Council's Finance department. These budget and YTD figures are purely on a cash basis, and do not include depreciation or internal charges.

	<b>Revised Budget 2014/2015</b>	<b>YTD Actual as at 31/12/14</b>	<b>Projected Expenditure 30/06/15</b>	<b>Estimate Transfer to Reserves 30/06/15</b>
Operational Budget	\$3,338,907	\$1,592,415	\$2,596,836	\$742,071
Capital Budget	\$4,578,923	\$1,575,179	\$3,571,179	\$1,128,044
<b>TOTAL</b>	<b>\$7,917,830</b>	<b>\$3,167,594</b>	<b>\$6,168,015</b>	<b>\$1,870,115</b>

The current estimated underspend or transfer to reserves from the combined Operational and Capital budgets is \$1,870,115 at 30 June 2015.

There remains \$2,376,000 in Reserves which represents savings made (Operational and Capital) and any uncompleted projects (Capital) from both the 2012/13 and 2013/14 financial years from the whole organisation. This includes the following Infrastructure Services projects;

<b>Capital Projects</b>	<b>Budget</b>
Cowriga Creek Bridge Replacement	\$311,966
Forest Reefs Road Rehabilitation	\$572,381
Carcoar Dam Road Bridge Replacement	\$90,000
Old Lachlan Road Bridge Replacement	\$30,000
Heavy Patching Program	\$200,000

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Footpaths	
Gold Street (Olive – Loquat) Mandurama	\$27,600
Binstead Street (Hawke – Tucker) Blayney	\$40,250
<hr/>	
<b>TOTAL</b>	<b>\$1,272,197</b>

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The additional employee costs, including workers compensation, training, PPE, Plant, superannuation, long service leave and allowances totals \$772,448 per annum.

Whilst a transfer to Reserves is anticipated, it is expected that this budget will be revoted into 2015/2016 and 2016/2017 as works are programmed for completion. These will be the subject of future QBRS presented to Council.

#### **POLICY IMPLICATIONS**

Workforce Management Strategy

#### **Attachments**

Nil

**04) ADOPTION OF STATEMENT OF BUSINESS ETHICS**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the comment on the draft Statement of Business Ethics policy be noted; and
2. That the draft Statement of Business Ethics policy be adopted and included in Council's policy register.

**REPORT**

Council at its meeting held 8 December 2014 resolved to place the draft Statement of Business Ethics on public exhibition.

Blayney Shire Council is committed to high ethical standards outlined in its Code of Conduct and other policies. This Statement of Business Ethics sets out the standards the Council requires of Council officials (Councillors, staff and delegates), contractors and their staff and other business associates.

The aim of the policy is to provide parameters for maintaining our high ethical standards in all contract work. Blayney Shire Council expects all parties to perform their duties with integrity, honesty and fairness.

At the closing date of the exhibition period Council had received one Councillor Submission. The feedback suggested the following:

*"To reinforce the importance of Council staff maintaining the confidentiality of Council information (which includes knowledge of Council procedures and practices) and commercial in confidence information received from other contractors and suppliers (as required under the Council's Code of Conduct), I would like to see contractors acknowledge that they will not offer employment to Council staff while they are employed by Council or within 12 months of ceasing employment.*

*This will ensure confidential Council information and council resources obtained through work with the council is not used inappropriately or for the wrong purposes and therefore will ensure confidence by contractors, suppliers and other dealing with Council in the fairness and impartiality of Council's processes and administration."*

The suggested insertion to the policy under "What we ask of you" is as follows:

- *"To ensure the integrity and confidentiality of Council information and commercial in confidence information received from other contractors and suppliers you will not offer to employ or engage in any capacity Council staff while they are employed by Council or within 12 months of ceasing employment"*

This suggested insertion has been included in the policy for adoption.

The adoption of this policy sets the benchmark for all Council officials, contractors and their staff and other business associates to work together to maintain our excellent reputation.

A copy of the Statement of Business Ethics is provided as an attachment to this business paper with the insertion underlined and italicised.

**BUDGET IMPLICATIONS**

Nil effect.

**POLICY CONSIDERATIONS**

As outlined above.

**IP&R LINK**

DP 6.3.1 Provide a framework for the efficient and effective administration of Council.

**Attachments**

1 Statement of Business Ethics Policy 5 Pages

**05)            2016 ELECTION SERVICES**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the report on the 2016 Election Services be noted.
2. That Council decline to accept any tender and not commit to the election services tender sought by Central NSW Councils (Centroc) and Regional Procurement Initiative as it does not deliver value and Council direct negotiations with any person with a view to entering into a contract in relation to delivery of election services.
3. The Blayney Shire Council (“the Council”) resolves:
  - a. pursuant to s. 296(2) and (3) of the *Local Government Act 1993* (NSW) (“the Act”) that an election arrangement be entered into by contract for the Electoral Commissioner (NSW Electoral Commission) to administer all elections of the Council.
  - b. pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a council poll arrangement be entered into by contract for the Electoral Commissioner to administer all council polls of the Council.
  - c. pursuant to s. 296(2) and (3) of the Act, as applied and modified by s. 18, that a constitutional referendum arrangement be entered into by contract for the Electoral Commissioner to administer all constitutional referenda of the Council.

**REPORT**

Council at its meeting held 10 March 2014 (minute number 1403/010) resolved to participate in the regional tender for election services run by Centroc and Regional Procurement Initiative (Hunter Councils).

The tender was evaluated by a Tender Evaluation Panel made up of staff from Centroc, Regional Procurement Initiative, and Hunter Council and Centroc members.

The panel gave consideration to responses from 2 tenderers:

- Australian Electoral Company (compliant tender)
- Australia Post (non-compliant tender)

The panel reviewed the tendered response and following financial analysis from participating Councils it was recommended that it would not be seeking services of Australian Electoral Company based on value.

The Australian Electoral Company had based its estimated costs for services to Blayney Shire Council based on a shared Returning Officer arrangement with Orange City and Cabonne Councils. The estimated price tendered for this service was well above that paid for the 2012 election.

The NSW Electoral Commission indicated at the commencement of the tender process that they would not participate in the 2016 Election Services tender however provided Council an election estimate for provision of services based on services provided for 2012. This was in accord with the 2012 arrangement with a shared Returning Officer with Bathurst Regional and Oberon Councils.

As the process included a Request for Tender, under the Local Government Act 1993, a Council resolution is required to decline this tender.

Council is also obligated under section 296 of the Government Act to make a resolution to engage the NSW Electoral Commission to conduct the 2016 election.

This report commends action to address both matters.

### **BUDGET IMPLICATIONS**

There is no impact on the 2014/15 budget. Provision will be made in the 2016/17 budget. Council makes an annual provision to transfer funds to an election reserve to lessen the impact on cash flow every four year.

### **POLICY CONSIDERATIONS**

Nil effect.

### **IP&R LINK**

DP6.3.1 Provide a framework for the efficient and effective administration of Council.

### **Attachments**

Nil

**06) REQUEST FOR INTEREST FREE LOAN ADOPTION**  
(Director Corporate Services)

**RECOMMENDED:**

1. That Council provide an interest free loan of \$40,000 for repayment over two (2) years to the Carcoar Medical Centre pursuant to policy 6C Package for Doctors Incentives for Retention / Attraction.

**REPORT**

Council at its meeting held 8 December 2014 considered this application and resolved the following:

*That Council place on public exhibition for a period of at least 28 days the proposed resolution. "That Council provide an interest free loan of \$40,000 for repayment over two (2) years to the Carcoar Medical Centre pursuant to policy 6C Package for Doctors Incentives for Retention / Attraction."*

Council's policy 6C Package for Doctors Incentives for Retention / Attraction offers incentive to attract and retain doctors in the Blayney Shire through a \$40,000 two (2) year interest free loan. The intent of the policy is for securing new GP's to practice in the Blayney Shire; however this financial assistance was never sought by the applicant upon arrival.

The awarding of this loan will render Council as an unsecured creditor in the event of default as the debt is not considered to be a "charge on the land" for debt recovery purposes.

The proposed resolution was advertised and placed on public exhibition from 11 December 2014. At the closing date of the exhibition period Council had received no submissions.

**BUDGET IMPLICATIONS**

As this will become an interest free loan, the cash outflow will not affect Council's operational budget result. However, it will reduce unrestricted cash levels over the next two (2) years.

At a current estimated current rate of return of 3.52% per annum, this would result in a loss of investment interest revenue of approximately \$2,865 over the two (2) year period.

**POLICY CONSIDERATIONS**

As outlined above.

**IP&R LINK**

Strategic outcome 5.2: Fit and Healthy Community Members

**Attachments**

Nil

**07) SIX MONTHLY DELIVERY PLAN REVIEW - DECEMBER 2014**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the six-monthly review of Council's 2014/15 – 2017/18 Delivery Plan be noted.

**REPORT**

As part of the Integrated Planning and Reporting Framework the Office of Local Government (OLG) requires Council to adopt a suite of strategic planning documents. These documents include a long term Community Strategic Plan, a four year Delivery Plan and an annual Operational Plan and Budget. These documents are supported by the Resourcing Strategy comprising the Long Term Financial Plan, Asset Management Policy and Plans and the Workforce Plan.

The current Delivery Plan was originally adopted in 2013 following consultation surrounding the Blayney Shire Council Community Strategic Plan 2025 involving the community, Councillors and Council staff. The Delivery Plan is a document which outlines what will be delivered to the community during the four (4) year term of Council using the Blayney Shire Council Community Strategic Plan 2025 as an overarching guide.

It is a further requirement of the OLG that progress reports are provided to Council and the community every 6 months. At the conclusion of the life span of the Delivery Program a full and comprehensive report is prepared for the benefit of the outgoing Council and community. The End of Term Report will be tabled in August 2016.

This six (6) monthly progress report is presented in a format which summarises the activities across the organisation using qualitative and quantitative information sourced from Managers and Directors.

The attached report provides a review of Council's 2014/15 – 2017/18 Delivery Plan for the period ending December 2014.

**BUDGET IMPLICATIONS**

Nil.

**POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP6.3.1 Provide a framework for the efficient and effective administration of Council.

**Attachments**

- 1 Delivery Plan Review as at 31 December 2014 11 Pages



**08) QUARTERLY BUDGET REVIEW STATEMENT - DECEMBER 2014**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the Quarterly Budget Review Statement for the quarter ending 30 December 2014 be noted and approve the requested supplementary votes for a total value of \$128k.
2. That the adjustments to votes of income and expenditure and restricted cash (reserves) be adopted.

**REPORT**

Clause 203 of the Local Government (General) Regulation 2005 requires that the Responsible Accounting Officer of a council prepare and submit to Council a budget review statement. The budget review statement must show, by reference to the estimate of income and expenditure set out in the operational plan adopted by Council, a revised estimate of the income and expenditure for the year. The budget review statement must also be accompanied by a report as to whether or not the Responsible Accounting Officer believes that the financial position of the council is satisfactory, having regard to the original estimates of income and expenditure.

In December 2010 the NSW Division of Local Government developed a set of minimum requirements for reporting the financial position of Council, to facilitate explanations and major variations and recommend changes to the budget for Council approval.

The Quarterly Budget Review Statement (QBRs) reports the Council Consolidated position combining General and Sewer Funds and is composed of, but not limited to, the following budget review components:

- A statement by the responsible accounting officer on council's financial position at the end of the year based on the information in the QBRs;
- Summary of Operational, Capital, Net and Restricted cash positions **(QBRs: Part 1)**
- Income and Expenses (Operational) Budget Review Statement in one of the following formats:
  - by income and expense type including capital grants and contributions **(QBRs: Part 2)**
  - by function / activity to align with the operational plan including capital grants and contributions **(QBRs: Part 4)** and further detailed, excluding capital grants and contributions **(QBRs: Part 4A)**
- Capital Expenditure and Funding Budget Review **(QBRs: Part 3)** and further detailed **(QBRs: Part 5)**
- Recommended changes to revised budget with commentary for Operational Income and Expenditure **(QBRs: Part 6)** and Capital **(QBRs: Part 7)**

- Budget Review Cash and Investments position (**QBRs: Part 8**) and narrative (**QBRs: Part 9**)
- Budget Review Key Performance Indicators (**QBRs: Part 10**)
- Contracts Budget Review Statement (**QBRs: Part 11**) and narrative (**QBRs: Part 12**)
- Consultancy & Legal Expenses Overview (**QBRs: Part 13**)
- Loans summary (**QBRs: Part 14**).

The purpose of the quarterly budget review is to act as a barometer of Council's financial health during the year and disclose Council's overall financial health position. It is also a means to ensure Council meets its objectives, targets and outcomes as set out in its Operational Plan.

The attached report provides a detailed review of Council's 2014/15 Budget Review covering the December 2014 quarter.

### **BUDGET IMPLICATIONS**

Overall the net variations in Continuing Operations for the quarter of \$51K will increase the projected Net Operating surplus from All Operations (surplus) to \$2.746m. The QBRs forecasts an increase to Income from Continuing Operations of \$363k largely attributed to projected increase to User Charges and Fees as a result of road funding \$245k and Cadia Pipeline rental \$70k. Expenses from Continuing Operations has also been forecast to increase by \$312k and is largely attributed to projected increase to Materials and Contracts \$245k associated with additional road works related to the above funding; increased provision for legal expenses \$20k and Risk / Work Health & Safety training program \$14k.

The nett variation to the Capital Budget is unchanged overall. Capital Expenditure is forecast to reduce the total works planned slightly by \$76k to \$7.383m. This is largely attributable to a Waste Transfer Station not proceeding following a life assessment of the current Landfill (\$450K); RMS funded works in Adelaide and Ogilvy St \$240k; and Hobbys Yards Resealing \$48k.

Capital funding is also forecast to reduce by \$76k to \$7.383m and is largely attributable to nett reduction of Restricted Cash (\$129k); projected reduction to Capital Grants (\$33k) and an increase to Rates and Other Untied Funding \$86k.

This QBRs forecasts a reduction of \$129k in the Consolidated position of unrestricted cash position as at 30 June 2015 to \$385K and projects cash held to be \$12.4m at year end.

The December Quarter QBRs includes total supplementary votes of \$128k which if approved will result in a forecast Net Operational Surplus of \$2.746m and Net Surplus before Capital Items of \$556k.

### **POLICY IMPLICATIONS**

Nil.

**IP&R LINK**

DP6.3.2 Maintain a stable and secure financial structure for Council.

**Attachments**

1 December 2014 Quarterly Budget Review 23 Pages

**09) REPORT OF COUNCIL INVESTMENTS AS AT 31 DECEMBER 2014**  
(Manager Financial Services)

**RECOMMENDED:**

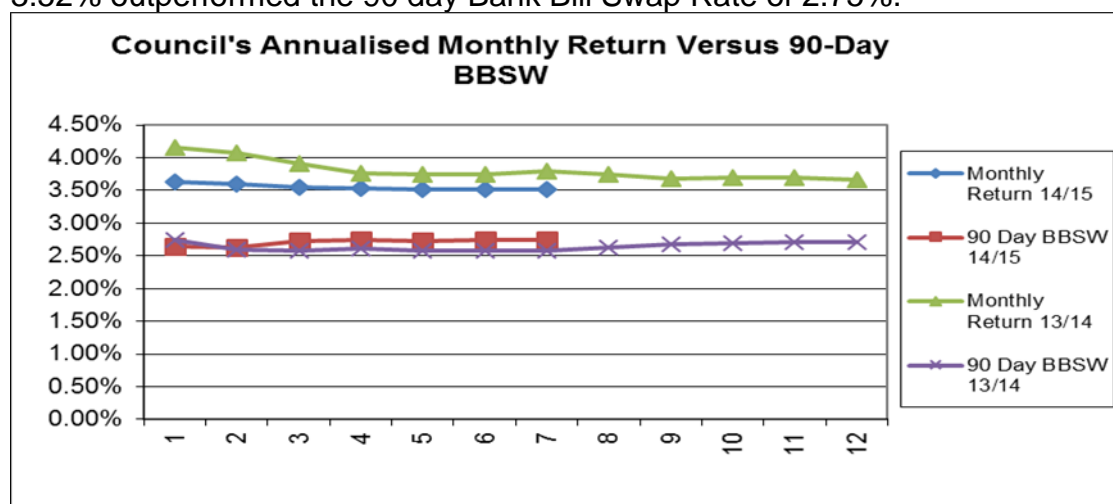
1. That the report indicating Council's investment position as at 31 December 2014 be received and noted.
2. That the certification of the Responsible Accounting Officer be noted and the report be adopted.

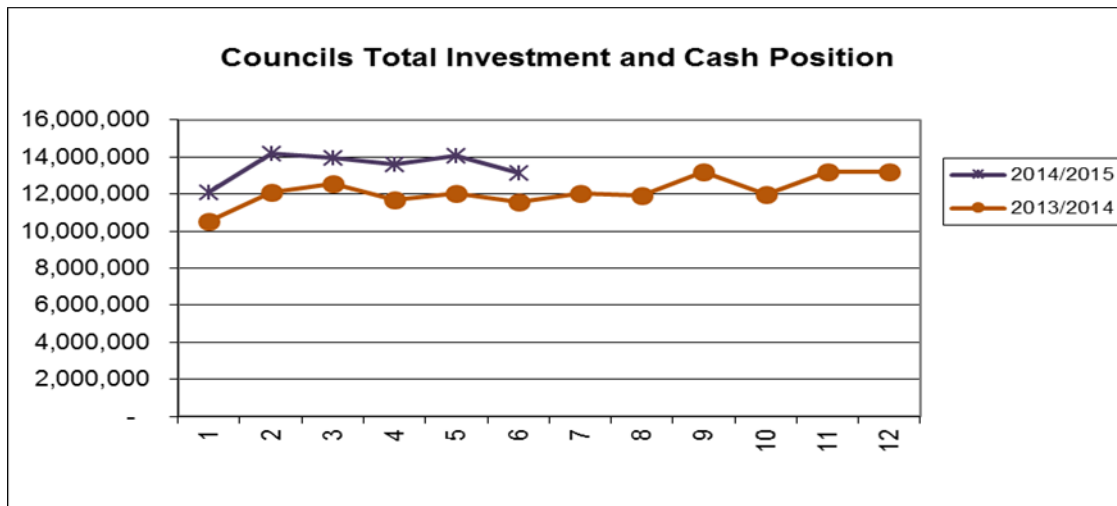
**REPORT**

This report provides details of Council's Investment Portfolio as at 31 December 2014.

Council's total investment and cash position as at 31 December 2014 is \$13,169,240. Investments earned interest of \$39,904 for the month of December 2014.

Council's monthly net return on Term Deposits annualised for December of 3.52% outperformed the 90 day Bank Bill Swap Rate of 2.75%.





REGISTER OF INVESTMENTS AND CASH AS AT 31 DECEMBER 2014				
Institution	Rating	Maturity	Amount \$	Interest Rate
AMP Bank Limited	A1/A+	6/01/2015	500,000	3.50%
AMP Bank Limited	A1/A+	18/08/2015	500,000	3.50%
Bank of Queensland	A2/A-	29/06/2015	500,000	3.50%
Bank of Queensland	A2/A-	3/06/2015	500,000	3.55%
Bank of Queensland	A2/A-	2/09/2015	500,000	3.50%
Bank of Sydney	Not rated	5/02/2015	500,000	3.70%
Bankwest	A1+/AA-	5/05/2015	500,000	3.45%
Bendigo & Adelaide Bank	A2/A-	17/11/2015	500,000	3.35%
Beyond Bank Australia	A2/BBB+	26/05/2015	500,000	3.51%
Gateway Credit Union	Not rated	6/01/2015	500,000	3.33%
Goldfields Money Ltd	Not rated	7/04/2015	500,000	3.45%
IMB	A2/BBB	3/09/2015	500,000	3.50%
ING Bank	A2/A-	5/05/2015	500,000	3.47%
ING Bank	A2/A-	28/05/2015	500,000	3.57%
ING Bank	A2/A-	9/06/2015	500,000	3.55%
ING Bank	A2/A-	18/08/2015	500,000	3.46%
Macquarie Bank	A1/A	2/09/2015	500,000	3.35%
ME Bank	A2/BBB+	1/09/2015	500,000	3.50%
NAB	A1+/AA-	9/06/2015	500,000	3.82%
NAB	A1+/AA-	1/12/2015	500,000	3.60%
Rural Bank	A2/A-	5/01/2015	500,000	3.45%
Warwick Credit Union	Not rated	3/03/2015	500,000	3.50%
WAW Credit Union	Not rated	4/02/2015	500,000	3.55%
Wide Bay Australia Ltd	A2/BBB	6/01/2015	500,000	3.60%
Wide Bay Australia Ltd	A2/BBB	17/12/2015	500,000	3.55%
<b>Total Investments</b>			<b>12,500,000</b>	<b>3.51%</b>
Benchmarks: BBSW 90 Day Index				2.75%
RBA Cash Rate				2.50%
Commonwealth Bank - At Call Account			135,360	2.50%*
Commonwealth Bank Balance - General			533,880	2.35%*
<b>TOTAL INVESTMENTS &amp; CASH</b>			<b>13,169,240</b>	

\* % Interest rates as at 31/12/2014

Summary of Investment Movements - December		
Financial Institution	Invst/(Recall) Amount \$	Commentary
Maitland Mutual Building Society	(504,130.14)	Term Deposit Redeemed 02/12/2014
MyState Bank Limited	(503,802.05)	Term Deposit Redeemed 02/12/2014
Bank of Queensland	500,000.00	Term Deposit Invested 03/12/2014
Bank of Queensland	500,000.00	Term Deposit Invested 03/12/2014
National Australia Bank	500,000.00	Term Deposit Invested 05/12/2014
B&E Limited	(504,176.03)	Term Deposit Redeemed 09/12/2014
Bankstown City Credit Union	(504,487.67)	Term Deposit Redeemed 09/12/2014
ING Bank	500,000.00	Term Deposit Invested 10/12/2014
Police Credit Union SA	(509,050.00)	Term Deposit Redeemed 16/12/2014
Railways Credit Union	(508,875.62)	Term Deposit Redeemed 16/12/2014
Wide Bay Australia Ltd	500,000.00	Term Deposit Invested 18/12/2014
ING Bank	500,000.00	Term Deposit Invested 18/12/2014

Short Term Credit Rating*	Policy Maximum	Current Holding %	Current Holding \$
A-1+	100%	12%	1,500,000
A-1	80%	12%	1,000,000
A-2	60%	56%	6,500,000
A-3	40%	0%	-
Not Rated**	Existing Investments Only	20%	2,500,000
			<b>12,500,000</b>

\*Councils current investment portfolio contains only short term investments and has therefore been rated accordingly.

\*\* Non rated institutions will be phased out as the investments mature. The last non rated investment will mature in April 2015.

Overall Portfolio Return to Maturity			Actual %
Portfolio % < 1 Year	Min 40%	Max 100%	100%
Portfolio % > 1 Year	Min 0%	Max 60%	0%
Portfolio % > 3 Year	Min 0%	Max 30%	0%
Portfolio % > 5 Year	Min 0%	Max 20%	0%

RESTRICTED CASH, CASH EQUIVALENTS & INVESTMENTS	
	<b>\$ 000's</b>
External Restrictions - Sewer	4,416
External Restrictions - Other	2,459
	<b>6,875</b>
Internal Cash Restrictions	5,886
Available Working Capital	408
	<b>6,924</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>13,169</b>

\* Restrictions represent balance as at 1 July 2014

**CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER**

I, Chris Hodge, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

**BUDGET IMPLICATIONS**

A good investment strategy optimises Council's return on investments.

**POLICY IMPLICATIONS**

Nil effect.

**IP&R LINK**

DP6.3.2 Maintain a stable and secure financial structure for Council.

**Attachments**

Nil



**10) REPORT OF COUNCIL INVESTMENTS AS AT 28 JANUARY 2015**  
(Manager Financial Services)

**RECOMMENDED:**

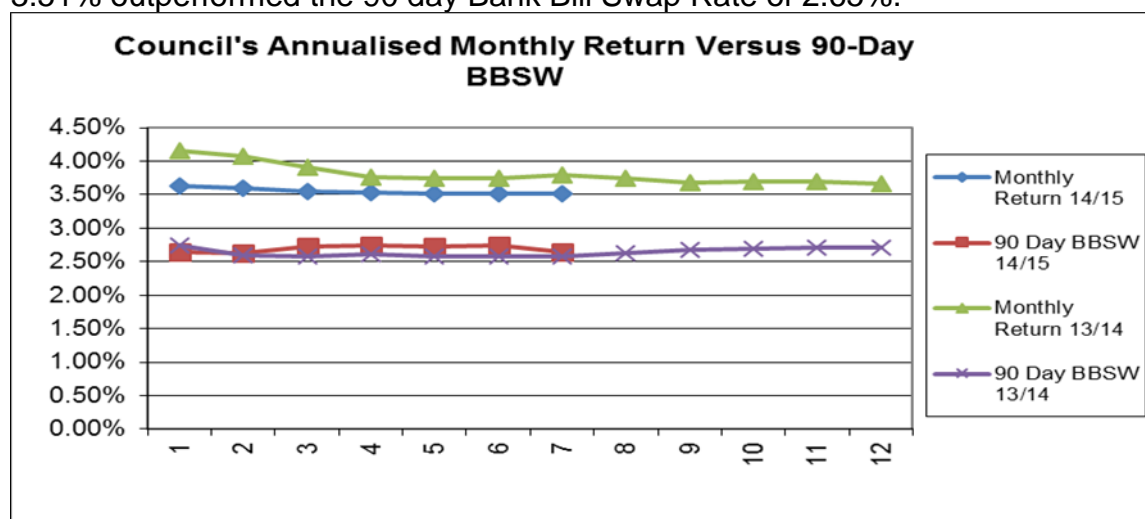
1. That the report indicating Council's investment position as at 28 January 2015 be received and noted.
2. That the certification of the Responsible Accounting Officer be noted and the report be adopted.

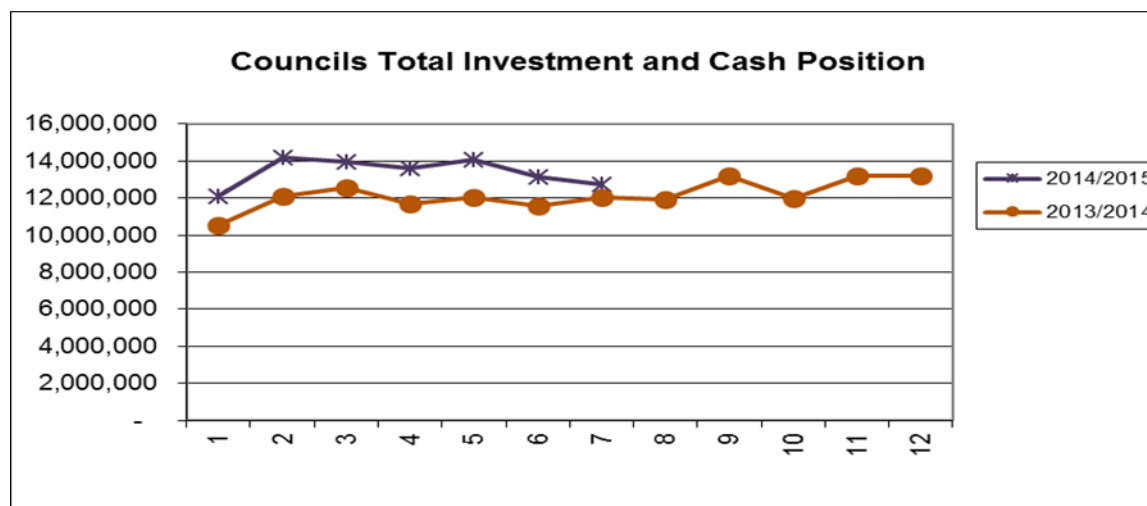
**REPORT**

This report provides details of Council's Investment Portfolio as at 28 January 2015.

Council's total investment and cash position as at 28 January 2015 is \$12,725,565. Investments earned interest of \$33,661 for the month of January 2015.

Council's monthly net return on Term Deposits annualised for January of 3.51% outperformed the 90 day Bank Bill Swap Rate of 2.65%.





REGISTER OF INVESTMENTS AND CASH AS AT 28 JANUARY 2015				
Institution	Rating	Maturity	Amount \$	Interest Rate
AMP Bank Limited	A1/A+	6/01/2016	500,000	3.40%
AMP Bank Limited	A1/A+	18/08/2015	500,000	3.50%
Bank of Queensland	A2/A-	30/06/2015	500,000	3.50%
Bank of Queensland	A2/A-	3/06/2015	500,000	3.55%
Bank of Queensland	A2/A-	2/09/2015	500,000	3.50%
Bank of Sydney	Not rated	5/02/2015	500,000	3.70%
Bankwest	A1+/AA-	5/05/2015	500,000	3.45%
Bendigo & Adelaide Bank	A2/A-	17/11/2015	500,000	3.35%
Beyond Bank Australia	A2/BBB+	26/05/2015	500,000	3.51%
Goldfields Money Ltd	Not rated	7/04/2015	500,000	3.45%
IMB	A2/BBB	3/09/2015	500,000	3.50%
ING Bank	A2/A-	5/05/2015	500,000	3.47%
ING Bank	A2/A-	28/05/2015	500,000	3.57%
ING Bank	A2/A-	9/06/2015	500,000	3.55%
ING Bank	A2/A-	18/08/2015	500,000	3.46%
Macquarie Bank	A1/A	2/09/2015	500,000	3.35%
ME Bank	A2/BBB+	1/09/2015	500,000	3.50%
NAB	A1+/AA-	9/06/2015	500,000	3.62%
NAB	A1+/AA-	1/12/2015	500,000	3.60%
Rural Bank	A2/A-	7/07/2015	500,000	3.52%
Warwick Credit Union	Not rated	3/03/2015	500,000	3.50%
WAW Credit Union	Not rated	4/02/2015	500,000	3.55%
Wide Bay Australia Ltd	A2/BBB	5/01/2016	500,000	3.50%
Wide Bay Australia Ltd	A2/BBB	17/12/2015	500,000	3.55%
<b>Total Investments</b>			<b>12,000,000</b>	<b>3.51%</b>
Benchmarks: BBSW 90 Day Index				2.65%
RBA Cash Rate				2.50%
Commonwealth Bank - At Call Account			589,917	2.50%*
Commonwealth Bank Balance - General			135,647	2.35%*
<b>TOTAL INVESTMENTS &amp; CASH</b>			<b>12,725,565</b>	

\* % Interest rates as at 28/01/2015

Summary of Investment Movements - January		
Financial Institution	Invst/(Recall) Amount \$	Commentary
Rural Bank	(505,993.15)	Term Deposit Matured 05/01/2015
Rural Bank	500,000.00	Term Deposit Reinvested 05/01/2015
Gateway Credit Union	(505,428.36)	Term Deposit Matured 06/01/2015
AMP	(508,965.75)	Term Deposit Matured 06/01/2015
AMP	500,000.00	Term Deposit Reinvested 06/01/2015
Wide Bay Australia Pty Ltd	(508,926.03)	Term Deposit Matured 06/01/2015
Wide Bay Australia Pty Ltd	500,000.00	Term Deposit Reinvested 06/01/2015

Short Term Credit Rating*	Policy Maximum	Current Holding %	Current Holding \$
A-1+	100%	13%	1,500,000
A-1	80%	13%	1,500,000
A-2	60%	58%	7,000,000
A-3	40%	0%	
Not Rated**	Existing Investments Only	17%	2,000,000
			12,000,000

\*Councils current investment portfolio contains only short term investments and has therefore been rated accordingly.

\*\* Non rated institutions will be phased out as the investments mature. The last non rated investment will mature in April 2015.

Overall Portfolio Return to Maturity			Actual %
Portfolio % < 1 Year	Min 40%	Max 100%	100%
Portfolio % > 1 Year	Min 0%	Max 60%	0%
Portfolio % > 3 Year	Min 0%	Max 30%	0%
Portfolio % > 5 Year	Min 0%	Max 20%	0%

<b>RESTRICTED CASH, CASH EQUIVALENTS &amp; INVESTMENTS</b>	
	<b>\$ 000's</b>
External Restrictions - Sewer	4,416
External Restrictions - Other	2,459
	<b>6,875</b>
Internal Cash Restrictions	5,443
Available Working Capital	408
	<b>5,851</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>12,726</b>

\* Restrictions represent balance as at 1 July 2014

### CERTIFICATION – RESPONSIBLE ACCOUNTING OFFICER

I, Tiffaney Irlam, certify that the investments listed in this report have been made in accordance with Section 625 of the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council Policy.

### **BUDGET IMPLICATIONS**

A good investment strategy optimises Council's return on investments.

### **POLICY IMPLICATIONS**

Nil effect.

**IP&R LINK**

DP6.3.2 Maintain a stable and secure financial structure for Council.

**Attachments**

Nil

11) **WIRE MESH REPLACEMENT IN CARCOAR AND NEWBRIDGE**  
(Operations Manager)

**RECOMMENDED:**

1. That Council vote funding in the amount of \$95,000 from Council's reserves for the replacement of wire mesh fencing in Carcoar and Newbridge with wire rope guardrail.

**REPORT**

Council has received representations from the Newbridge Progress Association and the Carcoar Village Association regarding the poor condition of the wire mesh fencing along Caloola Street, Newbridge and Belubula Street, Carcoar respectively. Both Associations are requesting repairs to be undertaken to restore this fencing to a suitable state to provide for motorist safety. Council Officers have inspected the fencing, and concur that it is not in a suitable condition in either location, with works required to repair it.

Given the location of this fencing near significant drop offs on the road edge, and the fact that wire mesh fencing is no longer considered a suitable crash barrier, it is recommended to replace this with modern wire rope guardrail to provide for a safe barrier for road users.

**Discussion**

Council currently has approximately 600m of wire mesh fencing within the villages of Carcoar and Newbridge that is showing serious decay. Historically this fencing was installed for delineation of the road, and guardrail of limited effectiveness.

The current fencing has a number of decayed posts, and is of limited effectiveness for delineation, and is considered to have nil effectiveness as a crash barrier. The deterioration of this fencing detracts from the street scape within the villages, and does not afford the motorist any safety from the drop offs along these routes.

To remedy this issue, Council has three (3) options:

1. Repair the existing fencing
2. Replace with steel 'w-beam' guardrail
3. Replace with wire rope guardrail

**Option 1 – Repair Existing Fencing**

It is possible for Council to repair/replace these decayed posts, and restore the existing fencing to a more aesthetically pleasing appearance. However it still not be adequate as a crash barrier for motorists, and it will require continuing maintenance to ensure that the timber posts are suitably maintained and painted into the future. Due to the ongoing maintenance costs, and the fact that it will not suffice as a crash barrier, it is not recommended to pursue this option.

**Option 2 – Replace with ‘W-Beam’ Guardrail**

The section option would be to replace the wire mesh fencing with more traditional ‘w-beam’ metal guardrail. Current pricing indicates that this style of guardrail is approximately 10% to 15% higher than that of wire rope guardrail, with significantly higher replacement costs if it is hit. It is also considered to be a more intrusive style of guardrail that may detract from the visual amenity of Carcoar and Newbridge, and does not provide the same level of safety to road users. For these reasons it is not recommended to undertake the installation of this style of guard rail.

**Option 3 – Replace with Wire Rope Guardrail**

The final option to provide for improved motorist safety, and a reduction in the ongoing maintenance costs into the future, is to replace the existing wire mesh fence with modern wire rope guardrail. This guardrail is recognised as a crash barrier, and will provide safety for the motorists from the drop offs at the edge of the road.

Further, the design of these systems is such that there are no requirements for ongoing maintenance unless the guardrail is hit. If it is hit, the replacement of the posts is a quick and easy exercise as the posts are installed in sleeves that enable them to be easily removed and replaced. The installation of this style system will reduce Council’s need for ongoing maintenance of these barriers.

**Conclusion**

Given the benefits associated with wire rope over that of the existing wire mesh fencing or of ‘w-beam’ guardrail, it is recommended that Council replace the wire mesh fencing with wire rope guardrail.

Based on rates provided within Council’s Preferred Contractors List, it is estimated that these works could be completed for approximately \$95,000, with final costs dependent on quotation submissions from suitable suppliers.

**BUDGET IMPLICATIONS**

Funding in the amount of \$95,000 will be required to be voted from Council’s reserves to complete these works and will be included in the third Quarterly Budget Review Statement.

**POLICY IMPLICATIONS**

Nil Effect

**IP&R LINK**

DP4.1.1 – Manage Local Road Network to agreed service levels

**Attachments**

Nil

12) **INFRASTRUCTURE SERVICES MONTHLY REPORT**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That the Director of Infrastructure Services Monthly Information report for December/January 2015 be noted

**REPORT**

**Topical Issues**

- Two (2) sections of the local road network have been the subject of significant pavement failures in the past six (6) months. The subsequent repair work required to be undertaken has come at significant cost to Council budget allocations. The locations of these repair works have been Neville Road (\$298,807) and Spring Terrace Road (\$154,536) and involved repair of damages associated with logging of the Mount Macquarie forest and the importation of fill from Kinghams Lane Quarry to Orange Airport.
- Council undertook emergency repairs to the bridge located on Carcoar Dam Road immediately West of Neville Road prior to Christmas due to decking timber failures. Arrangements and procurement are underway to replace the bridge with a culvert in late February, early March.
- Council is preparing construction estimates for bridges that are currently load limited, and shall be presented to Councilors at a future date for consideration and determination of budget allocations.
- Council has recently been advised of its successful grant applications through the Public Reserves Management Fund (Crown Lands) for:
  - o Blayney Showground – completion of re-fencing of the show ring.
  - o Lyndhurst Recreation Ground – Upgrade of the kitchen and showers.
- Council has also been notified that its application for funding to install a new electronic scoreboard at King George Oval has been successful through NSW Community Building Partnership Program.
- The General Manager and Director Infrastructure Services have recently delivered a number of staff workshops and attended the Consultative Committee to discuss the proposed restructure of the Infrastructure Services Department. A report by the General Manager on this topic is to be considered separately.

**Major Works**

Major road construction and notes on current works are as follows:

- Forest Reefs Road – Council has commenced preparatory drainage works including extensions to culverts, for the upgrading of 2.5kms of Forest Reefs Road, commencing 2km from Millthorpe to the intersection with Carcoar Road.
- Errowanbang Road – Council has completed works on this project.
- RMCC, Park Street, Millthorpe – Works are underway to rehabilitate a segment of Park Street in the vicinity of Redmond Oval. Vegetation management works of the existing London Plane trees will be required, however in consultation with RMS it has been agreed these works will be deferred until winter.
- RMCC, Segment 80 – As part of Councils contract with RMS, for the maintenance and management of Millthorpe Road (MR 245) Council is undertaking pavement rehabilitation works on Segment 80, being approximately 600m long, located at the eastern end of “Polona” straight. Works include construction of subsurface drainage (contracted to Cabonne Shire Council), gravel overlay and stabilization to strengthen the pavement and new bitumen surface.
- Resealing program – Council continues to undertake drainage works alongside identified segments in preparation for resealing works in February 2015.

**Major Contracts**

Cowriga Creek Bridge (Forest Reefs Road)

- Council has engaged Cabonne Shire Council to Project Manage the contract for the replacement of the bridge. The bridge design has been finalised and work on site commenced, with the installation and activation of the bypass track. Council has issued a media release notifying media agencies and the community of the works to be undertaken, and the resulting changes to traffic conditions, during the works.

**Land Development**

Cook Street (11 Lot subdivision)

- During the Development Approval process Council has identified that the land was previously used as a brick pit and was filled in the late 1970's, or early 1980's. Prior to Council determining the application, further investigatory works will be undertaken to ensure that no contamination exists, and that any fill provides suitable bearing capacity for the construction of houses on the site.



**Wastewater**

Following the Councillor workshop of 10 December 2014,

- Strategic Business Plan for Sewerage Services (SBP) –Councils consultant has been advised of Councils wish to remove the extension of the sewer reticulation network to the villages of Carcoar, Mandurama and Lyndhurst from the document. Following further discussion it was decided to continue to include the capital project for the future expansion of the Sewerage Treatment Plant, to cater for increased development.
- Developer Contributions Plan – Councillor's concerns in relation to the proposed establishment of a single contributions rate for both Millthorpe and Blayney, and the "quantum" change for in particular Blayney, has been put on hold due to the uncertainty surrounding the NSW Governments "draft" guidelines for developer contributions. A letter was sent to NSW Office of Water (NOW) seeking advice on the future of the "draft" guideline document. Advice provided by NOW has authorised Council to continue to use its existing contributions plans, with annual CPI adjustments, until such time as the new guidelines are released.

Council is preparing to issue the first round of liquid trade waste (LTW) accounts to dischargers. An email has been provided to Councillor's outlining the LTW work undertaken to date.

**Recreation and Environment****Napier Street Toilet Block**

- Contractor has achieved Practical Completion, and arrangements are being made to identify a suitable date for an official opening, with local member Paul Toole, MP, and local soccer and cricket clubs.

**Showground Building Upgrades**

- Arrangements are being made to identify a suitable date for an official opening, with local member Paul Toole, MP, and Showground user groups.

**King George Oval Building Upgrades**

- Council has released Request for Quotation (FRQ) documents for building upgrade works and the fabrication and installation of seating to the grandstands. Subject to submissions and funding, it is proposed to install approximately five (5) rows of seating in each grandstand.
- Bathurst Regional Council is awaiting advice on the anticipated delivery date for its new seating for Carrington Park, Bathurst, and will not make available existing seating to Blayney until this is resolved with its supplier. As such Blayney Shire has submitted a request for variation to its agreement with NSW Government and is awaiting further advice.

**Revive! Belubula River at Pound Flat project**

- Council continues to progress planning works on this project with a plan to undertaking log jam removal, strategic placement of "snags", weed control and plantings in the last quarter of 2014/15 and first quarter 2015/16.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**IP&R REFERENCES**

- DP 1.2.2 – Improve transport linkages across the Local Government Area to support the mining industry.
- DP 2.2.2 – Establish and support a community based representative body for sporting groups.
- DP 3.1.1 – Protect and enhance biodiversity, native vegetation, river and soil health.
- DP 3.1.2 – Facilitate the delivery of more planting on Council owned and controlled land.
- DP 3.2.2 – Enhance the community's understanding of biodiversity issues and work towards positive behavioural change.
- DP 4.1.1 – Manage local road network to agreed service levels.
- DP 4.1.2 – Manage Regional and State road network to agreed service levels.
- DP 4.1.3 – Maintain and improve Council owned building assets.
- DP 4.2.2 – Ensure Sewerage Treatment Plants are able to meet needs of the Blayney Shire.
- DP 4.2.3 – Provide an effective and safe sewerage collection network for Blayney Shire.

**Attachments**

Nil

13) **LAND ACQUISITION FOR ROAD WIDENING AT 425 FOREST REEFS ROAD, MILLTHORPE**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That Council approve the acquisition of land for the purpose of road widening, being part of Lot 209 DP1086768 as required for road alignment safety improvements along the Forest Reefs Road, and the land be classified as Public Road.
2. **That Council authorise the Mayor and General Manager to affix the council seal and execute all associated sale documents.**

**REPORT**

Councillors may recall the Confidential Report presented to the November ordinary meeting of Council, in regard approving the acquisition of land for the Forest Reefs Road, road alignment safety improvement project funded by the Australian Government's Blackspot program.

Council legal representatives have queried a typographical error in the Council resolution.

The Lot referred to was incorrectly referred to as Lot 9 DP1086768, and in fact should have been Lot 209 DP1086768.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**IP&R REFERENCES**

DP 1.2.2 – Improve transport linkages across the Local Government Area to support the mining industry.

DP 4.1.7 – Plan for future transport and road infrastructure to service future needs.

**Attachments**

Nil

**14) STRATEGIC BUSINESS PLAN FOR SEWERAGE SERVICES**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That Council:
  - a. adopt the Strategic Business Plan for Sewerage Services 2013/14.
  - b. Forward a copy of the Strategic Business Plan for Sewerage Services 2013/14 to NSW Office of Water for information.

**REPORT**

**Executive Summary**

This Strategic Business Plan covers the development and operation of Blayney Shire Council's Sewerage Scheme. It provides supporting information for Council's Integrated Planning and Reporting (IP&R) as well as satisfying compliance requirements for the NSW Office of Water.

The Sewer Strategic Business Plan demonstrates best-practice management which encourages the effective and efficient delivery of sewerage services, with best practice recommending that it be reviewed on an eight (8) year rolling basis, with financials reviewed every three (3) years.

It is recommended that Council adopt the Strategic Business Plan for Sewerage Services 2013/14, for the period 2013 – 2018.

**Background**

Councillors may recall the February 2014 meeting of Council where it resolved:

1. *That Council accept the Strategic Business Plan for Sewerage Services 2013.*
2. *That the Strategic Business Plan for Sewerage Services 2013, be exhibited for public comment for a period of 90 days.*
3. *That a community newsletter be prepared seeking community input, most notably on the proposed future sewer network extension to the Villages of Carcoar, Mandurama, and Lyndhurst.*

Following the February 2014 resolution of Council, the draft was placed on public exhibition, and a community newsletter was prepared and delivered in April 2014 to all residents and owners in the villages of Carcoar, Mandurama and Lyndhurst, and also to every Village Committee/Progress Association within the Shire.

Whilst preparing the plan, and during the course of Council's Community Consultation process for the proposed Special Rate Variation, residents of Millthorpe enquired about the existing rates and charges associated with the extension of the sewer to Millthorpe. In June 2014 Council approved the bringing of Millthorpe Typical Residential Bill (TRB) into parity with the Blayney TRB. This was undertaken for the 2014/15 Fees and Charges.

Council received some feedback and submissions and these were presented to Councillors for consideration as part of the workshop on 10 December 2014, held to discuss the proposed extension to service the villages of Carcoar, Mandurama and Lyndhurst, and the treatment plant upgrade for discharge to sensitive waters.

The determination from the workshop was that the extension to the villages would be removed from the SBP.

Upon notifying Public Works and following further discussion, it was decided appropriate to continue to include a capital component for the future upgrade to the Sewerage Treatment Plant (STP), to provide for an increase in treatment capacity for future population growth. This work is estimated to cost \$6.5 million (\$ 2013/14). It is noted that a growth based project, such as the expansion of the STP is not considered acceptable for NSW Government subsidies and therefore includes external borrowings of \$4.5 million (\$ 2013/14).

Public Works have now undertaken remodeling of the financial program, including removal of the village extensions, inclusion of the STP capacity upgrade, and bringing Millthorpe Typical Residential Bill (TRB) into parity with the Blayney TRB.

The outcomes of the financial modelling has demonstrated that the TRB can remain stable at \$529 (\$ 2014/15), (\$516 (\$ 2013/14)) until 2019/20 and then increased at \$8 per annum to \$596 in 2029/30. Beyond 2029/30 the TRB can be maintained at the same level for the remainder of the forecast period.

The projected financial results indicate that the minimum cash and investments held would be in 2037/38 and be in the order of \$590,000. This is considered reasonable, and in line with NSW Office of Water (NOW) guidance of \$500,000.

It should be noted that forecast TRB's remain subject to annual adjustment for CPI/inflation, and the financial model will be reviewed in accordance with NOW Best Practice Guidelines after three (3) years.

A sensitivity analysis was also undertaken to determine the impact of various scenarios on the TRB, as follows:

<b>Criteria</b>	<b>Preferred case</b>	<b>Sensitivity</b>
Assessment growth rate	1.2% pa	0.5% pa
Borrowing interest rate	6.5% pa	10.0% pa

Sec. 64 revenue	\$45K/year	\$25K/year
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The results of the sensitivity analysis indicate that the TRB will not be affected by higher borrowing interest rates of up to 10.0% pa.

A lower growth in residential lot numbers (assessments), and lower Section 64 charges revenue would have a slight impact in the order of \$10/year, which exceeds the \$8/year proposed increase, but is considered will have limited impact, and can be reviewed as part of the three (3) yearly review.

The plan is based on a workshop held on the 11<sup>th</sup> and 12<sup>th</sup> of September 2013, in which Councillors, senior Council staff and external stakeholder agencies were represented, and ongoing community and Councillor engagement.

The SBP addresses the overall business activities of Council's Sewerage Functions and has a 30 year horizon, particularly in relation to capital works and asset management.

The Plan fully satisfies compliance requirements for the NSW Office of Water and has been prepared to align with Council's Integrated Planning and Reporting (IP&R).

### **BUDGET IMPLICATIONS**

The Typical Residential Bill (TRB) will remain stable at \$529 (\$ 2014/15), (\$516 (\$ 2013/14)) until 2019/20 and then increased at \$8 per annum to \$596 in 2029/30 (CPI adjusted).

All proposed activities are fully funded within existing allocations for the life of the Strategic Business Plan, excluding the proposed \$4.5 Million loan commencing in 2031/32, for the capacity upgrade at the Blayney Sewerage Treatment Plant.

### **POLICY IMPLICATIONS**

Nil effect.

### **IP&R POLICY IMPLICATIONS**

DP 4.2.2 – Ensure Sewerage Treatment Plants are able to meet needs of the Blayney Shire.

DP 4.2.3 – Provide an effective and safe Sewerage Collection Network for Blayney Shire.

### **Attachments**

1 Strategic Business Plan for Sewerage Services 136 Pages

- 15) **DEVELOPMENT APPLICATION NO. 122/2014 - TATTOO/ART STUDIO AT LOT 102 DP1055449 - 22 BUESNEL LANE, MILLTHORPE**  
(Senior Town Planner)

**RECOMMENDED:**

That Council approve Development Application 122/2014 for a proposed Tattoo/art Studio on lot 102 DP 1055449, 22 Buesnel Lane, Millthorpe, in accordance with the Section 79C Assessment and conditions contained within this report.

**REPORT**

Application Number:	DA 122/2014
Development:	Tattoo/art studio
Applicant:	J Daldorf
Owner:	A Marques
Lodgment date:	4 November 2014
Land:	Lot 102 DP 1055449, 22 Buesnel Lane, Millthorpe
Local Environmental Plan:	Blayney LEP 1998
Zoning:	1(c) Rural Small Holdings

**Description of Proposal**

The proposed development is located on Lot 102 DP 1055449, 22 Buesnel Lane, Millthorpe, located on the northern side of the road, being 2.56ha in area.

The land currently contains a dwelling and an art studio located approximately 75m from the front boundary in the centre of the property. The studio is located to the west and slightly behind the existing dwelling on the property. Both buildings are accessed via the one existing driveway off Buesnel Lane. A copy of the plans are contained in **Attachment 1**. The nearest offsite dwelling to the east is approximately 200m.

The studio building contains a studio, storage area and bathroom which was approved in 2004 with the dwelling (DA 121/2004). The studio is constructed of rendered Hebel panel and corrugated steel roof to match the residence. The development seeks to locate a home occupation from the studio, that being an art/tattoo studio. It will be operated by the resident of the dwelling. The business is to operate from within the existing approved art studio from 9.30am to 5.30pm, Monday to Friday, if required. As the owner is a sole operator it will cater for up to two (2) clients per day.

The existing garden area would provide more than sufficient area for the parking of cars. No signage is required for the development. Clients are by appointment only, and all advertising for the business is to be via Facebook and a webpage.

Medical type waste is to be appropriately stored on site within the building, and collected monthly for offsite disposal at an approved waste facility by a qualified contractor.

No alterations are required to the building for the development. The operation of the business from the building will not change the Building Code of Australia classification of the building from 10a, and therefore no fire or access upgrades are required.

The business would be suitably licensed under the *Tattoo Parlours Act 2012*, would operate under the *Public Health Regulation 2012*, and would undertake registration with Council under the *Public Health Regulation 2012* for a skin penetration activity.

### **Background**

Under the NSW Fair Trading Act requirements if someone intends to operate a body art tattooing business in NSW, including working from home, they need an operator license. This license authorizes the licensee to run a body art tattooing business at the premises specified in the license in accordance with the *Tattoo Parlours Act 2012* and the conditions, if any, on the license.

The license may cover body art tattooing, and/or cosmetic tattooing procedures. NSW Applications are made to the Dept of Fair Trading, and appropriate investigations carried out as are considered necessary as to confirmation of identity, whether the person is a fit and proper person to be granted the license, and whether it would be contrary to the public interest for the license to be granted. Fingerprints and palm prints are recorded, and a national police check is carried out by the Commissioner of Police.

An application for an operator license must also include particulars in respect of close associates. This refers to associated financial or power interests in the business, relevant positions in the business, or contractors and/or employees of the business.

A separate operator license is required for each location where a body art tattooing business is conducted, and development consent or approval, if required, under the Environmental Planning & Assessment Act 1979 must be obtained.

Information required for the license application is quite extensive, a fee applies, and a license is in force for a period of three years, unless surrendered or ceased prior to the expiry date.



**79C (a)(i) the provisions of any environmental planning instrument****1. State Environmental Planning Policies**

There are no State Environmental Planning Policies relevant to this development.

**2. Local Environmental Plans**

The land is zoned 1(c) Rural Small Holdings under the Blayney Local Environmental Plan 1998, where the proposal is permissible in the zone as a **home occupation**. The proposed use is a satisfactory one within the 1(c) zone and satisfactory within the subject the building.

**home occupation** means an occupation that is carried on in a dwelling, or in a building ancillary to a dwelling, by one or more permanent residents of the dwelling and that does not involve:

- (a) the employment of persons other than those residents, or
- (b) interference with the amenity of the neighbourhood by reason of the emission of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil, traffic generation or otherwise, or
- (c) the display of goods, whether in a window or otherwise, or
- (d) the exhibition of any signage (other than a business identification sign), or
- (e) the sale of items (whether goods or materials), or the exposure or offer for sale of items, by retail,

but does not include bed and breakfast accommodation, home occupation (sex services) or sex services premises.

The objectives of this zone are considered as follows:

- (a) To promote development of land identified as suitable for rural residential or small holding development

**Comment:** The land has been used to date in line with the future development of the land for rural residential purposes. The proposed development is permissible in the zone, being a home occupation which may generate minor additional traffic and some perceived amenity issues.

- (b) To identify land suitable for future urban development, and for development for other non-agricultural purposes, in accordance with the needs for that development

**Comment:** The development is for a non-agricultural purpose. The developer sees a need for the activity in the community which may be at odds with the immediate neighbourhood's perception of need.

- (c) To allow a range of rural living styles in appropriate locations within the zone.

**Comment:** The proposal would be located within a rural small holding setting, which does not prohibit the proposal. A range of rural living styles are available in the subdivision.

**Clause 10 General considerations for development within the rural and environment protection zones**

The general requirements are considered as follows:

- (a) The present use of the land, the potential use of the land for the purpose of agriculture and the potential of any land which is prime crop and pasture land for sustained agricultural production.

**Comment:** The land was created for rural small holdings in accordance with the provisions of the zone. This may allow for minor agriculture to occur. Sustained agricultural production is not appropriate for this zone. The land has been used for residential purposes and this would continue.

- (b) Vegetation, timber production, land capability (including soil resources and soil stability) and water resources (including the quality and stability of water courses and ground water storage and riparian rights)

**Comment:** Impact on these resources is unlikely to occur as no building works are proposed.

- (c) The future recovery from known or prospective areas of valuable deposits of minerals, coal, petroleum, sand, gravel or other extractive materials.

**Comment:** It is not expected that there would be any significant impact on these resources from the development.

- (d) The protection of areas of significance for nature conservation or of high scenic recreational value, and of places and buildings of archaeological or heritage significance, including Aboriginal relics and places

**Comment:** There are no such known significant areas, places or buildings relevant to this development.

- (e) The cost of providing, extending and maintaining public amenities and services to the site of the proposed development.

**Comment:** The cost of any service enhancement to cater for this development would be borne by the developer. However, no such works are likely to be required.

- (f) Future expansion of settlements in the locality

**Comment:** The proposed development is unlikely to have an impact on settlement expansion in the village of Millthorpe.

Council must also consider the effect of the proposed development on adjoining land and other land in the locality.

**Comment:** The adjoining land in this vicinity comprises subdivision of a similar nature, rural small holdings. Stock grazing is the most common landuse. Adjoining residents have been notified and submissions were received. The issues raised related to amenity, hours of operation, car parking, traffic, fire and disabled access, compliance with zoning and licensing, and security risk. These issues are considered later in this report.

### **3. Guidelines and policies**

The proposal was notified to adjoining landowners. Several submissions were received, which are considered later in this report.

#### **79C (a)(ii) the provisions of any proposed instrument that is or has been the subject of public consultation under this Act and that has not been notified to the consent authority that apply to the land to which the development relates**

There are no such proposed instruments relevant to this development.

#### **79C (a)(iii) any development control plan that applies to the land to which the development relates**

*Development Control Plan No. 3 Rural Residential Development* is applicable to this land. The DCP does not apply to the development, but the matters for consideration are reviewed as follows:

**General subdivision layout** – the proposed development is not for subdivision.

**Buffers** – Building envelopes were established at subdivision stage.

**Erosion & sediment control** – no construction works are proposed.

**Roads and access** – Council's Engineer has not required any access upgrading works.

**Waste water** – onsite effluent disposal is already in place for the development.

**Water** – water supply for the studio and dwelling is from rainwater tanks.

**Flora & fauna** – the land is cleared grazing land and highly disturbed from previous agricultural activities.

**Buildings** – there is no construction work required for this development. The land contains a dwelling and a studio.

**Utility services** – all relevant utilities are already connected to the site.

**Section 94 contributions** – these do not apply to the development.

**Noxious weeds** – not applicable.

#### **79C (a)(iiia) any planning agreement that has been entered into under section 93F, or any draft planning agreement that a developer has offered to enter into under section 93F, that apply to the land to which the development relates**

There are no such agreements relevant to this proposal.

#### **79C (a)(iv) any matters prescribed by the regulations that apply to the land to which the development relates**

There are no such matters relevant to the development.

#### **79C (a)(v) Any coastal zone management plan (within the meaning of the Coastal Protection Act 1979), that apply to the land to which the development relates**

Not applicable to this development.

#### **79C (b) the likely impacts of that development**

**Context and setting**

The development suits the site in regards to setbacks, and the built form, and will not detract visually from existing development in the area. All activities would be inside the studio building. The landscape is flat cleared grazing land with a slight slope to the road. Other allotments in the subdivision are occupied by dwellings and ancillary buildings with some landscaping or vegetation at present.

**Access, transport and traffic**

The proposed development is not expected to generate significant additional traffic. The developer expects approximately 2 clients/cars per day. Council's Engineer has not required and upgrading or construction works for the development, and Council has assessed the parking availability on site as adequate for the development.

**Services/utilities**

The proposed development is connected to electricity and telephone. The cost of any service/utility enhancement would be borne by the developer.

**Site design, internal design and construction**

The studio is located toward the centre of the allotment just to the west and slightly behind the existing dwelling, and would be accessed directly off Buesnel Lane.

The studio contains a toilet and shower but is not intended for habitation, being purely for use as an art studio. The building was originally constructed for the same purpose, but for conventional art activities.

The development should be carried out in keeping with industry standard, with limitations to the hours of operation.

**Hazards – technological, natural**

There are no particular known technological or natural hazards relevant to the development.

**Noise and vibration**

There are no known vibration impacts relevant to the development. Noise impacts relating to traffic (2 vehicles per day) would be minimized through hours of operation.

**Environmental impact – flora, fauna, land resources, air and water pollution, micro climate**

There are no matters such as flora, fauna or land resources relevant to the development. The site is within a highly disturbed landscape where exotic vegetation predominates. It is unlikely that there would be any significant environmental impact.

**Water**

Stormwater is directed around and away from the buildings, not onto adjoining properties, but to the existing drainage system in Buesnel Lane. Roof water is captured by rainwater tanks.

**Waste**

Waste associated with the development should relate mainly to medical waste, which would be appropriately collected, stored and removed off site to an approved waste facility by a licensed contractor, in accordance with the *Public Health Regulation 2012*.

**Safety, Security and Crime Prevention**

The proposed development should not lead to issues relating to safety, security or crime prevention. The development should not lead to health issues for the wider community if carried out in line with relevant legislation and licensing. It is on private fenced land, with no general public access. Security would be ensured through lockup and adherence to approved hours of operation.

**Economic impact**

The proposed development may lead to local income generation, and associated flow on effects in the local Millthorpe community.

**Social Impact**

The proposed development is not expected to have significant social impact on the community. The amenity issues have been addressed by the developer, and the building is not expected to create landuse conflict. The studio will enable greater enjoyment by the landowner of the premises without significant impact on neighbouring properties, in line with the underlying intention of the original approval as an artist's studio.

**Cumulative impact, Principles of Ecologically Sustainable Development, Sustainability and Climate Change****Cumulative Impact**

Cumulative impact relates to the operation of a business within the rural area. The objectives of the zone, as considered in this report, are satisfied. Conditions of consent will reinforce these provisions. A home occupation is permissible in the zone subject to conditions of consent which would dictate operations for the general wellbeing of the community.

**Climate Change**

The NSW Sea Level Rise Policy Statement 2009 outlines the Government's objectives and commitments in regards to sea level rise adaptation. A key Government commitment is that it will promote and support an adaptive risk-based approach to managing the impacts of sea level rise. The proposal would not significantly contribute to climate change and will not change the risk profile of the site in regard to the impacts of sea level rise.

**Ecologically Sustainable Development**

All potential environmental interactions should have regard for the Precautionary Principle (prevent environmental degradation and protect local environment), Inter-generational Equity (not to compromise the environment for future generations), Improved Valuation and Pricing of Environmental Resources (to utilize the land with minimal environmental impact to result in an economic benefit to the community) and conservation of biological diversity and ecological integrity. The proposal would not present significant threats of serious or irreversible environmental damage, and the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations, for the conservation of biological diversity and ecological integrity.

**Other**

The following impacts have been considered and are not relevant to the proposal: bushfire, heritage, flooding and contamination.

**79C (b) Suitability of the site for the development**

The above assessment details the aspects of the development which determine its suitability for the site. Although it would require minimal utility enhancement, it would generate some additional traffic, though not significant. The development may not be completely compatible with adjoining properties and the residential use and the rural lining expectations of the allotments in Buesnel Lane, without restrictions as set down in the conditions of consent. It may be more suitable to an urban or commercial centre, but the low key nature of the proposal and the chance being taken by the developer to locate out of town in the hope of drawing customers will dictate the success of the proposal.

**79C (d) Any submissions made in accordance with this Act or the Regulations**

The development was notified to adjoining landowners from 6 November 2014 for 14 days, and submissions were received, along with a petition containing eleven signatures. Upon notification of the submissions received by Council the developer contacted neighbours to reassure them of his intentions through issuing to them a written explanation of his proposed business operations.

The issues raised by the submissions are considered as follows:

- The proposed development may bring an unnecessary risk to the neighbourhood, in the type of people which it may attract.

**Developer response:** The studio should bring no risk whatsoever – I'm not sure what is meant by "the type of people which may attract". Tattoo art has moved very much into mainstream Australia – my clients come from all walks of life, all ages and stages. People get tattoos for many reasons including fashion, celebration, bereavement and statement.

**Council comment:** The type of clientele will vary and it is not within Council's assessment responsibilities to make judgment on the type of people attending the studio.

- This was intended as a rural residential area, not a business area, especially for businesses that may have an adverse impact on the local area.

**Developer response:** There are already other businesses operating in the area, and I am unsure what adverse impact my business would have given the small number of clients, the lack of noise or other disturbance and the small impact of traffic.

**Council comment:** Small businesses as home occupations, home businesses or home industries are permissible within this rural small holdings zone, each one subject to impact assessment on merit.

- The applicant has not addressed the development standards in their application which may apply to the development, and their rights to the zoning of the land.

**Developer response:** What developer standards have not been met? The property has been approved as a stand-alone artist studio – I will be utilizing the building for the same purpose.

**Council comment:** The developer has not addressed any possible development control plans on the application form, because although DCP No. 3 Rural Residential Development applies to the land, it does not apply to the development. The DCP relates mainly to subdivision and building works. The use is permissible in the zone and any landowner has the right to apply for similar development.

- How can Council police the hours of operation? It should not be up to residents to address this issue, should it arise.

**Developer response:** Council should not need to police the hours of operation any more than they police other business in the area. As the business is a sole operator the hours will be kept to the hours stated in the original application.

**Council comment:** The hours/days of operation are reasonable for the scale of development proposed. Operation outside these would be in breach of any development consent.

- The application has suggested 2 clients per day. However, what about the people who may attend along with the clients. These may impact upon traffic volumes.

**Developer response:** The nature of tattoo is a precise art and does not benefit from an audience. At most there may be one support person accompanying a client.

**Council comment:** The developer has suggested that there is a possibility of only one person attending upon another in use of the studio. It is also reasonable to assume that these persons would attend the site in the one vehicle. It is unlikely that traffic volumes will significantly increase.

- Car parking and manoeuvring on the site will not comply with regulatory requirements for car parking for a business.

**Developer response:** There is ample parking available on site for the few vehicles involved.

**Council comment:** Council is satisfied that the area around the studio can accommodate the car parking demand to be generated by the development.

- How many visits will be required by “Pink Hygiene Solutions” to the site for sufficient waste disposal? This adds to the traffic.

**Developer response:** Pink Hygiene Solutions will be required to visit the site once a month. This will have less impact than normal rubbish collection.

**Council comment:** The developer advises that Pink Hygiene will attend the site monthly, and as such this will not constitute a marked increase in traffic.

- How is the developer going to achieve “environmental sustainability” as set down in his application?

**Developer response:** “Environmental sustainability” – there is minimal impact on the environment by the industry and certainly I will have no impact to the local environment.

**Council comment:** As all activities are completely within the building it is unlikely that environmental sustainability will be adversely impacted upon. Waste management is set down by legislation, and the licensing is in place for 3 years. By this time the developer will know if the business is sustainable at its proposed level in regards to the environment and the community.

- How is the developer going to address the needs for disabled – parking and bathroom facilities? The disabled could not open the manually operated gate to the property.

**Developer response:** Anyone requiring assistance through the gate will be given help. We have no plans to provide disabled facilities. It was not required with the original DA approved for an artist studio.

**Council comment:** The business in the studio does not trigger a change of building classification under the Building Code of Australia. Therefore there are no requirements applicable in regard to disabled access for the site or the building. The developer advises in this regard, and had general responsibilities under the *Disabilities Discrimination Act* to assist in access to the site and the building if required.

- How is the developer to address the fire code for operating a business?

**Developer response:** The building already complies with fire codes. As a business our insurance also requires we keep an up to date fire extinguisher on site.

**Council comment:** The business in the studio does not trigger a change of building classification under the Building Code of Australia. Therefore there are no requirements applicable in regard to fire for the site or the building. Regardless, the developer would maintain an extinguisher on site.



- Council should consider its duty of care to the residents of Buesnel Lane to ensure the peaceful nature of the street is maintained and the safety of the families also.

**Developer response:** I see no reason that the peaceful nature of Buesnel Lane will be impacted. I have selected this property so my business can operate quietly, where my clients will have privacy within a pleasant environment. There will be no noise, minimal traffic (at most two cars a day), no signage to impact on even the closest properties.

**Council comment:** Council assesses the development as having minimal adverse impact on the residents of Buesnel Lane and surrounds, as noise would be minimal, traffic increases would be insignificant, activities are completely within the building, no signage is proposed, and all required licensing would be in place. No signage is required for the development. Clients are by appointment only, and all advertising for the business is to be via Facebook and a webpage.

- The commercial uses proposed under the subject development application are not in accordance with the relevant zoning and if approved, would have a detrimental effect upon surrounding properties and occupants.

**Developer response:** We are unsure what detrimental effect the business would have. Once operational it is unlikely people would even know it is there. Certainly there will be minimal impact on traffic, 1-2 cars per day, no noise and no signage.

**Council comment:** The development as a home occupation is permissible in the zone with consent and environmental impact is assessed as minimal.

- The development does not comply with the definitions of “*home industry*”, “*home occupation*” or “*home business*”, as set down in the LEP, in that the development proposed uses involve interference with the amenity of the neighbourhood by reason of generation of waste water, creation of waste products, traffic generation and creation of health risks. As such they are prohibited in the R5 zone.

**Developer response:** My understanding is that the business falls within the definitions of “home industry”. There will be no interference with the amenity of the neighbourhood. There will be no impact from any of the mentioned – no generation of wastewater or products, minimal traffic generation and absolutely no health risk.

**Council comment:** The zone of this land is not R5, but 1(c) Rural Small Holding. The use is permissible in the zone with consent. Traffic impacts are not expected to be significant. No waste water is generated that cannot be accommodated by the existing effluent disposal system. Solid waste management and health risk is managed efficiently and effectively by regulation and compliance, and regular inspections by Council staff.

- The potentially serious and deleterious effects which operation of a tattoo parlor may have upon a local community are also reflected within the rigorous licensing requirements set for operators and for premises upon which tattooing is conducted.

**Developer response:** I am unsure of what harm or damage to the local community would be felt from operating an artist's studio. Tattoo art has moved very much into mainstream Australia – my clients come from all walks of life, all ages and stages. People get tattoos for many reasons including fashion, celebration, bereavement and statement. I have recently been through the very rigorous process of gaining a license to operate a studio in NSW, which has included police checks from Federal and NSW agencies.

**Council comment:** The developer would obtain all relevant licensing required for the development, with complete compliance with all relevant legislation. The relevant licenses would be displayed on the premises and copies provided to Council as a condition of consent.

- The use of an outbuilding on a large residential block as a tattoo studio is entirely inappropriate. The proposal for only 2 customers per day is incapable of monitoring or enforcement. Customers visiting a commercial enterprise which is set within a residential area of itself disturbs the amenity of the area.

**Developer response:** Utilising a purpose built art studio on a large block seems entirely appropriate. There are many businesses operating from residential properties in the area with little or no impact on the amenity of the area. Many of these businesses have multiple clients and cars per day. Most would be seen as a benefit to the area. I only have capacity to work on up to 2 clients per day so monitoring will not be required.

**Council comment:** The landuse is permissible in the zone with consent. Amenity disruption is minimised through low traffic numbers, no signage, efficient waste management and limit to hours of operation.

- Increased traffic is fraught with inherent risk to the safety of residents.

**Developer response:** As stated in the original application there will be little impact on traffic in the area. I would expect 1-2 cars only per day.

**Council comment:** It is unlikely that traffic numbers will increase significantly.

- In the use of the relevant building as a tattoo studio, regard must be had to relevant NSW legislative requirements which clearly reflect the health risks posed by operation of tattoo studios and the need for strict regulatory enforcement. eg. *Public Health Regulation 2012*, Divisions 2, 3, 4, *Public Health Act 2010*, Divisions 4, 5, and the fact sheet, NSW Dept of Health *Tattooing and Other Body Art – Hygiene Standards* – 27 March 2013.

**Developer response:** All hygiene regulations will be adhered to. The premises are perfectly suited to the operation of the studio. Having taught hygiene practices, my standards are extremely high and will continue to be so.

**Council comment:** Both Council and the developer had had regard for all regulations. Relevant licenses will be obtained, displayed on site and provided to Council. Required inspections will be carried out by Council when required by law.

- The development is prohibited by relevant zoning, presents a serious and inappropriate interference with the amenity of the surrounding area, and presents an avoidable and unacceptable risk to the health of the surrounding community.  
**Developer response:** As stated previously there will be no health risk whatsoever to the area or its community.  
**Council comment:** The use is permissible in the 1(c) zone with consent. Traffic impacts are not expected to be significant. No waste water is generated that cannot be accommodated by the existing effluent disposal system. Solid waste management and health risk is managed efficiently and effectively by regulation and compliance, and regular inspections by Council staff.
- No wish to have urban type and fringe “odd” businesses operating nearby. It is more suited to a CBD area. An art studio is very different from a tattoo studio. This is a quiet rural country estate not a mid-centre town city centre environment, and the tattoo studio is inappropriate in the front paddock of a rural property.  
**Developer response:** The business is a legitimate, legal art form of art. The studio is situated behind the residence at Buesnel Lane – not in the front “paddock”.  
**Council comment:** The studio is located to the west and slightly behind the dwelling. The use is permissible in the zone with consent, and amenity is not expected to be adversely impacted upon.
- An art studio for commercial purposes would also be inappropriate – cars arriving and leaving, the noise, the traffic and more.  
**Developer response:** Once again there will be minimal if any impact on traffic, and no noise.  
**Council comment:** Traffic numbers are not expected to increase significantly, no noise is expected from the tattoo/art activities. The studio will also display the operator’s paintings and portfolio for performing tattoo application.
- Why would customers want to travel all the way out of the city/CBD town centre to have tattoos done in a quiet rural environment? Very odd.  
**Developer response:** I have customers that will travel from as far as Sydney to be tattooed by me. I do not want to work in a CBD environment.  
**Council comment:** It is not for Council to comment on the origin of clientele. The quiet rural environment may be conducive to the operation of such a low key activity.

- The development does not meet the needs or requirements of the inhabitants of the surrounding community and threatens their right to a quiet country tranquil lifestyle. They do not want a stream of unknown people travelling in and out in cars, bikes all week.  
**Developer response:** The community of Millthorpe have been very supportive of the proposed business. Many have stated an interest in having work done. In the original application we discussed the impact of one or two clients at most per day, creating minimal impact and certainly not a “stream” of people. I work by myself so can only see one to two clients per day.  
**Council comment:** The business is not designed to specifically address the needs of the immediate community, but the wider community. The frequency of visitation is not expected to impact greatly upon general amenity in the area.
- Serious security (additional unknown traffic and activity) and possible bio-hazard concerns as well.  
**Developer response:** There will be no “serious security” issues. Traffic increases will be minimal. There will be no “bio-hazards” or security issues.  
**Council comment:** Bio-hazard risk is addressed through attention to legislation in waste disposal. The developer expects to receive only two clients a day as he is a sole operator, therefore security risk is minimal.
- Residents have restrictions on their own properties of what they can do and build, and they respect that, and agree with it, which is why they purchased these properties.  
**Developer response:** I understand that a DA is required and respect the process.  
**Council comment:** The application if approved would be subject to conditions, and relevant legislation. Penalties apply for non-compliance.

**Petition:** The petition received wished to record objection, and request that the use not be permitted. It suggests that the use is inconsistent with the amenity of the local area and asked Council to refuse the application.

**Council comment:** No reasons for the inconsistency are given.

It is clear from the objections received that some members of the community regard tattoo parlours as socially undesirable and likely to attract undesirable persons. It is also apparent that tattoos are popular amongst a wide section of the community. In this respect the developer has had regard for the issues raised, and has provided responses to these matters, and details about his background and the licenses now required for the development to occur. The developer has undertaken training people in tattoo art and the health and safety issues associated with the industry, and has travelled in Australia and New Zealand tattooing, illustrating and studying art.

**79C (e) The public interest**

There are not expected to be any further significant impacts on the public interest from this development, other than those considered above. There are no other relevant State or Federal policies, no easements, covenants or service provision matters.

**Conclusions**

The proposed development has been assessed under the provisions of all relevant legislation, and found to be suitable for the site and the locality. Siting and operational arrangements can ensure land use conflict is minimized, with regard to the expectations of the community for a rural living lifestyle. Legislative requirements minimise risk and hazard in regard to business operation and waste management.

**BUDGET IMPLICATIONS**

No budget implications.

**POLICY IMPLICATIONS**

Assessment undertaken as per legislation.

**IP&R LINK**

**DP 3.4.1** – Pursue sustainable land use practices based on the protection and restoration of natural resources, innovative land use policies and government and community partnerships.

**DP5.4.1** Develop and implement a community engagement process and policy

**Attachments**

- |   |                       |         |
|---|-----------------------|---------|
| 1 | Plans                 | 2 Pages |
| 2 | Conditions of Consent | 2 Pages |

- 16) **DEVELOPMENT APPLICATION NO.126/2014 - ERECTION OF A DWELLING AT LOT 158 DP750399 - 1 SAWYER STREET, BARRY**  
(Senior Town Planner)

**RECOMMENDED:**

That Council approve Development Application 126/2014 for a dwelling on lot Lot 158 DP 750399, 1 Sawyer Street, Barry in accordance with the Section 79C Assessment and conditions contained within this report

**REPORT**

Application Number:	DA 126/2014
Development:	Dwelling
Applicant:	J Chapman
Owner:	J Chapman
Lodgment date:	17 November 2014
Land:	Lot 158 DP 750399
Local Environmental Plan:	Blayney LEP 2012
Zoning:	E3 Environmental Management

**Description of Proposal**

The proposed development is located at Lot 158 DP 750399, 1 Sawyer Street, Barry. Although the block is addressed to Sawyer Street, the land will be accessed off Mendham Street. The development site is one of several blocks owned by the developer rated to Sawyer Street. Mendham Street is unsealed in the vicinity, and access is via an existing gate and unformed crown road.

The land is vacant and almost flat, with little vegetation. The proposed building would be a three bedroom brick dwelling with a colorbond roof on a concrete slab. A geotechnical report has been provided to establish onsite effluent disposal to serve the future dwelling. A copy of the plans are contained in **Attachment 1**.

The setback of the new dwelling would be 5m from the Crown access road along the southern boundary, and 10m from the eastern boundary. Surrounding development is similar larger lifestyle blocks with dwellings, outbuildings and landscaped gardens.

**Section 79C Evaluation - matters for consideration****79C (a)(i) the provisions of any environmental planning instrument****1. State Environmental Planning Policies**

There are no State Environmental Planning Policies relevant to this development.

**2. Local Environmental Plans** The land is zoned E3 Environmental Protection under the *Blayney Local Environmental Plan 2012*, and the proposal is permissible with Council consent on a lot as an *existing holding*. The objectives of the zone are considered as follows:

- To protect, manage and restore areas with special ecological, scientific, cultural or aesthetic values.  
**Comment:** The proposal is not expected to have a significant impact on any special ecological, scientific, cultural or aesthetic values, due to the nature of the development. The dwelling will be constructed on a highly disturbed rural property, and no tree clearing is required for the development.
- To provide for a limited range of development that does not have an adverse effect on those values.  
**Comment:** The proposal is consistent with the proposed use of the land, being for residential purposes as an existing holding, and should have no adverse impact on any of the above values.
- To protect drinking water catchments from the impacts of development by minimizing impacts on the quality and quantity of water entering drinking water storages.  
**Comment:** The proposal is not expected to adversely impact upon the drinking water catchment area. A geotechnical report provided with the application detailing that the dwelling and the onsite effluent disposal system will maintain minimum distances from intermittent water courses, dams and permanent surface water (eg rivers). The dwelling is designed to harvest rainwater into rainwater tanks with the overflow being conveyed away from the building and into existing drainage lines to minimize impact on the building site and adjoining properties. Erosion and sediment control measures will be in place during construction.

**Clause 6.5 Drinking Water Catchments**

The objective is to protect drinking water catchments by minimizing the adverse impacts of development on the quality and quantity of water entering drinking water catchments.

Council must consider the following:

- The distance to the nearest waterway.  
**Comment:** Greater than 40m.
- The onsite use, storage and disposal of any chemicals on the land.  
**Comment:** Not applicable.

- The treatment, storage and disposal of waste water and solid waste generated or used by the development.  
**Comment:** Waste water will be directed into a septic tank system which will serve the future dwelling. Solid waste included construction waste is to be removed to an approved waste facility for disposal. Domestic waste and light industrial waste is to be collected, stored and removed off site for disposal at an approved waste facility.

In this instance therefore, Council is satisfied that the development will be designed, sited and managed to avoid any significant adverse impact on water quality and flows.

**79C (a)(ii) the provisions of any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority that apply to the land to which the development relates.**

There are no such instruments relevant to this proposal.

**79C (a)(iii) any development control plan that applies to the land to which the development relates.**

There are no development control plans relevant to this development.

**79C (a)(iia) Any planning agreement that has been entered into under section 93F, or any draft planning agreement that a developer has offered into under section 93F, that applies to the land to which the development relates.**

Not relevant to this proposal.

**79C (a)(iv) any matters prescribed by the regulations that apply to the land to which the development relates**

There are no aspects of the regulations relevant to this development.

**79C (a)(v) Any coastal zone management plan (within the meaning of the Coastal Protection Act 1979) that applies to the land to which the development relates**

Not relevant to this proposal.

**79C (b) the likely impacts of that development**

### **Context and setting**

The development suits the site in regards setbacks, and the built form, being 5m back from the southern Crown road boundary and 10m from the eastern boundary, in line with an existing shed on the adjoining land to the east. This will enable the developer to landscape along the boundaries to screen the proposed building from adjoining properties. The new dwelling is not expected to significantly detract from existing development in the area.

The dwelling on the adjoining land to the east approximately 15m setback to the Crown road, with a shed located at 5m, and would be approximately 100m away from the new dwelling.



The landscape is almost flat, sloping slightly away from Mendham Street. Other allotments in the vicinity are occupied by established dwellings with landscaping or vegetation present, and with some outbuildings.

**Access, transport and traffic**

The proposed development is not expected to generate significant additional traffic. Council's Engineer has required some upgrading works for an entrance off Mendham Street, and relocation of services if required. The Crown access road is to be maintained by the developer. The Engineer requires no drainage to affect adjoining properties.

**Services/utilities**

The proposed development would require additional services, being electricity and phone. The cost of any service/utility enhancement would be borne by the developer.

**Site design, internal design and construction**

The dwelling would be accessed off Mendham Street along a Crown road. The dwelling would be constructed of brick with a colorbond roof, on a concrete slab. It would be 15.21m x 8.11m, with a roof pitch of 27 degrees. Construction should be carried out in keeping with industry standard, with limitations of the hours for construction, and attention to erosion and sediment control.

It is unlikely that the building would have a significant adverse impact on streetscape as it is set back from Mendham Street by at least 100m, and the location is acceptable, with proposed landscaping to screen the new building.

**Hazards – technological, natural**

There are no particular known technological or natural hazards relevant to the development.

**Noise and vibration**

There are no known vibration impacts relevant to the development. Noise impacts during construction would be minimized through hours of operation.

**Environmental impact – flora, fauna, land resources, air and water pollution, micro climate**

There are no matters such as flora, fauna or land resources relevant to the development. The site is within a highly disturbed semi rural landscape where exotic vegetation predominates. Dust suppression measures would be applied during construction to prevent air pollution, and erosion control during construction would minimize water pollution.

**Water**

Stormwater would be directed around and away from the building, not onto adjoining properties, but to the existing natural drainage system.

Water supply would be via two x 21,000 litre on site rainwater tanks. A bore is available within the village for raw water supply if required.

**Waste**

Waste associated with the development should relate mainly to construction waste, which would be appropriately collected, stored and removed off site to an approved waste facility.

Effluent would be directed into an onsite disposal system, as outlined in the geotechnical report submitted.

**Safety, Security and Crime Prevention**

The proposed development should not lead to issues relating to safety, security or crime prevention. The development should not lead to health issues for the wider community. It is to be on private fenced land, with no public access. Security would be ensured through lockup and all construction work would be carried out under WorkCover guidelines.

**Economic impact**

The proposed development may lead to local employment during the construction phase.

**Social Impact**

The proposed development is not expected to have significant social impact on the community. The amenity issues will be addressed by the developer through landscaping, and the building should not create landuse conflict if carried out in accordance with the information provided and a development consent. The dwelling would enable greater enjoyment by the landowner of the premises, and economic input into the Barry community, without significant impact on neighbouring properties.

**Cumulative impact, Principles of Ecologically Sustainable Development, Sustainability and Climate Change****Cumulative Impact**

Cumulative impact relates to the construction of a small dwelling within a semi rural area and its impact. The objectives of the zone, as considered in this report, are satisfied. Conditions of consent will reinforce these provisions, including landscaping to screen the building.

**Climate Change**

The NSW Sea Level Rise Policy Statement 2009 outlines the Government's objectives and commitments in regards to sea level rise adaptation. A key Government commitment is that it will promote and support an adaptive risk-based approach to managing the impacts of sea level rise. The proposal would not significantly contribute to climate change and will not change the risk profile of the site in regard to the impacts of sea level rise.

**Ecologically Sustainable Development**

All potential environmental interactions should have regard for the Precautionary Principle (prevent environmental degradation and protect local environment), Inter-generational Equity (not to compromise the environment for future generations), Improved Valuation and Pricing of Environmental Resources (to utilize the land with minimal environmental impact to result in an economic benefit to the community) and conservation of biological diversity and ecological integrity. The proposal would not present significant threats of serious or irreversible environmental damage, and the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations, for the conservation of biological diversity and ecological integrity.

**Other**

The following impacts have been considered and are not relevant to the proposal: bushfire, heritage, flooding and contamination.

**79C (b) Suitability of the site for the development**

The above assessment details the aspects of the development which render it suitable for the site. The development would be compatible with adjoining properties and the residential use of the land. It would require minimal utility enhancement, and would not generate significant additional traffic at this point in time.

**79C (d) Any submissions made in accordance with this Act or the Regulations**

The development was notified for 14 days from 18 November 2014, and one submission was received. The issues raised are addressed as follows:

- The application is addressed to 1 Sawyer Street, but the land appears to be accessed off Mendham Street? This is unclear. The exact land and its access should be clearly identified.

**Developer response:** The proposed access to the dwelling is via a Crown road from Mendham Street. Lot 158 DP 750399 is included, for rating and valuation purposes, with land fronting 1 Sawyer Street, thus the development application was submitted with reference to valuation and rating records which indicate 1 Sawyer Street as the address.

**Council comment:** The developer owns land which fronts Sawyer Street and the various lots are all rated to Sawyer Street at this stage. The new dwelling will be addressed to Mendham Street.

- The access lane has been rented out since at least 2001 by an adjoining landowner.

**Developer response:** One of the conditions of enclosure (road) permits issued by Crown Lands NSW provides that the land subject to the permit “must remain available for access if required”.

**Council comment:** It is a Crown public road, available for use by the public for access.

- Serious concerns with regard to pollution of adjoining land, gardens, watershed, well, home, vegetable patch and animals.

**Developer response:** It is assumed that this issue is related to the access road to the proposed development. Any road works for the access will be undertaken in accordance with Council's required standards.

**Council comment:** The access road is to be formed by the developer with adequate drainage, with ongoing maintenance by the developer.

- The access road is approximately 12m from their back door and is on a higher elevation. Any road works may cause runoff.

**Developer response:** The submission suggests that the access road will be 12 metres from the back door of the existing dwelling. This measurement appears to be based on the north eastern boundary of the Crown road. It is intended that the access road will be located in the centre of the Crown road, approximately 23 metres from the existing adjoining dwelling. If required, I would be prepared to locate the access road near the south western boundary, approximately 30 metres from the existing dwelling. Any road works for the access will be undertaken in accordance with Council's required standards, including provision (if required) for prevention of runoff from affecting the neighbouring property.

**Council comment:** The developer is to form and drain the road with no impact on adjoining properties.

- The access road is unfit for the use of any heavy vehicles needed for the construction of a dwelling in the adjacent paddock.

**Developer response:** Access by heavy vehicles during the construction of the proposed dwelling will occur – however, there will be minimal use of the access by heavy vehicles and it is considered that the existing surface would be suitable.

**Council comment:** The access road must be upgraded by the developer.

- There is no road, track or accessible byway for any type of vehicle in the rented lane.

**Developer response:** It is proposed to construct a single lane graveled carriageway for access as part of the proposed development.

**Council comment:** The access road will be constructed by the developer.

- The enjoyment of the adjoining land will be extremely affected by this proposal. It is a rural setting with small children.

**Developer response:** In accordance with Council's *Blayney Local Environmental Plan 2012*, adopted after significant community consultation, the construction of a dwelling on Lot 158 DP 750399 is permissible.

**Council comment:** There is no evidence to suggest this will occur.

- There is concern for a road right outside their back door. It has been rented for a long time, and it is unfair that this proposal basically turns it into a driveway for someone else.  
**Developer response:** As advised above, the proposed access road will be located at least 23 metres from the adjoining existing dwelling.  
**Council comment:** The dwelling on the adjoining land is approximately 15m setback from the Crown road reserve. The land is public land which can be utilised for access.
  
- Drainage, compaction, development, environmental impact statements, watershed and pollution should be taken into account before consideration is given to this application.  
**Developer response:** The proposed development will be undertaken in accordance with Council's conditions of consent if the application is approved.  
**Council comment:** The conditions of consent to be placed on any approval will address these matters. Compliance of access construction should be in accordance with the WBC Guidelines for Engineering Works and to the satisfaction of Council's Engineer.
  
- Upset at the whole idea of the impact this will have on our lives, and the lives of our children.  
**Developer response:** Again, in accordance with Council's Blayney Local Environmental Plan 2012, adopted after significant community consultation, the construction of a dwelling on Lot 158 DP 750399 is permissible. The proposed development will be undertaken in accordance with Council's conditions of consent if the application is approved.  
**Council comment:** No evidence to suggest what this impact might be. Access and drainage are addressed through conditions of consent.

### **79C (e) The public interest**

There are not expected to be any significant impacts on the public interest from this development. There are no relevant State or Federal policies, no easements, covenants or service provision matters.

### **Conclusions**

The proposed development has been assessed under the provisions of all relevant legislation, and found to be suitable for the site and the locality. Appropriate siting and materials will ensure land use conflict is minimized, with regard to the future development of the site.

### **BUDGET IMPLICATIONS**

No budget implications.

### **POLICY IMPLICATIONS**

Assessment undertaken as per legislation.

**IP&R LINK**

**DP 3.4.1** – Pursue sustainable land use practices based on the protection and restoration of natural resources, innovative land use policies and government and community partnerships.

**DP5.4.1** Develop and implement a community engagement process and policy

**Attachments**

- |   |                       |         |
|---|-----------------------|---------|
| 1 | Plans                 | 2 Pages |
| 2 | Conditions of Consent | 4 Pages |

17) **PLANNING PROPOSAL TO AMEND BLAYNEY LOCAL ENVIRONMENTAL PLAN 2012**  
(Director Planning and Environmental Services)

**RECOMMENDED:**

1. That Council forward a Planning Proposal to the Minister for Planning and Infrastructure seeking an amendment to the Blayney Local Environmental Plan 2012 to replace Zone E3 Environmental Management with Zone RU1 Primary Production.

**REPORT**

The purpose of this report is to seek Council resolution to submit a Planning Proposal to the Department of Planning & Infrastructure (DPI) to amend the Blayney Local Environmental Plan 2012 (BLEP).

Council at its Ordinary Meeting on 8 December 2014 deferred this matter due to concerns raised about the Planning Proposal document by Mr. R and Mrs. K Menzies. Subsequently on 13 January 2015 a meeting was attended by; Blayney Shire Council's; Mayor, General Manager, Director of Planning and Environmental Services, 2 representatives from the Department of Planning's Dubbo office and Mr. R and Mrs. K Menzies to discuss concerns about the content of the Planning Proposal to change the E3 zone to the RU1 zone. Several outcomes were agreed too at the meeting, the Planning Proposal has been altered and is brought to Council for consideration.

Attached is the altered Planning Proposal prepared by iPLAN PROJECTS on behalf of Blayney Shire Council justifying the replacement of Zone E3 Environmental Management with Zone RU1 Primary Production within BLEP.

Council at its Ordinary Meeting on 16 September 2014 resolved to prepare 3 Planning Proposals to amend the BLEP 2012. Replacing Zone E3 Environmental Management with Zone RU1 Primary Production was one of those Planning Proposals. Analysis of the other 2 Planning Proposals are still being undertaken and upon finalisation will be brought to a forthcoming meeting. They have no impact upon this Planning Proposal.

As part of the analysis for this Planning Proposal consideration was given to a land owners request to allow "intensive plant agriculture" (IPA) within the RU1 Primary Production zone to be permissible without consent, currently IPA requires development consent. Intensive plant agriculture is defined in the NSW Standard Instrument LEP as;

***intensive plant agriculture***

- (a) the cultivation of irrigated crops for commercial purposes (other than irrigated pasture or fodder crops),
- (b) horticulture,
- (c) turf farming,

(d) viticulture.

**Note.** Intensive plant agriculture is a type of **agriculture**—see the definition of that term in this Dictionary

With removal of the E3 Environmental Management zone it would be inappropriate to allow IPA to be permissible without development consent in the RU1 zone. Because of the intensive style of farming IPA has the potential for a detrimental environmental impact and as such to ensure environmental protection, particularly of drinking water catchments any proposed development should have its potential impact assessed through lodgment of a Development Application (DA).

Some Local Government Areas within the central west including Oberon and Cowra allow IPA as permissible without consent, however Cabonne and Orange within their respective LEP's retain IPA as permissible with consent. Permissible with consent means that IPA is allowed to take place within the RU1 zone, it just requires a DA to do so.

The detailed analysis required to undertaken to potentially justify that IPA is suitable to be undertaken without development consent in the RU1 zone would be significant and the cost benefit is questioned when to Councils knowledge only one (1) landowner is advocating for this change. In the event a landowner wanted to undertake IPA they could lodge a DA at a cost of \$285.00.

Even if Council allocated resources to undertake the detailed analysis any Planning Proposal is likely to encounter significant resistance from multiple state government agencies including; Central Tablelands Water, NSW Environment and Heritage, NSW Health, NSW Office of Water.

### **BUDGET IMPLICATIONS**

Nil.

### **POLICY IMPLICATIONS**

The proposed Planning Proposals would alter the content of Blayney Local Environmental Plan 2012.

### **IP&R LINK**

DP 3.4.1 Pursue sustainable land use practices based on the protection and restoration of natural resources, innovative land use polices and government and community partnerships.

### **Attachments**

1	IPlan Projects Planning Proposal to to replace Zone E3 Environmental Management with Zone RU1 Primary Production	44 Pages
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18) **MINUTES OF THE BLAYNEY SHIRE SPORTS COUNCIL  
MEETING HELD 20 NOVEMBER 2014**  
(Director Infrastructure Services)

**RECOMMENDED:**

1. That the recommendations of the Blayney Shire Sports Council meeting held on Thursday 20 November 2014 be adopted.

**REPORT**

The minutes of the Blayney Shire Sports Council meeting held on Thursday 20 November 2014 are attached.

**Attachments**

- 1 Blayney Shire Sports Council Minutes 20/11/2014 3 Pages

19) **MINUTES OF THE BLAYNEY SHIRE ACCESS ADVISORY  
COMMITTEE MEETING HELD ON 27 NOVEMBER 2014**  
(Director Planning and Environmental Services)

**RECOMMENDED:**

1. That the recommendations of the Blayney Shire Access Advisory Committee meeting held on 27 November 2014 be adopted.

**REPORT**

The minutes of the Blayney Shire Access Advisory Committee Meeting held on Thursday 27 November 2014 are attached and Councillors attention is drawn to the following items:

- Adelaide Street Paving
- Blayney Town Tour to Raise Awareness of Mobility Device Challenges
- Disability Week
- Liberty Swing at Heritage Park

**Attachments**

- 1 Access Advisory Committee Minutes 27/11/2014 3 Pages

20) **MINUTES OF THE BLAYNEY SHIRE TOWNS AND VILLAGES  
COMMITTEE MEETING HELD 11 DECEMBER 2014**  
(Director Corporate Services)

**RECOMMENDED:**

1. That the recommendations of the Blayney Shire Towns and Villages Committee meeting held on 11 December 2014 be received and noted.
2. That the resignation of Blayney Town Committee representative, Anthony Kearney, be noted and that Anastasia Webster-Hawes be appointed as replacement delegate.
3. That Council engage the B2B organisers over lack of neighbourhood consultation; press releases/community awareness; toilet facilities and rubbish collection.

**REPORT**

A meeting of the Blayney Shire Towns and Villages Committee meeting was held on Thursday 11 December 2014.

Key items discussed for reference:

- Village plans update
- Progress on towns & villages signage
- Resignation of Blayney Town Committee delegate, Anthony Kearney and recommendation of appointment of Anastasia Webster-Hawes.
- Concerns with B2B resident engagement.

The minutes are attached for the notation by Council.

**Attachments**

1 Blayney Shire Towns & Villages Committee Meeting Minutes 3 Pages