



**ORDINARY MEETING OF COUNCIL
TO BE HELD ON TUESDAY, 19 JUNE 2007 AT 7.00PM
LEVEL 3, COUNCIL CHAMBERS**

A G E N D A

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NOTE: For Full Details, See Council's Website –
www.kmc.nsw.gov.au under the link to Business Papers

APOLOGIES

DECLARATIONS OF INTEREST

CONFIRMATION OF REPORTS TO BE CONSIDERED IN CLOSED MEETING

ADDRESS THE COUNCIL

NOTE: Persons who address the Council should be aware that their address will be tape recorded.

DOCUMENTS CIRCULATED TO COUNCILLORS

CONFIRMATION OF MINUTES

Minutes of Ordinary Meeting of Council

File: S02131

Meeting held 12 June 2007

Minutes to be circulated separately

Minutes of Ordinary Meeting of Council

File: S02131

Meeting held 22 May 2007

Memorandum by Senior Governance Officer regarding confirmation of Minute No 169 be deferred to allow the tape to be checked - to be circulated separately

MINUTES FROM THE MAYOR

PETITIONS

GENERAL BUSINESS

- i. *The Mayor to invite Councillors to nominate any item(s) on the Agenda that they wish to have a site inspection.*
- ii. *The Mayor to invite Councillors to nominate any item(s) on the Agenda that they wish to adopt in accordance with the officer's recommendation and without debate.*

- GB.1 **Management Plan 2007 to 2011 incorporating Budget & Fees & Charges for 2007/08** **1**
- .
File: S05708

For Council to adopt the 2007-2011 Management Plan, incorporating the Budget and Fees & Charges for 2007-2008.

Recommendation:

That Council adopt the 2007-2011 Management Plan, incorporating the Budget, Fees & Charges for 2007/2008.

- GB.2 **Ku-ring-gai Access Advisory Committee - Minutes of 19 April 2007** **13**
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File: S02116

To provide Council with the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007.

Recommendation:

That the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007 be received and noted.

GB.3 Submission on Draft State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2) 20

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File: S02168

To provide information on a submission on the draft State Environmental Planning Policy (SEPP) (Seniors Living) 2004 (Amendment No.2) and Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007.

Recommendation:

That Council note the changes in draft SEPP (Seniors Living) Amendment No.2 and the Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007.

GB.4 Draft Bushfire Prone Land Map (2007) 71

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File: S04805

To seek Council's approval to exhibit the proposed draft Bushfire Prone Land Map for Kuring-gai Local Government Area.

Recommendation:

That Council approve the proposed draft Bushfire Prone Land Map (2007) for public exhibition and seek the approval of the Department of Planning to extend the Bushfire Evacuation Risk Map as previously resolved by Council and supported by the NSW Rural Fire Service.

GB.5 Proposal for Allocation of Funding Between Assets 110

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File: S02135

To present a discussion paper on Council's current funding for the various asset classes and to assess criteria for the allocation of funds between asset classes.

Recommendation:

That Council not adopt a methodology for allocating funds to Council's assets until a review and defined strategy is adopted for each of the asset classes.

EXTRA REPORTS CIRCULATED AT MEETING

**BUSINESS WITHOUT NOTICE - SUBJECT TO CLAUSE 14 OF MEETING
REGULATION**

QUESTIONS WITHOUT NOTICE

INSPECTIONS COMMITTEE - SETTING OF TIME, DATE AND RENDEZVOUS

**CONFIDENTIAL BUSINESS TO BE DEALT WITH IN CLOSED MEETING - PRESS &
PUBLIC EXCLUDED**

*The Items listed hereunder are recommended for consideration in Closed Meeting, Press & Public
excluded for the reason stated below:*

- C.1 **RTA Proposal to Sell Lot 21 DP 538546 Adjacent to Kissing Point Oval,
South Turrumurra** **1**
(Section 10A(2)(c) - Information that would confer a commercial advantage)

File: P48402

Report by Director Corporate dated 4 June 2007.

- C.2 **Low Impact Telecommunication Installations adjacent to 212 Ryde Road
West Pymble** **6**
(Section 10A(2)(g) - Advice concerning litigation)

File: 88/06023/01

Report by Director Corporate & Acting Director Strategy, Antony Fabbro dated 12 June
2007.

John McKee
GENERAL MANAGER

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MAYORAL MINUTE

102 ROSEDALE ROAD, ST IVES

Due to the importance of Blue Gum high forest in our community, particularly as it is now listed as critically endangered species I believe we need to engage an independent ecological consultant to provide a report on the property at 102 Rosedale Road, St Ives.

This report would form part of the assessment for the application for DA 0393/07.

RECOMMENDATION

- A. That Council resolve to engage an independent ecological consultant, recognised as expert in assessing Blue Gum High Forest, to review the Development Application for 102 Rosedale Road St. Ives (DA0393/07).
- B. That the independent ecological consultant be drawn from the following list of recognised experts of Blue Gum High Forest and Blue Gum High Forest ecological community:

Roger Lembit (Gingra Ecological Surveys)
Teresa James (Flora Consultants)
Peter Smith (P&J Smith Ecological Consultants)

Cr Nick Ebbeck
Mayor

MAYORAL MINUTE

TOWN CENTRES PLANNING

On 13 June 2007, I along with several senior Council staff, met with the Hon Frank Sartor- Minister for Planning, Minister for Redfern- Waterloo, Minister for the Arts, his ministerial staff and senior staff from the Department of Planning.

The purpose of the meeting was to pursue Council's objective of achieving a SEPP 53 exemption via a Dual Occupancy LEP. At the meeting, a range of issues were covered focusing on the progress of the Town Centres LEP. A copy of the notes of that meeting is provided as an attachment to this Mayoral Minute.

In relation to the matter of development of a dual occupancy LEP, correspondence was received by Council from the Director General of the Department of Planning approximately two hours prior to the meeting (see attached). The correspondence reiterated that Council should also address the matter of integrated housing within that LEP.

At the meeting, I reinforced the significant efforts made by Council in reducing development application processing times, reducing legal costs and appeals to the Land & Environment Court.

I also raised an issue with the reference to the Town Centres in the 30 May 2007 letter from the Department of Planning and provided an overview of planned and actual yields to date. I also highlighted the fact that Council has signed off on 14,000 dwellings with net 10,000 dwellings as part of the Metropolitan Strategy and other LEPs to achieve the yields.

Council staff noted that it was still not clear as to what issues the Department has with the Town Centres LEP as this has not been communicated since the LEP was submitted to the Department in December 2006.

The Department outlined the following key issues with the Town Centres LEP/DCP:

- sites not included in the LEP that should be included
- reclassification of sites
- references in LEP to minimum site areas
- DCP controls may limit the LEP height and FSR from being achieved
- references in LEP to minimum street frontages
- down zoning of sites where existing uses have not been transferred across in the new LEP
- Turramurra issue of 1335-1337 Pacific Highway - this has been rezoned to residential

Item 2

**S02036
19 June 2007**

I made it clear at that meeting that if the Department has outstanding issues, these should be provided in a detailed list, given they have had the plans for 6 months.

Subsequent to this, I sent a letter to the Department on 14 June 2007 requesting that a detailed update of all outstanding issues be provided to Council. This information will assist us in responding to the matters raised at the meeting.

Reclassification

In relation to the reclassification of Council owned land it was made very clear by the Minister that the reclassification issues must be addressed as failure to do so will prevent any major development in the Town Centres and therefore density and objectives will not be met.

The Department also advised they had received correspondence from the Department of Local Government in relation to issues with the reclassification process. Ku-ring-gai staff advised they are aware of the issue and have independent QC legal advice that confirms the process Council followed was wholly legal and correct and no re-exhibition would be required.

The Departmental staff and Minister Sartor raised the possibility of a Class IV challenge and indicated the NSW Ombudsman was also involved. At the meeting, Mr Miocic indicated that Class IV challenges could be commenced even if Council repeated the reclassification process.

Progressing the Town Centres LEP

Minister Sartor put forward 4 options to progress the Town Centres LEP, these being:

- Option 1 The DoP takes over the entire process.
- Option 2 Use the provisions of SEPP No 53, which permit the DoP & Minister to make any changes.
- Option 3 Appoint an independent panel- with councillor representation and serviced by staff.
- Option 4 The DoP takes over the project as per the Regional Cities example.

I put forward another option that Council resolve the issues raised by the Department and the Minister acknowledged that this was a possible option.

I move the following to make clear to the Minister for Planning, the Department of Planning and the community that Council is clearly focused on its adopted work programme relating to the Town Centres, including final consideration of reclassification of Council land as proposed.

RECOMMENDATION

I move:

- A. That Council acknowledges the Queens Counsel advice which concludes that the reclassification process has been conducted in a correct and lawful manner.
- B. That Council continue its adopted work program in relation to the reclassification of land.
- C. That the General Manager writes to the Department of Local Government explaining Council's process and provides a copy the legal advice from Queens Counsel.
- D. That the General Manager writes to the NSW Ombudsman explaining Council's process and provides a copy of the legal advice from Queens Counsel.
- E. That the Mayor writes to the Minister for Planning outlining Council's course of action concerning the reclassification process and provides a copy of the legal advice from Queen's Counsel.
- F. That the Mayor seeks a meeting with the Minister for Planning to clearly articulate Council's resolution, intent and work program.
- G. That the Mayor, Councillors and the community be updated in relation to the status of this matter.

Cr Nick Ebbeck
Mayor

Attachments:

- 1. Meeting notes from Meeting 13 June 2007, Ku-ring-gai Council, Minister Sartor & NSW Planning Department - Confidential**
- 2. Letter dated 30 May 2007 (received 13 June 2007) from Department of Planning**



NSW GOVERNMENT

Department of Planning

Office of the Director General

Cr Nick Ebbeck
Ku-ring-gai Council
Locked Bag 1056
PYMBLE NSW 2073

DGC07/699

Dear Cr Ebbeck

I refer to your letter of 4 May 2007 concerning your request that the Department provide a revised letter removing the need for Council to plan for integrated housing as part of a proposed Dual Occupancy LEP.

The advice given to Council, as per the Department's previous letter which you refer to, remains the Department's position on these issues. For clarification, these points related to review of the exclusion of the targeted sites after the Town Centres LEP and DCP are gazetted; permitting Council to review dual occupancy and associated provisions in advance of the timeframe for the comprehensive LEP; and advising Council that such a review should address Metropolitan Strategy housing targets, give an indication of where development is permitted and why other areas are excluded; and include provisions for integrated housing.

Your letter indicates that Council has rezoned for over 15,000 dwellings in Stages 1 and 2 of Council's Residential Development Strategy. It is acknowledged that Council has devoted much time and resources to this work. However the Department continues to have concerns regarding the feasibility of these rezonings to achieve a meaningful contribution to Council's Metropolitan Strategy housing targets. The Council would be aware of these concerns including the restrictive nature of controls and standards in both the draft Town Centres LEP and DCP.

In relation to SEPP 53, you would be aware that this legislation aims to broaden housing choice, including dual occupancy, flexible and adaptable housing forms and forms of integrated housing. This will ensure housing needs are met throughout metropolitan Sydney and enable 'ageing-in-place' to occur in areas like Ku-ring-gai.

If Council wish to gain exemption from SEPP 53, any proposed LEP would need to ensure that housing choice, including forms of integrated housing, can be achieved as a result of controls and provisions in the LEP in areas outside the town centres. This may be achieved through various mechanisms in the LEP i.e. through objectives, standards, controls etc.

As such, if Council wish to progress an LEP addressing SEPP 53, in advance of the timeframe for the comprehensive LEP, which does not allow for a form of integrated housing to be developed in the council area, such an LEP may not qualify Council for complete exemption from SEPP 53.

This work should not detract from meeting the deadline of March 2011 for completion of the comprehensive LEP.

I have arranged for Mr Peter Adrian, A/Regional Director, Sydney North West team, of the Department of Planning to assist you on telephone number (02) 8374 5926.

Yours sincerely

Sam Haddad

Sam Haddad
Director General

30/5/2007.



PETITION

REQUEST COUNCIL TO PROVIDE DISABLED ACCESS FROM MIOWERA ROAD, NORTH TURRAMURRA TO ALLARA AVENUE, NORTH TURRAMURRA - (FOUR HUNDRED & NINETY-THREE [493] SIGNATURES)

The following Petition was presented by Councillor Ian Cross on 19 June 2007:

"We, the undersigned, hereby call on the Council to build disabled access, in the form of a footpath, from Miowera Rd, North Turramurra to Allara Ave, North Turramurra as a safe pedestrian link to Bobbin Head Rd.

In doing so this will enable people like Peter Brown, who recently became a quadriplegic and other residents, including the elderly, parents with prams, those who like to exercise and children to move safely between their homes and North Turramurra. In spite of having use of a motorised wheelchair, Peter Brown will be unable to access the North Turramurra shops and its associated services on his release from Ryde's Royal Rehabilitation Centre in the middle of this year. Peter is just one resident whose life would be greatly enhanced both physically and psychologically by having access to his community rather than being imprisoned alone in his own home.

At present there is no footpath in Miowera Rd. and the terrain of the nature strip leading to Allara Ave. is undulating and unnavigable. Steps and a dangerous gradient make an approach from Normurra Avenue also impossible. Residents complain that as Miowera Rd's nature strip is so unstable underfoot they often have no choice but to walk on the road itself. It concerns them enormously that their children, although more agile, prefer to walk on the road rather than the nature strip.

As Miowera Road is often used as an alternative route for traffic wishing to avoid school traffic on Bobbin Head Road and the street has been struggling recently with unruly youths using the street as a drag strip, walking or riding on the road is simply not safe. Miowera Road residents believe that because of this problem an accident is inevitable.

As recently reported in the North Shore Times (May 4, 2007) Peter, a university lecturer and former naval officer who has served his country was rendered a quadriplegic in November last year. As a result his wife Cheryl has had to return to work fulltime to support him. After work she visits her husband where he is in rehabilitation and stays with him till 11pm.

In the months leading up to his illness, Peter was a familiar face in North Turramurra, walking daily with, Cheryl and their dog to keep fit. Then a spinal abscess struck virtually overnight leaving him without movement from the neck down.

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88/05798/01
19 June 2007

When approached about Peter's plight by the North Shore Times, Mayor Nick Ebbeck said, while requests for new footpaths needed to be assessed against set criteria such as traffic volumes, proximity to shops, railway lines, schools, hospitals and playing fields, "There is certainly a case for including disabled access in this criteria."

A second North Shore Times article (May 11, 2007) submitted by Defence Minister, Dr Brendon Nelson, strongly supported Peter Brown's needs. Dr Nelson, earlier that week, was present when the Australian Army's Land Commander; Major General Mark Kelly presented a small group of North Shore veterans with the Australian Defence Medal. Peter Brown was one of eight people honoured for services to his country.

Dr Nelson summed up his article by saying, "It seems to me that on the one hand we quite rightly honour a man's military service to his country, but then apparently we can't help with something practical like footpath access. All levels of government have laws, regulations and limited budgets. But given the contribution to us made by Peter perhaps we could give him a bit of concrete to go with his medal."

The approximate length of concrete from Peter's gate at 17 Miowera Rd to where the concrete pathway begins at Allara Ave is .13 of a km. In providing this to him and other residents in the area a link to Bobbin Head Rd, where they would have access to essential services, would be made possible.

The psychological and physical relief this .13 km strip of concrete would bring to Peter and his family in connecting him to the outside is indescribable. He must be able to get to the doctor, dentist and other people in order to lead some kind of life.

Not only would Peter benefit but so would all Miowera Rd residents. In view of the ageing population and the difficulties this will bring to the community in the future a pathway would be an investment.

Your urgent consideration of this matter would be very much appreciated. Thank you."

RECOMMENDATION

That the Petition be received and referred to the appropriate officer of Council for attention.

MANAGEMENT PLAN 2007 TO 2011 INCORPORATING BUDGET AND FEES & CHARGES FOR 2007/08

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

For Council to adopt the 2007-2011 Management Plan, incorporating the Budget and Fees & Charges for 2007-2008.

BACKGROUND:

Section 402 of the Local Government Act (1993) requires councils to produce an Annual Management Plan which identifies its principal activities and objectives for the next four years.

Section 405 of the Local Government Act (1993) requires the Draft Management Plan to be placed on public exhibition for a period of 28 days which allows for community feedback.

Council resolved on 24 April 2007 to place the Draft Management Plan 2007-2011 incorporating the Budget, Fees & Charges on public exhibition.

Section 406 of the LGA requires that a Council's Management Plan must be adopted prior to the end of the financial year.

COMMENTS:

The Draft Management Plan was placed on exhibition for the period 4 May 2007-1 June 2007.

One submission was received from the community in relation to Council's Draft Management Plan.

RECOMMENDATION:

That Council adopt the 2007-2011 Management Plan, incorporating the Budget, Fees & Charges for 2007/2008.

PURPOSE OF REPORT

For Council to adopt the 2007-2011 Management Plan, incorporating the Budget and Fees & Charges for 2007-2008.

BACKGROUND

- Section 402 of the Local Government Act (1993) (LGA) requires councils to produce an annual Management Plan which outlines its principal activities for a period of four years.
- Sections 403 and 404 of the LGA set out the statutory contents of a Council's Management Plan.
- Section 405 of the LGA requires the Draft Management Plan to be placed on public exhibition for a period of 28 days, that suitable public notice be given and that submissions on the Management Plan are welcomed from the community.
- Section 406 of the LGA stipulates that a Council's Management Plan must be adopted prior to the end of each financial year.

Council resolved on 24 April 2007 to place the Draft Management Plan 2007-2011, incorporating the Budget, Fees and Charges 2007/2008 on public exhibition for a period of 28 days.

The exhibition period was 4 May-1 June 2007.

Advertisements were placed in the North Shore Times on 2 May advising public exhibition details and inviting submissions from interested members of the community.

Copies of the Draft Management Plan 2007-2011, incorporating the Budget and Fees and Charges 2007/2008 were available for inspection at Council Chambers, each of Council's libraries and on Council's website.

COMMENTS

In the development of the Management Plan, six principal activities have been identified:

- Civic Leadership and Corporate Services
- Integrated Planning
- Community Development
- Natural Environment
- Built Environment
- Financial Sustainability

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Within each of these activities the long, medium and short term goals have been set as well as the identification of issues that have the potential to affect reaching these goals. Linked to the goals are a number of statements that determine what will be done in the year ahead including a list of key performance indicators and performance measures. Action against these indicators is reported to Council on a quarterly basis as one of the performance management tools to assess the delivery of services to our ratepayers.

Prioritisation

This year's Management Plan has introduced a hierarchy of indicators to assess the performance of our organisation across a number of important areas. High priority Key Performance Indicators (KPIs) have been identified based on the following criteria:

1. The achievement of the KPI is a legislative responsibility.
2. The KPI is necessary to meet a ministerial directive or order.
3. The indicator relates to the ongoing sustainability of Council and/or is strategically important in that it informs Councillors of the overall direction of the organisation.
4. The indicator is tied to the operational efficiency that enables benchmarking against other councils.
5. The achievement relates to an adopted capital works program.

Other KPIs are related back to each of the principal activities and have been assigned across economic, social, environmental and governance themes.

Global Reporting Initiative

In addition, this year's report has introduced a global reporting sustainability system known as the Global Reporting Initiative (GRI). This has been developed and applied by the United Nations and European Commission for public and private agency planning and reporting. The GRI has its own set of indicators that has been incorporated within this Plan and will be reported separately in Council's Annual Report.

The advantages of the GRI are to:

- reinforce organisational commitments and demonstrate progress,
- allow Council to serve as a role model for the public sector,
- improve Council's internal governance,
- highlight the significance of Council's role as a consumer and employer,
- enhance intra and inter departmental co-ordination through implementing sustainability strategies,
- assist in integrating sustainability into operations, resulting in enhanced operational efficiency and cost savings,
- permit comparison and exchange of information among other councils and public sector organisations, and
- provide a common reporting framework for the public and private sector to synergise communication between different parties.

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7 June 2007**Fees and Charges**

Council is required to resolve to place the Draft Management Plan and the Schedule of Fees & Charges on public exhibition for a period of 28 days and adopt the Plan prior to 30 June 2007. The setting of fees and charges is consistent with Council's pricing policy that reflects the provision of goods and services across five areas: community service obligations, natural monopoly, statutory fees, regulatory fees, and entrepreneurial activities.

Development of Council's Budget

The operating budget for 2007/2008 has been developed within the framework established by the 10 Year Financial Model as adopted by Council on 12 December 2006. This framework includes:

- An estimated employee award increase of 3.5%
- Net debt repayment of \$857,800
- New borrowings capped at \$1,000,000
- Rate pegging increase of 3.4%
- \$1,184,900 allocated to Council's depreciation reserves
- Interest earned on depreciation and New Facilities reserves restricted to those reserves (\$1,186,600)
- Capital works program totalling \$18.6M and operating projects totalling \$2.7M
- \$4,545,500 allocated to road projects
- Reductions in debt servicing costs allocated to projects of direct community benefit (\$1,929,000)
- Land and Environment Court legal costs budgeted at \$1,050,000
- Fees and Charges increased by 2.9% where appropriate

Rates

Under Section 506 of The Local Government Act, each year the Minister for Local Government determines the maximum amount by which Councils can increase their notional rates income. The increase announced by the Minister for 2007/2008 is 3.4%. This increase has been included in calculating Council's rate revenue for the 2007/2008 financial year.

Rate pegging increase of 3.4%				
Rate Type	Category	Rate in \$	Min Amount \$	Yield \$
General	Residential	0.00174074	392	\$36,891,409
General	Business	0.0047952	392	\$2,515,312
Special	Environmental	0.00009483	-	\$2,034,573
Special	Infrastructure	0.00009273	-	\$1,989,513

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7 June 2007**Summary of adjustments to budget 2007/2008 after Draft Management Plan was adopted for Public exhibition by Council on 24 April 2007.**

- Reduction in rates income of \$45,000 due the pegging limit being 0.1% less than was provided for in the draft budget.
- Increase in projected working capital balance of \$185,000 resulting from the introduction of a fee to recover costs incurred by Council for merchant fees credit card payments as outlined in the previous report to Council on 24 April.
- Investigations into the functionality of Council's existing Proclaim software have revealed that development application tracking will not be achieved to a satisfactory standard using current products. Council officers have evaluated other suppliers of similar software and have sourced an appropriate alternative. The alternative is the "Masterview" and "Masterplan" software designed by Infomaster.

The capabilities of the Masterview product, both in terms of DA reporting and tracking far exceed those of Proclaim, providing for faster and more effective delivery of information To establish development application tracking software using the preferred software it is recommended that an additional \$80,000 be added to the Information Technology projects budget for licensing, maintenance, hardware and implementation.

- The net result of the above provides for an increase in Working Capital of \$60,000. This brings total Working Capital available to a balance \$134,000 to assist in the long term strategy of building Council's Working Capital to a level of approximately \$1million over the next few years as previously reported.

CONSULTATION

The Draft Management Plan and the Schedule of Fees & Charges were placed on public exhibition from 4 May 2007-1 June 2007 to allow for community feedback. One submission was received on the draft Management Plan and it is **attached** to this report and one resident attended a public meeting held on 21 May. The main issues that were discussed revolved around the distributions of funding. All questions were answered by the Director Corporate to the resident's satisfaction.

Preliminary consultation on the 2007-2011 Management Plan occurred throughout the year via a number of Council's advisory committees and local interest groups. These discussions have helped refine the overall direction and identify tasks and key performance indicators for the coming year. In particular consultation has taken place with:

- Community Development Committee
- Parks, Sport and Recreation Advisory Group
- Bushland, Catchments and Natural Areas Advisory Group
- Ku-ring-gai Bushcare Association

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In addition, the residents' feedback register was also used to ascertain the acceptance and reporting strength of the key performance indicators and operational performance indicators.

In addition to the public consultation detailed above, workshops and briefings were held with Councillors during February 2007.

FINANCIAL CONSIDERATIONS

Budget

Council's Draft Budget for 2007/2008 as presented to Council on 24 April 2007 conforms with the requirements of Council's 10 Year Financial Model.

Council's budgeted cash surplus for 2007/2008 is \$25.8million. After allowing \$7.1million for depreciation, this is an operating surplus of \$18.7million, an increase of \$6million on the 2006/07 budgeted operating surplus of \$12.7million. The increase is mainly the result of projecting substantially more S94 contributions in 2007/2008.

The following funding statement shows how Council's budgeted surplus is expended on capital and other projects.

FUNDING STATEMENT	2006/2007		2007/2008	
	\$000's	\$000's	\$000's	\$000's
Revenue	78,560		87,365	
Expenses (excluding depreciation \$6.8M/\$7.1M)	59,062		61,604	
Net Cash From Operations		19,499		25,761
Plus: Funds From Reserves	22,301		18,052	
Less: Funds to Reserves	-15,273		-20,955	
Less: Net Funds from Borrowing	-707		-858	
= Net Funds from Reserves & Borrowing		6,321		-3,761
Funds Available for Projects		25,819		22,000
Expended On				
Capital Projects (Section 94)	3,327		4,237	
Capital Projects (Other)	19,837		14,374	
Assets Acquisitions	644		659	
Operating Projects	2,011		2,656	
Total		25,819		21,926
Working Capital Balance		0		74

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7 June 2007**Fees and Charges**

Subsequent to the public exhibition of the Draft Fees and Charges for 2007/2008, a the following amendment has been made to fees.

The wording of the following fee has been amended and as such does not require re- exhibition.

Page	Fee Detail – Exhibited	Fee Detail – Amended	Action/ Comment
	Merchant Service Fee for Credit Card Payments	Merchant Service Fee for Credit Card Payments	
6	Merchant Service fee charged as per rate set by credit card issuer. As at 1 July 2007 these fees are: Visa/Mastercard 0.56%, American Express 1.65%	Council's policy is to charge actual cost for merchant service fees that it incurs for payments by credit cards through various payment channels. This cost, and the payment channels provided, may be varied by Council's agent throughout the year. For 2007/08 the maximum fees charged will be as follows: <ul style="list-style-type: none"> ○ Visa/Mastercard 0.75% ○ American Express 1.85% ○ Bill Express 0.85%. 	Fee Wording Change

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

The development of the Management Plan, Budget and Schedule of Fees & Charges has been undertaken in full consultation with all departments across Council.

In addition to the public consultation detailed earlier in the report, workshops and briefings were held with Councillors during February 2007.

SUMMARY**MANAGEMENT PLAN**

- Council's Management Plan has been developed in accordance with Sections 402, 403 and 404 of the Local Government Act (1993).
- Council's six principal activities are:
 - Civic Leadership and Corporate Services
 - Integrated Planning

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- Community Development
 - Natural Environment
 - Built Environment
 - Financial Sustainability
- Each principal activity has a number of objectives which are linked to outcomes and performance indicators that clearly identify how objectives will be achieved and how performance in achieving these objectives will be measured over the term of the Plan.
- Quarterly reviews measuring the extent to which performance targets have been met, will be reported to Council within two months after the end of each quarter.

BUDGET

- Council's Budget for 2007/2008 has been developed using the framework of the 10 Year Financial Model, adopted by Council on 12 December 2006.
- The budget does not rely on funding from asset sales. Proceeds from asset sales will be restricted as required.
- Changes to the draft budget detailed in the report result in an increase in Working Capital of \$60,000 leaving a projected balance of \$134,000 which will assist in the long term strategy of building Council's Working Capital to a level of approximately \$1million over the next few years.

RECOMMENDATION

- A. That Council adopt the Management Plan 2007-2011, incorporating the Budget and Fees & Charges for 2007/2008 as amended.
- B. That surplus funds totalling \$134,000 be maintained as part of Council's projected Working Capital balance.
- C. That a general rate in the dollar of \$0.00174074 on the unimproved capital value of all rateable land categorised as residential in the Council area be made for the period of 1 July 2007 to 30 June 2008.
- D. That a general rate in the dollar of \$0.0047952 on the unimproved capital value of all rateable land categorised as business in the Council area be made for the period of 1 July 2007 to 30 June 2008.
- E. That an environmental levy rate in the dollar of \$0.00009483 on the unimproved capital value of all rateable land categorised as residential or business in the Council

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area be made for the period of 1 July 2007 to 30 June 2008. That whereby a ratepayer qualifies as of 1 July 2007 for a pensioner concession on ordinary rates, that rate account be subject to a voluntary rebate equal to the environmental levy.

- F. That an infrastructure levy rate in the dollar of \$0.00009273 on the unimproved capital value of all rateable land categorised as residential or business in the Council area be made for the period of 1 July 2007 to 30 June 2008. That whereby a ratepayer qualifies as of 1 July 2007 for a pensioner concession on ordinary rates, that rate account be subject to a voluntary rebate equal to the infrastructure levy.
- G. That the minimum rate for both residential and business be set at \$392.00 for the period 1 July 2007 to 30 June 2008.
- H. That, in those cases where, after provision of the combined pensioner rebate to a maximum of \$250.00, the pensioner/owner satisfies Council of an inability to pay the remainder, either in whole or in part, the remainder be allowed to accrue with interest payable on arrears, as a charge against the land until such time as there is a change in either circumstances or ownership.
- I. That the charge for the Domestic Waste Management service be set at \$250.00 per residential property per annum excluding flats and home units.
- J. That the charge for Domestic Waste Management service be set at \$230.00 per residential property per annum for flats and home units.
- K. That the charge for Domestic Waste Management base service without green waste be set at \$170.00 per annum.
- L. That the charge for an additional green waste service be set at \$80.00 per container, per annum.
- M. That the charge for a 240 litre waste container with green waste be set at \$350.00 **per annum excluding flats and home units.**
- N. That the charge for a 240 litre waste container without green waste be set at \$270.00 per annum, excluding flats and home units.
- O. That the charge for a 240 litre waste container for flats and home units be set at \$350.00 per annum.
- P. That the charge for the provision of an additional 120 litre waste container, per container, per annum be set at \$120.00.
- Q. That the charge for Domestic Waste Management on vacant land be charged at \$100.00 per annum, per residential property.

Item 1

S05708
7 June 2007

- R. That the charge for Non-domestic Waste Management services be set at \$200.00 per unit of occupancy per annum. In the case of a single business occupying the whole of the building with more than one storey, the rate will be applied per storey of the building.
- S. That the General Manager and Director Corporate be delegated to negotiate and establish Council's new loan account of \$1,000,000 and the Common Seal be affixed to all required documents.

John Clark
Director Corporate

John McKee
General Manager

Attachments: Resident submissions from Fay Bird - 780847, 780871

01/06/2007

Dear Mr McKee

Firstly I would like to draw your attention to the fact that a majority of households in this municipality contain children (65.5%). Those of us in this group are drawn to this area by the open space, large blocks and good schools.

I am encouraged by council's objective to build 25 new playgrounds in the next 5 years. These are desperately needed. However, it is imperative that these playgrounds cater for children across a variety of ages. At the moment there is one place that caters for children from toddlers to primary age - and that is bicentennial park - a place that is often extremely crowded for this reason. May I draw your attention to parks that have been constructed by Pittwater Council as examples of best practice in this area. The park at Winnereremy bay caters for the entire family (parents included!!) with its' fully enclosed playground (containing equipment that appeals to toddlers and adolescents alike), barbeques, dry creek play area (also containing rocks for climbing and sculptures for creative play), cafe (first rate!!) and cycle track. The latest playground built by Pittwater Council (on the Narrabeen lake foreshore) is another fine example of great planning and design. Indeed, I was so impressed on my visit a few months ago that I approached two men in suits (who looked 'official') to ask if they had any involvement in the development of this facility. They did (one was the operations manager of the council). They explained to me that their vision is to provide for the children of the area so that there are less social problems further down the track. They also provide for the parents because, and I quote, 'if the parents want to come, the children will too' - hence the cafes. In addition the facilities are designed to develop the children's motor skills (both gross and fine), co-ordination, fitness and creativity. The climbing equipment really is worth seeing - my daughter was in her element. Also, the cycle tracks are flat, safe and able to be used by the entire family (toddler on ride-on car to teenager on their BMX). In a nutshell all the facilities are brought together so a family can be together and have a whole day out. Our closest cycle track is at Jubilee Park in Wahroonga - unusable I'm afraid because it is an official 'dog-off-leash' area and is also used by a model plane club on the weekend!!!! Also, there is a huge drop on one side of the park - very dangerous for little ones.

I would also like to point out that in your objectives for the built environment you do not include the upgrade and maintenance of existing playgrounds - many of which are in a sorry state (and I am happy to provide details if you wish).

Finally, I would like to address council's objectives with respect to library services. Unfortunately it is not enough to merely make 'services accessible' - they badly need to be brought into the 21st century. Books are falling apart, there is hardly anything on DVD (rather documentaries etc are all on VHS), the computers are very old and slow. When I take my children there to find books for school projects there aren't any!!!! Again and again. I have almost stopped going. This is very sad - children should be able to go to the library with their parents and have a great experience - not all of us have enough money to provide a complete library at home - nor should we. What about learning how to research - how to find books - how exciting the whole experience should be.

I apologise for the rushed nature of this e-mail but I would be happy to provide further details - or even to convene a group of parents for discussion.

Thank you for your attention.

Kind regards

Fay Bird
Telephone: 9489 9259

01/06/07

Dear Mr McKee,

I forgot to mention in my previous submission that I believe that future development regulations and policy should facilitate and encourage practices which conserve and protect our natural resources - in particular, water.

For example, stormwater runoff, rather than being channeled into existing water courses or drains could be retained on-site in tanks, to be used for irrigation etc.

Thank you for your attention.

Kind regards,

Fay Bird

tel: 9489 9259

KU-RING-GAI ACCESS ADVISORY COMMITTEE - MINUTES OF 19 APRIL 2007

EXECUTIVE SUMMARY

PURPOSE OF REPORT:	To provide Council with the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007.
BACKGROUND:	The Ku-ring-gai Access Advisory Committee provides a forum between Ku-ring-gai Council, the community representatives and service providers on access issues in the Ku-ring-gai area. The committee meets every two months.
COMMENTS:	General access issues were discussed during the meeting with a number of actions flowing from the Ku-ring-gai Access Advisory Committee meeting.
RECOMMENDATION:	That the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007 be received and noted.

PURPOSE OF REPORT

To provide Council with the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007.

BACKGROUND

The Ku-ring-gai Access Advisory Committee provides a forum between Ku-ring-gai Council, the community representatives and service providers on access issues in the Ku-ring-gai area. The committee meets every two months.

COMMENTS

General access issues were discussed during the meeting with a number of actions flowing from the Ku-ring-gai Access Advisory Committee meeting.

CONSULTATION

Representatives from all departments of Council have input in agenda items and provide reports to the Committee.

FINANCIAL CONSIDERATIONS

Not applicable

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Not applicable

SUMMARY

Not applicable

RECOMMENDATION

That the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007 be received and noted.

Martin Butcher
Community Development Officer
Aged & Disability Services

Janice Bevan
Director Community

Attachments: **Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007 - 784700**

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General access issues were discussed during the meeting with a number of actions flowing from the Ku-ring-gai Access Advisory Committee meeting.

CONSULTATION

Representatives from all departments of Council have input in agenda items and provide reports to the Committee.

FINANCIAL CONSIDERATIONS

Not applicable

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Not applicable

SUMMARY

Not applicable

RECOMMENDATION

That the Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007 be received and noted.

Martin Butcher
Community Development Officer
Aged & Disability Services

Janice Bevan
Director Community

Attachments: **Minutes of the Ku-ring-gai Access Advisory Committee of 19 April 2007 - 784700**

SUBMISSION ON DRAFT STATE ENVIRONMENTAL PLANNING POLICY (SENIORS LIVING) 2004 (AMENDMENT NO.2)

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To provide information on a submission on the draft State Environmental Planning Policy (SEPP) (Seniors Living) 2004 (Amendment No.2) and Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007.

BACKGROUND:

The Minister announced a review of the Seniors Living SEPP in December 2006 to be undertaken by the Department of Planning. The review has resulted in draft SEPP (Seniors Living) Amendment No.2 and draft amendments to the accompanying Regulations. The amendments are on exhibition until 26 June 2007.

COMMENTS:

Attached to this report is a proposed submission which supports some aspects of the amendments, and raises concerns with other aspects.

RECOMMENDATION:

That Council note the changes in draft SEPP (Seniors Living) Amendment No.2 and the Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007.

PURPOSE OF REPORT

To provide information on a submission on the draft State Environmental Planning Policy (SEPP) (Seniors Living) 2004 (Amendment No.2) and Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007.

BACKGROUND

In December 2005, Planning Minister Frank Sartor announced a moratorium on new self-care retirement developments on land adjoining urban land. In light of a predicted increase of 53% in people 55 and over, and 40% of people living with a disability, over the next 20 years in NSW, the Department of Planning has reviewed the current SEPP Seniors Living. This review has now been completed and an amended draft SEPP has been placed on exhibition for public comment (see **Attachment 1a**). The Draft is not government policy. The Department of Planning has stated that the SEPP will remain in place until individual Councils incorporate seniors living provisions into their comprehensive Local Environment Plans.

SEPP (Seniors Living) is a state-wide policy which provides for housing for people aged 55 and over and for people with a disability. Housing includes self-contained dwellings, (including infill self-care housing and serviced self-care housing), hostels and residential care facilities. The provisions of the SEPP override other environmental planning instruments to the extent of any inconsistency.

The amendment to SEPP (Seniors Living) proposes to:

1. Amend requirements in relation to bushfire risk.
2. Allow development under the SEPP on sites of state heritage significance.
3. Allow development under the SEPP on registered club sites.
4. Amend clauses in relation to land adjoining land zoned for urban purposes.
5. Require site compatibility statements for certain development applications.
6. Delete the requirements for visitor parking for self-contained dwellings.
7. Amend the provisions for vertical villages.
8. Amend definitions and other miscellaneous provisions.
9. Include a savings provision.
10. Rename the SEPP to State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004.
11. Provide for the lapsing of exemptions to the SEPP for local government areas within 12 months.
12. Lift the moratorium on self-care units on land adjoining urban land.
13. Provide new requirements for developments under the SEPP on non-urban land.
14. Amend and consolidate standards in relation to accessibility and useability for hostels and self contained dwellings.

Item 3

S02168
6 June 2007

The first 8 items will be discussed in more detail below, as they have particular significance for Ku-ring-gai.

The amendments to the *Environmental Planning and Assessment Regulation 2000* include:

- Requirement to submit a site compatibility certificate with the development application (DA) for certain SEPP (Seniors Living) developments;
- the prescription of a maximum fee for an application for such a certificate, and
- a requirement that certain conditions imposed on DAs granted under SEPP (Seniors Living) to be set out in planning certificates issued under Section 149 of the *Environmental Planning and Assessment Act 1979*.

COMMENTS

Draft Amendments to SEPP (Seniors Living)

The following are the specific changes that have the potential to affect the Ku-ring-gai local government area (LGA).

1. Changes to permissibility / assessment in relation to bushfire risk

The Rural Fire Service recommendation that additional land in the Ku-ring-gai Council area be excluded from the SEPP due to the presence of greater bushfire evacuation risk has been included in the SEPP (see Bushfire Risk Evacuation Map at **Attachment 1b**). The additional areas identified and circulated to Council in 2006 have been included in the SEPP.

Development under the SEPP would be permissible on bush fire prone land –Vegetation Category 1. Such areas were previously excluded from the SEPP. Bushfire risk assessment would therefore be undertaken as for other types of Special Fire Protection Purpose developments under the *Rural Fires Act* and *Planning for Bushfire Protection 2006*. The Department has advised that this amendment was recommended by the Rural Fire Services Review Panel which produced the revised guidelines *Planning for Bushfire Protection* at the end of last year. The change is designed to allow “more focused and comprehensive bushfire risk assessment to help open up additional suitable sites for seniors living housing, while ensuring such developments remain safe.”

Sites that would be affected are mainly on the peripheries of the LGA adjacent to large reserve areas, though there are also some more central sites within the LGA. These include some large properties adjacent to Dalrymple Hay Reserve and 43 Ryde Road. Many of these sites will have topographical and ecological constraints.

Item 3

S02168
6 June 2007

Under *Planning for Bushfire Protection*, assessment of seniors housing on bushfire prone land must take into account the likely inability of residents to protect the housing, the increased risk to fire fighters who have to go door to door, and the increased susceptibility of residents to health impacts from smoke. Accordingly, evacuation procedures and increased asset protection zones are more important than for many other development types.

2. Sites of State Heritage Significance

Seniors living developments would be allowed on sites of State heritage significance or to which an Interim Heritage Order applies, subject to approval from the NSW Heritage Council. The Department advises that the NSW Heritage Office requested this amendment as it sees seniors living as a form of development with the potential to deliver improved heritage outcomes by delivering an economic solution to conserving significant buildings or places.

Such development would need consideration from the NSW Heritage Office and the floor space bonus for vertical villages would not apply. However, the development would no longer need to comply with the design principles of the SEPP.

3. Registered club sites

It is proposed to allow seniors living development on registered club sites in or adjoining urban lands (generally excluding clubs on land zoned for public open space, industrial or environmentally sensitive lands but including clubs on private open space zonings). The reasoning is that clubs are usually located in populated areas, well-placed to provide the services necessary to seniors and those with a disability. Such development would be subject to the Site Compatibility Test to demonstrate that they would be compatible with the surrounding area. As such, they would need to obtain a Site Compatibility Certificate from the Director-General of the Department.

It is anticipated that the major sites in Ku-ring-gai affected by this provision would be Killara and Pymble Golf Clubs. There is some uncertainty about its application to the Avondale and Roseville Golf Clubs (discussed under Issue 4).

4. Land adjoining land zoned for urban purposes- special use and registered club sites

A new clause has been added to clarify which lands are included in SEPP (Seniors Living) for special uses or existing registered clubs. The clause excludes lands zoned for special uses or registered club sites from being “treated as being zoned for urban purposes, if all of the land that it adjoins is not otherwise zoned primarily for urban purposes.”

The clause will exclude sites, such as the Driver Training School, which is adjoins significant areas of National Park.

Under this clause the SEPP is likely to apply to Pymble and Killara Golf Clubs. There would be greater uncertainty, however, as to its application on sites such as Avondale and Roseville Golf Courses, and perhaps even the University of Technology site in West Lindfield and part of the SAN site in Wahroonga.

5. Site Compatibility Test

A Site Compatibility Certificate from the Director-General of the Department of Planning must be obtained before a development application for seniors housing (excluding dual occupancy) can be lodged for the following:

- Land adjoining land zoned primarily for urban uses;
- land zoned “special uses”;
- land used for an existing registered club;
- applications seeking a floor space bonus for a vertical village.

The criteria the Director-General will use to determine the compatibility for land zoned primarily for urban purposes includes access to transport and services, the ability to manage the impacts on adjoining sites, and provide building envelopes that respond to local built form.

Criteria for land that adjoins land for urban purposes includes the demand for seniors housing, impact on adjoining centres, contribution to service utilisation, site suitability (including bushfire hazard, environmental values), potential loss of future employment/industrial/agricultural lands or natural resources (eg water) and compatibility with the surrounding environment.

Council must similarly consider these criteria for other seniors housing proposals (other than dual occupancy).

6. Delete the requirements for visitor parking

SEPP (Seniors Living) currently includes certain provisions for parking and for visitor parking among development standards that cannot be used as grounds to refuse consent for self contained dwellings. Both small and larger developments are required to provide visitor parking. The amendments would delete the provision in regard to visitor parking.

In effect, the minimum overall parking requirements would be reduced to a requirement for 0.5 car spaces for each bedroom where the development application is made by a person other than a social housing provider (and one for each 5 dwellings for social housing providers).

7. Changes to vertical village provisions

A “vertical village” allows an additional gross floor area of 0.5 where on-site support services and affordable housing (10% of dwellings) are provided.

Currently, a vertical village is permissible on residential and commercial land where the minimum floor space ratio is 1.1. It is proposed to change this to allow vertical villages only on land where residential flat buildings are permitted. The minimum floor space ratio qualification would be deleted.

The floor space bonus is clarified to exclude the delivery area for on-site services.

Under the draft Ku-ring-gai LEP, the B5 zone does not permit “residential flat buildings” and accordingly vertical villages would not be permissible in these areas. It is unclear whether the provision would apply to B2 zones. Where residential flat buildings are permissible within the Draft LEP 2006 (Town Centres) the minimum permissible floor space ratio is generally at least 1:1.

This is not the case however, for the remaining 2(d), 2(e) and 2(h) sites under the Ku-ring-gai Planning Scheme Ordinance. The 2(h) zones are most likely to be affected, with a current maximum floor space ratio of 0.4.

8. Changes to definitions and other miscellaneous provisions

i) Change to clause defining “access”

The clause which defines “access” seeks to clarify the point on the site from which the distance to appropriate transport/services is to be measured. This point is proposed to be “the nearest access point to the site of the proposed development”.

ii) Access to “banks” replaced with access to “banking services”.

The services to which development under SEPP (Seniors Living) must have access includes “banks”. The draft amendment proposes to change this to “banking services”. The term “banking services” is not defined.

iii) Deletion of requirement for outside garbage storage area.

The requirement for waste storage areas to be outside would be removed.

Submission

Council officers have prepared a submission on the amendments to SEPP (Seniors Living) which raises a number of issues and concerns (see **Attachment 2**).

The main area of support is the retention and extension of the exclusion zones through the bushfire risk evacuation map.

The main issues of concern relate to:

- The potential of the SEPP to compromise strategic planning for the Comprehensive LEP.
- The impact of permitting SEPP (Seniors Living) developments on Bushfire Prone Land – Vegetation Category 1.
- The uncertainty of whether it will be repealed on the making of the comprehensive LEP.
- The potential of the process of requiring site compatibility certificates from the Department of Planning to undermine the effectiveness of more detailed assessment by Council.
- The continued use of provisions that relate to land adjacent to other land zoned for specific purposes.
- The social implications of providing for SEPP (Seniors Living) developments on club sites.

CONSULTATION

The proposed amendments were discussed at a Councillor Briefing on 6 June 2007, with further comments being sought by from Councillors.

A link has been provided on Council's website to the exhibition on the Department of Planning's website to increase community awareness of the exhibition.

FINANCIAL CONSIDERATIONS

Council costs have primarily related to staff time required for the preparation of the submission. These costs have been met with the Planning budget of the Strategy Department.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

The preparation of the submission included consultation with the Strategy and Development and Regulation Departments.

SUMMARY

The Department of Planning is seeking comments from Council on the Draft SEPP (Seniors Living) Amendment No.2 and draft amendments to the accompanying Regulations. The amendments are designed to increase the potential for development for people aged 55 and over and people with a disability, to be in force until the Comprehensive LEP. Council officers have prepared a draft submission on the proposed amendments which raises a number of issues and concerns.

RECOMMENDATION

- A. That Council receive and note the report.
- B. That Councillors be updated via the Council's Planning Committee upon gazettal of the final amendments to the draft State Environmental Planning Policy (Seniors Living) 2004 (Amendment No.2) and Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007.

Terri Southwell
Urban Planner

Rod Starr
Senior Urban Planner

Antony Fabbro
Acting Director Strategy

Attachments:

- 1a. Exposure Draft - SEPP (Seniors Living) 2004 (Amendment No.2) - 784488.**
- 1b. Bushfire risk evacuation map under the draft amendment to SEPP (Seniors Living) - 784493.**
- 2. Submission by Ku-ring-gai Council - 784498.**



New South Wales

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

under the

Environmental Planning and Assessment Act 1979

Her Excellency the Governor, with the advice of the Executive Council, has made the following State environmental planning policy under the *Environmental Planning and Assessment Act 1979* in accordance with the recommendation made by the Minister for Planning.

Minister for Planning

exposure draft

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Clause 1

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

under the

Environmental Planning and Assessment Act 1979

1 Name of Policy

This Policy is *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)*.

2 Commencement

This Policy commences on [date to be inserted].

3 Aims of Policy

The aims of this Policy are as follows:

- (a) to rename *State Environmental Planning Policy (Seniors Living) 2004* (the **Principal Policy**) as *State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*,
- (b) to require a strategic assessment to be carried out by the Director-General to ensure that the use of certain land under the Principal Policy is compatible with the surrounding environment,
- (c) to permit development for the purposes of serviced self-care housing in certain circumstances on land adjoining land zoned primarily for urban purposes,
- (d) to clarify the circumstances in which land is to be treated as being zoned principally for urban purposes or as adjoining land that is zoned principally for urban purposes under the Principal Policy,
- (e) to permit development under the Principal Policy for the purposes of seniors housing on land where an existing registered club is located,
- (f) to extend the operation of the Principal Policy to land to which an interim heritage order or a listing on the State Heritage Register applies and to land identified on a bush fire prone land map certified under section 146 of the Act as “Bush fire prone land—vegetation category 1”,
- (g) to make it clear that land does not cease to be land to which the Principal Policy applies only because the land is identified under *State Environmental Planning Policy No 71—Coastal Protection*

exposure draft

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Clause 4

or, in the case of land on which an existing registered club is located, the land is zoned as private open space,

- (h) to remove duplication and to amend and consolidate the standards set out in the Principal Policy concerning accessibility and useability in relation to development for the purposes of hostels and self-contained dwellings,
- (i) to make further provision with respect to the granting of development consent under the Policy for vertical villages,
- (j) to reinstate certain provisions concerning transport and other service standards in respect of development for the purposes of serviced self-care housing on land that adjoins land zoned primarily for urban purposes,
- (k) to provide for the expiry in 12 months of certain provisions of the Principal Policy that limit the application of the Policy to certain local government areas in which local councils have previously undertaken to make adequate provision for seniors housing or housing for people with a disability,
- (l) to make certain other amendments to the Principal Policy to improve the operation of the Principal Policy (including amendments to definitions and amendments in the nature of law revision),
- (m) to make consequential amendments to other state environmental planning policies.

4 Land to which Policy applies

This Policy applies to the whole of the land to which *State Environmental Planning Policy (Seniors Living) 2004*, as amended by this Policy, applies.

5 Amendment of State Environmental Planning Policy (Seniors Living) 2004

State Environmental Planning Policy (Seniors Living) 2004 is amended as set out in Schedules 1 and 2.

6 Consequential amendment of other State Environmental Planning Policies

The State Environmental Planning Policies specified in Schedule 3 are amended as set out in that Schedule.

exposure draft

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

(Clause 5)

[1] Clause 1 Name of Policy

Omit “(*Seniors Living*)”.

Insert instead “(*Housing for Seniors or People with a Disability*)”.

[2] Clause 3 Interpretation

Insert in alphabetical order in clause 3 (1):

Aboriginal object means any deposit, object or other material evidence (not being a handicraft made for sale) relating to the Aboriginal habitation of an area of New South Wales, being habitation before or concurrent with (or both) the occupation of that area by persons of non-Aboriginal extraction, and includes Aboriginal remains.

car park means a building or place primarily used for the purpose of parking motor vehicles, including any manoeuvring space and access thereto, whether operated for gain or not.

dual occupancy means 2 dwellings (whether attached or detached) on one lot of land.

existing registered club means a registered club in existence on land immediately before the commencement of *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)*.

parking space means a space dedicated for the parking of a motor vehicle, including any manoeuvring space and access to it, but does not include a car park.

registered club means a club in respect of which a certificate of registration under the *Registered Clubs Act 1976* is in force.

site compatibility certificate means a certificate issued by the Director-General of the kind referred to in clause 24A (2).

social housing provider means any of the following:

- (a) the New South Wales Land and Housing Corporation,
- (b) the Department of Housing,
- (c) a community housing organisation registered with the Office of Community Housing of the Department of Housing,
- (d) the Aboriginal Housing Office,

exposure draft

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

- (e) a registered Aboriginal housing organisation within the meaning of the *Aboriginal Housing Act 1998*,
- (f) the Department of Ageing, Disability and Home Care,
- (g) a local government authority that provides affordable housing,
- (h) a not-for-profit organisation that is a direct provider of housing to tenants receiving government housing subsidies.

[3] Clause 3 (1), definition of "AS 1428"

Omit "*AS 1428*". Insert instead "*AS 1428.1*".

[4] Clause 3 (1), definition of "bush fire evacuation risk map"

Omit "(Amendment No 5)" and "Department of Infrastructure, Planning and Natural Resources".

Insert instead "(Amendment No 6)" and "Department of Planning" respectively.

[5] Clause 3 (1), definition "general power outlet"

Omit "AS 1428". Insert instead "AS 1428.1".

[6] Clause 3 (1), definition of "heritage conservation area"

Omit the definition. Insert instead:

heritage conservation area means:

- (a) land identified in another environmental planning instrument as a heritage conservation area and includes buildings, works, relics, trees and places situated on or within that land, or
- (b) a place of architectural significance identified in another environmental planning instrument, or
- (c) a place of Aboriginal heritage significance identified in another environmental planning instrument.

[7] Clause 3 (1), definition of "heritage item"

Omit "relic, tree or place".

Insert instead "tree, archaeological site, Aboriginal object or place".

[8] Clause 3 (1), definition of "heritage significance"

Insert "architectural," after "archaeological,".

exposure draft

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

[9] Clause 3 (1), definition of “in-fill self-care housing”

Omit “clause 14”. Insert instead “clause 13 (2)”.

[10] Clause 3 (1), definition of “local government or community housing provider”

Omit the definition.

[11] Clause 3 (1), definition of “self-contained dwelling”

Omit “clause 13”. Insert instead “clause 13 (1)”.

[12] Clause 3 (1), definition of “serviced self-care housing”

Omit “clause 15”. Insert instead “clause 13 (3)”.

[13] Clause 4

Omit the clause. Insert instead:

4 Land to which Policy applies

(1) General

This Policy applies to land within New South Wales that is land zoned primarily for urban purposes or land that adjoins land zoned primarily for urban purposes, but only if:

- (a) development for the purpose of any of the following is permitted on the land:
 - (i) dwelling-houses,
 - (ii) residential flat buildings,
 - (iii) hospitals,
 - (iv) development of a kind identified in respect of land zoned as special uses, including (but not limited to) churches, convents, educational establishments, schools and seminaries, or
- (b) the land is being used for the purposes of an existing registered club.

Note. Clause 22 gives effect to Schedule 3. That Schedule contains provisions that restrict the persons who may make development applications pursuant to this Policy in respect of land located in certain local government areas. The Schedule should be consulted to determine whether any special provisions apply to land that is to be the subject of a development application made pursuant to this Policy.

(2) Land that is not zoned primarily for urban purposes

For the avoidance of doubt, land that is not zoned primarily for urban purposes includes (but is not limited to) land that is within

exposure draft

State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

any of the following zones under another environmental planning instrument:

- (a) a zone that is identified as principally for rural uses,
 - (b) a zone that is identified as principally for urban investigation,
 - (c) a zone that is identified as principally for residential uses on large residential allotments (for example, Zones R5 Large Lot Residential and RU6 Transition referred to in the standard instrument for principal local environmental planning instruments prescribed by the *Standard Instrument (Local Environmental Plans) Order 2006*).
- (3) Nothing in subclause (2) operates to make any land that is not within a zone referred to in that subclause land that is zoned primarily for urban purposes.
- (4) **Land that adjoins land zoned primarily for urban purposes**
- For the purposes of this Policy, land that adjoins land that is zoned primarily for urban purposes includes (but is not limited to) land that would directly adjoin land that is zoned primarily for urban purposes but for the presence of a sealed public road to which there is direct vehicular and pedestrian access from the adjoining land.
- (5) **Application of Policy to land zoned for special uses and existing registered clubs**
- For the avoidance of doubt, land on which development for the purposes of special uses is permitted or land that is being used for the purposes of an existing registered club cannot be treated as being zoned for urban purposes if all of the land that it adjoins is not otherwise zoned primarily for urban purposes.
- (6) **Land to which Policy does not apply**
- This Policy does not apply to:
- (a) land described in Schedule 1 (Environmentally sensitive land), or
 - (b) land that is zoned for industrial purposes, or
 - (c) land to which *Warringah Local Environmental Plan 2000* applies if the land is located in any of the following localities under that Plan:
 - (i) A1 (Cottage Point),
 - (ii) A6 (Ku-ring-gai Chase National Park),
 - (iii) A7 (Mona Vale Road North),

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- (iv) B9 (Mona Vale Road East),
 - (v) B10 (Narrabeen Lake),
 - (vi) C4 (Garigal National Park),
 - (vii) C6 (Cook Street),
 - (viii) C7 (Bare Creek),
 - (ix) C9 (Austlink Business Park),
 - (x) C10 (Mona Vale Road West),
 - (xi) E3 (Cromer Industrial),
 - (xii) F1 (Brookvale Centre),
 - (xiii) F2 (Brookvale Service Centre),
 - (xiv) F3 (Brookvale Industrial),
 - (xv) G1 (Harbord Industrial),
 - (xvi) G4 (Rodborough Road),
 - (xvii) G9 (Warringah Mall),
 - (xviii) G10 (Brookvale Industrial West), or
 - (d) the land to which *Sydney Regional Environmental Plan No 17—Kurnell Peninsula (1989)* applies.
- (7) Nothing in subclause (6) (a) or Schedule 1 operates to preclude the application of this Policy to land only because:
- (a) the land is identified under *State Environmental Planning Policy No 71—Coastal Protection*, or
 - (b) in the case of land that is used for the purposes of an existing registered club—the land is described in another environmental planning instrument as private open space.
- (8) **Application of Policy to land in Warringah**
- For the purposes of this Policy, land to which *Warringah Local Environmental Plan 2000* applies is taken to be land that is zoned primarily for urban purposes only if the land is located within any of the following localities under that Plan:
- (a) A3 (Terrey Hills Village),
 - (b) B1 (Frenchs Forest East),
 - (c) B3 (Oxford Heights/ Carnarvon Drive),
 - (d) B4 (Narrabeen Village),
 - (e) B5 (Narrabeen Lakeside),
 - (f) B6 (War Veterans),
 - (g) B7 (Narrabeen Lake Suburbs),

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- (h) B8 (Red Hill),
- (i) B11 (Forest Way Village),
- (j) B12 (Perentie and Dawes Roads),
- (k) C1 (Middle Harbour Suburbs),
- (l) C2 (Glen Street Village),
- (m) C3 (Forestville Village),
- (n) C5 (Forestway Shops),
- (o) C11 (Belrose Road Corridor),
- (p) D1 (Collaroy/ Narrabeen),
- (q) D2 (Collaroy Village),
- (r) D3 (Collaroy Footslopes),
- (s) D4 (Collaroy Plateau),
- (t) D5 (Long Reef),
- (u) E1 (Dee Why North),
- (v) E2 (Dee Why Lagoon Suburbs),
- (w) E4 (Dee Why Parade),
- (x) E5 (Howard Avenue),
- (y) E6 (Oaks Avenue),
- (z) E7 (Pacific Parade),
- (aa) E8 (Sturdee Parade),
- (ab) E9 (Pittwater Road),
- (ac) E10 (Civic Centre),
- (ad) E11 (Fisher Road),
- (ae) E12 (Mooramba Road),
- (af) E13 (Dee Why Park),
- (ag) E14 (Dee Why Basin),
- (ah) E15 (Wingala Hill),
- (ai) E16 (Pittwater Road North),
- (aj) E17 (Town Centre South),
- (ak) E18 (The Strand),
- (al) E19 (Delmar Parade),
- (am) E20 (Mooramba West),
- (an) F4 (Brookvale Valley),
- (ao) F5 (Curl Curl),

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- (ap) G2 (Riverview Parade),
- (aq) G3 (Manly Lagoon Suburbs),
- (ar) G5 (Manly Vale Centre),
- (as) G6 (Manly Vale Business),
- (at) G7 (Innes Road),
- (au) G8 (Queenscliff),
- (av) G11 (Aquatic Drive),
- (aw) H1 (Freshwater Beach),
- (ax) H2 (Harbord Village).

(9) **Application of Policy to land in Sutherland Shire**

This Policy does not apply to land in Sutherland Shire, except in relation to:

- (a) land in Alexander Avenue, Taren Point, being Lot 2, DP 1026203, or
- (b) land that is shown with heavy edging on the map marked “Map 32 Cronulla Sutherland Leagues Club, Captain Cook Drive” deposited in the Office of Sutherland Shire Council, but only to the extent provided by *Sutherland Shire Local Environmental Plan 2000*, or

Note. The above land is excluded from the application of *Sutherland Shire Local Environmental Plan 2006*.

- (c) an application to carry out development for the purposes of a residential care facility on land in any of the following zones under *Sutherland Shire Local Environmental Plan 2006*:
 - (i) Zone 4—Local Housing,
 - (ii) Zone 5—Multiple Dwelling A,
 - (iii) Zone 6—Multiple Dwelling B,
 - (iv) Zone 7—Mixed Use—Kirrawee,
 - (v) Zone 8—Urban Centre,
 - (vi) Zone 9—Local Centre,
 - (vii) Zone 10—Neighbourhood Centre, or
- (d) land in Zone 12—Special Uses under *Sutherland Shire Local Environmental Plan 2006*, or
- (e) land in the 5 (a) Special Uses zone under *Sutherland Shire Local Environmental Plan 2000* that is excluded from *Sutherland Shire Local Environmental Plan 2006* under section 68 (5) or 70 (4) of the Act, or

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- (f) an application to carry out development made by or on behalf of:
 - (i) the Director-General of the Department of Housing, or
 - (ii) a social housing provider.
- (10) This Policy applies to land referred to in subclause (9) (a)–(c) despite subclause (6).
- (11) A reference in this clause to *Sutherland Shire Local Environmental Plan 2000* is a reference to that Plan as in force immediately before the commencement of *Sutherland Shire Local Environmental Plan 2006*.
- (12) Subclauses (9)–(11) cease to have effect on the day that is the first anniversary of the commencement of *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)*.

[14] Clause 5 Relationship to other environmental planning instruments

Omit clause 5 (2).

[15] Clause 8

Omit the clause. Insert instead:

8 Seniors

In this Policy, *seniors* are any of the following:

- (a) people aged 55 or more years,
- (b) people who are resident at a facility at which residential care (within the meaning of the *Aged Care Act 1997* of the Commonwealth) is provided,
- (c) people who have been assessed as being eligible to occupy housing for aged persons provided by a social housing provider.

[16] Clause 9

Omit the clause. Insert instead:

9 People with a disability

In this Policy, *people with a disability* are people of any age who have, either permanently or for an extended period, one or more impairments, limitations or activity restrictions that substantially affect their capacity to participate in everyday life.

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[17] Clause 11 Residential care facilities

Insert at the end of the clause:

Note. The *Aged Care Act 1997* of the Commonwealth requires residential care facilities to which that Act applies to meet certain requirements.

[18] Clause 12 Hostels

Insert at the end of the clause:

Note. A facility may be a hostel (as defined by this Policy) even if it does not provide personal care or nursing care to its residents. A facility that provides such care may be a residential care facility (as defined by this Policy), regardless of how the facility may describe itself.

[19] Clause 13

Omit clauses 13–15. Insert instead:

13 Self-contained dwellings

(1) General term: “self-contained dwelling”

In this Policy, a *self-contained dwelling* is a dwelling or part of a building (other than a hostel), whether attached to another dwelling or not, housing seniors or people with a disability, where private facilities for significant cooking, sleeping and washing are included in the dwelling or part of the building, but where clothes washing facilities or other facilities for use in connection with the dwelling or part of the building may be provided on a shared basis.

(2) Example: “in-fill self-care housing”

In this Policy, *in-fill self-care housing* is seniors housing on land zoned primarily for urban purposes that consists of 2 or more self-contained dwellings where none of the following services are provided on site as part of the development: meals, cleaning services, personal care, nursing care.

(3) Example: “serviced self-care housing”

In this Policy, *serviced self-care housing* is seniors housing that consists of self-contained dwellings where the following services are available on the site: meals, cleaning services, personal care, nursing care.

[20] Clause 16 Objective of Chapter

Omit “frailer”. Insert instead “frail”.

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[21] Clause 17 What Chapter does

Omit clause 17 (b). Insert instead:

- (b) development on land that adjoins land zoned primarily for urban purposes for the purpose of any form of seniors housing consisting of a hostel, a residential care facility or serviced self-care housing.

[22] Clause 19

Omit the clause. Insert instead:

19 Development on land adjoining land zoned primarily for urban purposes

- (1) Subject to subclause (2), a consent authority must not consent to a development application made pursuant to this Chapter to carry out development on land that adjoins land zoned primarily for urban purposes unless the proposed development is for the purpose of any of the following:
 - (a) a hostel,
 - (b) a residential care facility,
 - (c) serviced self-care housing.
- (2) A consent authority must not consent to a development application made pursuant to this Chapter to carry out development for the purposes of serviced self-care housing on land that adjoins land zoned primarily for urban purposes unless the consent authority is satisfied that the housing will be provided:
 - (a) for people with a disability, or
 - (b) in combination with a residential care facility, or
 - (c) as a retirement village (within the meaning of the *Retirement Villages Act 1999*).

Note. Clause 13 (3) defines **serviced self-care housing** as seniors housing that consists of self-contained dwellings where meals, cleaning services, personal care and nursing care are available on site. Clause 74 requires the consent authority to be satisfied that residents of such housing have reasonable access to services. Clause 74 also provides that if services are limited to those provided under Government provided or funded community based care packages, this does not constitute reasonable access to services.

[23] Clause 22 Special provisions concerning certain land to which this Policy applies

Insert at the end of the clause (after the note):

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- (2) The provisions of Schedule 3 cease to have effect on the day that is the first anniversary of the commencement of *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)*.

[24] Clause 24 Heritage conservation areas and heritage items

Omit clause 24 (2).

[25] Clause 24A

Insert after clause 24:

24A Site compatibility certificates required for certain development applications

- (1) This clause applies to a development application made pursuant to this Chapter in respect of development for the purposes of seniors housing (other than dual occupancy) if:
- (a) the development is proposed to be carried out on any of the following land to which this Policy applies:
 - (i) land that adjoins land zoned primarily for urban purposes,
 - (ii) land that is within a zone that is identified as “special uses” under another environmental planning instrument,
 - (iii) land that is used for the purposes of an existing registered club, or
 - (b) the development application involves buildings having a floor space ratio that would require the consent authority to grant consent under clause 77.
- (2) A consent authority must not consent to a development application to which this clause applies unless the consent authority is satisfied that the Director-General has certified in a site compatibility certificate that, in the Director-General’s opinion, development for the purposes of seniors housing of that kind proposed in the application is compatible with the surrounding environment having regard to (at least) the criteria set out in Schedule 4.
- Note.** Clause 50 (2A) of the *Environmental Planning and Assessment Regulation 2000* requires a development application to which this clause applies to be accompanied by a site compatibility certificate.
- (3) Nothing in this clause:
- (a) prevents a consent authority from:

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- (i) granting consent to a development application to which this clause applies by reference to site and design features that are more stringent than those identified in a site compatibility certificate for the same site, or
- (ii) refusing to grant consent to a development application to which this clause applies by reference to the consent authority's own assessment of the compatibility of the proposed development with the surrounding environment, or
- (b) otherwise limits the matters to which a consent authority may have regard in determining a development application to which this clause applies.

Note. Nothing in this clause affects a consent authority's duty to give effect to non-discretionary standards set out in this Policy. See, for example, clauses 79, 80 and 81.

24B Consent authority to take into consideration site compatibility criteria in relation to other land

- (1) This clause applies to a development application made pursuant to this Chapter in respect of development for the purposes of seniors housing (other than dual occupancy) that is proposed to be carried out on land (other than land referred to in clause 24A (1)) to which this Policy applies.
- (2) A consent authority, in determining a development application to which this clause applies, must take into consideration:
 - (a) the site compatibility criteria referred to in clause 1 of Schedule 4, and
 - (b) in the case of land that is zoned primarily for urban purposes—the site compatibility criteria referred to in clause 2 (2) and (3) of Schedule 4.

[26] Clause 25 Location and access to facilities

Omit “banks” from clause 25 (1) (a). Insert instead “banking services”.

[27] Clause 25 (2), (3) and (4)

Omit clause 25 (2). Insert instead:

- (2) Access complies with this clause if:
 - (a) the facilities and services referred to in subclause (1) are located at a distance of not more than 400 metres from the nearest access point to the site of the proposed development and the overall average gradient for

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pedestrian or wheelchair access along the distance is no more than 1:14, although the following gradients along the distance are also acceptable:

- (i) a gradient of no more than 1:12 for slopes for a maximum of 15 metres at a time,
 - (ii) a gradient of no more than 1:10 for a maximum length of 5 metres at a time,
 - (iii) a gradient of no more than 1:8 for short distances of no more than 1.5 metres at a time, or
- (b) in the case of a proposed development on land in a local government area within the Sydney Statistical Division—there is a public transport service available to the residents who will occupy the proposed development:
- (i) that is located at a distance of not more than 400 metres from the nearest access point to the site of the proposed development, and
 - (ii) that will take those residents to a place that is located at a distance of not more than 400 metres from the facilities and services referred to in subclause (1), and
 - (iii) that is available both to and from the proposed development at least once between 8am and 12pm per day and at least once between 12pm and 6pm each day from Monday to Friday (both days inclusive),

and the gradient along the distance from the nearest access point to the public transport services (and from the public transport services to the facilities and services referred to in subclause (1)) complies with subclause (3), or

- (c) in the case of a proposed development on land in a local government area that is not within the Sydney Statistical Division—there is a transport service available to the residents who will occupy the proposed development:
- (i) that is located at a distance of not more than 400 metres from the nearest access point to the site of the proposed development, and
 - (ii) that will take those residents to a place that is located at a distance of not more than 400 metres from the facilities and services referred to in subclause (1), and
 - (iii) that is available both to and from the proposed development during daylight hours at least once

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each day from Monday to Friday (both days inclusive),

and the gradient along the distance from the nearest access point to the public transport services (and from the public transport services to the facilities and services referred to in subclause (1)) complies with subclause (3).

Note. Part 5 contains special provisions concerning the granting of consent to development applications made pursuant to this Chapter to carry out development for the purpose of certain seniors housing on land adjoining land zoned primarily for urban purposes. These provisions include provisions relating to transport services.

- (3) For the purposes of subclause (2) (b) and (c), the overall average gradient along the distance from the nearest access point to the site of the proposed development to the public transport services (and from the public transport services to the facilities and services referred to in subclause (1)) is to be no more than 1:14, although the following gradients along the distance are also acceptable:
- (i) a gradient of no more than 1:12 for slopes for a maximum of 15 metres at a time,
 - (ii) a gradient of no more than 1:10 for a maximum length of 5 metres at a time,
 - (iii) a gradient of no more than 1:8 for short distances of no more than 1.5 metres at a time.
- (4) In this clause:
- access point***, in relation to a site, means an entry to the site that provides access to pedestrians and wheelchair access.

[28] Clause 26 Bush fire prone land

Omit clause 26 (1). Insert instead:

Note. Section 79BA of the Act provides that development consent cannot be granted for the carrying out of development for any purpose (other than a subdivision of land that could lawfully be used for residential or rural residential purposes or development for a special fire protection purpose) on bush fire prone land unless the consent authority:

- (a) is satisfied that the development conforms to the specifications and requirements of *Planning for Bushfire Protection*, ISBN 0 9585987 8 9, produced by the NSW Rural Fire Service (or, if another document is prescribed by the regulations for the purposes of this paragraph, that document), that are relevant to the development, or
- (b) has consulted with the Commissioner of the NSW Rural Fire Service concerning measures to be taken with respect to the development to protect persons, property and the environment from danger that may arise from a bush fire.

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[29]: Clause 28 Site analysis

Insert after clause 28 (4) (m):

- (n) Adjoining **land uses and activities** (such as agricultural activities)

[30] Clause 35 Crime prevention

Omit clause 35 (a). Insert instead:

- (a) site planning that allows, from inside the dwellings, general observation of the street, the site and the approaches to dwelling entries, and

[31] Clause 38 Development standards—minimum sizes and building height

Insert as a note to clause 38 (4) (a):

Note. Development consent for development for the purposes of seniors housing cannot be refused on the ground of the height of the housing if all of the proposed buildings are 8 metres or less in height. See clauses 79 (a), 80 (a) and 81 (a).

[32] Clause 38 (5) (b)

Omit “a local government or community housing provider”.

Insert instead “any other social housing provider”.

[33] Chapter 3, Part 4, Division 2, heading

Omit “access”. Insert instead “accessibility”.

[34] Chapter 3, Part 4, Division 2, note

Omit “access”. Insert instead “accessibility”.

[35] Chapter 3, Part 4, Division 3

Omit Divisions 3 and 4 of Part 4 of Chapter 3. Insert instead:

**Division 3 Hostels and self-contained dwellings—
standards concerning accessibility and
useability**

39 Standards for hostels and self-contained dwellings

- (1) A consent authority must not consent to a development application made pursuant to this Chapter to carry out development for the purpose of a hostel or self-contained dwelling unless the proposed development complies with the standards specified in Schedule 5 for such development.

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- (2) Despite the provisions of clauses 2, 7, 8, 9, 10, 11, 12, 13 and 15–20 of Schedule 5, a self-contained dwelling, or part of such a dwelling, that is located above the ground floor in a multi-storey building does not have to comply with the requirements of those provisions if the development application is made by, or by a person jointly with, a social housing provider.

[36] Clauses 74 and 75

Insert before clause 76:

74 Serviced self-care housing

- (1) A consent authority must not consent to a development application made pursuant to this Chapter to carry out development for the purpose of serviced self-care housing on land that adjoins land zoned primarily for urban purposes unless the consent authority is satisfied that residents of the proposed development will have reasonable access to:
 - (a) home delivered meals, and
 - (b) personal care and home nursing, and
 - (c) assistance with housework.
- (2) For the purposes of subclause (1), residents of a proposed development do not have reasonable access to the services referred to in subclause (1) if those services will be limited to services provided to residents under Government provided or funded community based care programs (such as the Home and Community Care Program administered by the Commonwealth and the State and the Community Aged Care and Extended Aged Care at Home programs administered by the Commonwealth).

75 Transport services to local centres

- (1) A consent authority must not consent to a development application made pursuant to this Chapter to carry out development for the purpose of serviced self-care housing on land that adjoins land zoned primarily for urban purposes unless the consent authority is satisfied that a bus capable of carrying at least 10 passengers will be provided to the residents of the proposed development:
 - (a) that will drop off and pick up passengers at a local centre that provides residents with access to the following:
 - (i) shops, banking services and other retail and commercial services that residents may reasonably require,

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- (ii) community services and recreation facilities,
 - (iii) the practice of a general medical practitioner, and
- (b) that is available both to and from the proposed development to any such local centre at least once between 8am and 12pm each day and at least once between 12pm and 6pm each day.
- (2) Subclause (1) does not apply to a development application to carry out development for the purposes of the accommodation of people with dementia.

[37] Clause 77

Omit the clause. Insert instead:

77 Vertical villages

(1) Application of clause

This clause applies to land to which this Policy applies on which development for the purposes of residential flat buildings is permitted.

(2) Granting of consent with bonus floor space

Subject to subclause (6), a consent authority may consent to a development application made pursuant to this Chapter to carry out development on land to which this clause applies for the purpose of seniors housing involving buildings having a density and scale (when expressed as a floor space ratio) that exceeds the floor space ratio (however expressed) permitted under another environmental planning instrument (other than *State Environmental Planning Policy No 1—Development Standards*) by a bonus of 0.5 added to the gross floor area component of that floor space ratio.

Note. For example, if the floor space ratio permitted under another environmental planning instrument is 1:1, a consent authority may consent to a development application for the purposes of a building having a density and scale of 1.5:1.

- (3) Subsection (2) applies even if the floor space ratio permitted under another environmental planning instrument is expressed in a development control plan.
- (4) In calculating the gross floor area for the purposes of subclause (2), the floor space used to deliver on-site support services (other than any floor space used to deliver communal or residents' living areas) is to be excluded.

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- (5) However, if the area of the floor space referred to in subclause (4) is greater than 50% of the gross floor area, then the area that may be excluded under subclause (4) is limited to an area that does not exceed 50% of the gross floor area.
- (6) **Requirements relating to affordable places and on-site support services**

A consent authority may only grant consent as referred to in subclause (2) to a development application if:

 - (a) the consent authority is satisfied, on written evidence, that:
 - (i) the proposed development will deliver on-site support services for its residents, and
 - (ii) at least 10% of the dwellings for the accommodation of residents in the proposed development will be affordable places, and
 - (b) the applicant identifies, to the satisfaction of the consent authority, which of the dwellings for the accommodation of residents in the proposed development will be set aside as affordable places.
- (7) **Grounds on which consent cannot be refused**

A consent authority must not refuse development consent as referred to in subclause (2) only because the proposed development does not comply with a standard referred to in clause 38 (4) (a), 79 (a), 80 (a) or 81 (a).
- (8) **Conditions on grants of development consent**

A development consent may be granted subject to a condition that requires the creation of a restrictive or positive covenant on land to which a development application relates concerning the continued provision of the affordable places identified in the application.
- (9) A development consent may be granted subject to a condition that requires the affordable places identified in a development application to be owned and managed by an organisation providing community housing that is registered for the time being with the Office of Community Housing.
- (10) Subclauses (8) and (9) do not limit the kinds of conditions that may be imposed on a development consent, or allow conditions to be imposed on a development consent otherwise than in accordance with the Act.

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(11) **Clause does not apply to certain heritage affected land**

Nothing in this clause applies in relation to the granting of consent to a development application made pursuant to this Chapter for the carrying out of development on land to which an interim heritage order or listing on the State Heritage Register under the *Heritage Act 1977* applies.

(12) **Definitions**

In this clause:

affordable place, in relation to seniors housing, means a dwelling for the accommodation of a resident:

- (a) whose gross household income falls within the following ranges of percentages of the median household income for the time being for the Sydney Statistical Division according to the Australian Bureau of Statistics:

Very low income household	less than 50%
Low income household	50 or more but less than 80%
Moderate income household	80–120%

- (b) who is to pay rent that does not exceed a benchmark of 30% of the resident's actual household income.

on-site support services, in relation to residents of seniors housing, means:

- (a) 3 meals a day provided on a communal basis or to a resident's dwelling, and
(b) personal care, and
(c) home nursing visits, and
(d) assistance with housework.

[38] Clause 78A

Insert after clause 78:

78A Part does not apply to certain development applications relating to heritage affected land

Nothing in this Part applies in relation to the granting of consent to a development application made pursuant to this Chapter for the carrying out of development on land to which an interim heritage order or listing on the State Heritage Register under the *Heritage Act 1977* applies.

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- [39] Clause 79 Standards that cannot be used to refuse development consent for residential care facilities**
- Insert “(and regardless of any other standard specified by another environmental planning instrument limiting development to 2 storeys)” after “in height” in clause 79 (a).
- [40] Clause 79 (d) (i)**
- Omit “dwellings” wherever occurring. Insert instead “beds”.
- [41] Clause 80 Standards that cannot be used to refuse development consent for hostels**
- Insert “(and regardless of any other standard specified by another environmental planning instrument limiting development to 2 storeys)” after “in height” in clause 80 (a).
- [42] Clause 81 Standards that cannot be used to refuse development consent for self-contained dwellings**
- Insert “(including in-fill self-care housing and serviced self-care housing)” after “for the purpose of a self-contained dwelling”.
- [43] Clause 81 (a)**
- Insert “(and regardless of any other standard specified by another environmental planning instrument limiting development to 2 storeys)” after “in height”.
- [44] Clause 81 (c) and (h)**
- Omit “the Department of Housing or a local government or community housing provider” wherever occurring.
- Insert instead “a social housing provider”.
- [45] Clause 81 (f)**
- Omit “AS 1428” from the note. Insert instead “AS 1428.1”.
- [46] Clause 81 (g)**
- Omit the paragraph.
- [47] Clause 82 Amendments to the bush fire evacuation risk map**
- Insert after clause 82 (2) (e):
- (f) any recommendations made by the NSW Rural Fire Service.

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[48] Clause 84

Insert after clause 83:

84 Savings and transitional provisions for development applications made before SEPP (Seniors Living) 2004 (Amendment No 2)

- (1) A development application made pursuant to Chapter 3 that was lodged with the consent authority (but not finally determined) before the commencement of *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)* is to be determined as if that Policy had not been made.
- (2) Despite any other provision of this Policy, a consent authority may consent to a development application relating to development for the purposes of serviced self-care housing on land adjoining land zoned primarily for urban purposes even though the consent authority is not satisfied of the matters referred to in clause 19 (2) if the consent authority is satisfied that:
 - (a) the development concerned forms part of a “deferred commencement” consent under section 80 (3) of the Act, or a staged development, in which the first or an earlier stage was granted development consent before the commencement of *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 1)*, or
 - (b) the development concerned is the subject of a site specific master plan or development control plan that was made or adopted before the commencement of *State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 1)* and development consent was granted before that commencement for the carrying out of other development identified by the plan.
- (3) Without limiting subclause (2), the provisions of that subclause extend to development for the purposes of serviced self-care housing on any of the following land even if the development concerned is not of a kind referred to in subclause (2) (a) or (b):
 - (a) Lot 1, DP 1108240, 599–607 Old Northern Road, Glenhaven and Lot 1, DP 135398, Lot 2 & Lot 3, DP 225754, 589–591 and 593 Old Northern Road, Glenhaven,
 - (b) Lot 188, DP 755537 and Lot 155, DP 755537, 24 Coronation Road, Congarinni North,
 - (c) Lot 4, DP 262132, 38 Progress Street, Tahmoor, Lot A DP, 365411, 30 Progress Street, Tahmoor, Lot 1, DP 623127,

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

36 Progress Street, Tahmoor and Lot 222, DP 10669, 42 Progress Street, Tahmoor.

[49] Schedule 1 Environmentally sensitive land

Omit “(Clause 4 (2))”. Insert instead “(Clause 4 (6))”.

[50] Schedule 1

Omit paragraph (j) from the matter relating to land identified in another environmental planning instrument.

[51] Schedule 1

Omit the matter relating to land identified on a bush fire prone land map.

[52] Schedule 2 Consequential amendment of other State Environmental Planning Policies

Omit the Schedule.

[53] Schedule 3 Special provisions relating to certain land

Omit “local government or community housing provider” wherever occurring.
Insert instead “social housing provider”.

[54] Schedule 3

Omit clause 3 (b) and (c). Insert instead:

- (b) in relation to land in an accessible housing area (within the meaning of *Blue Mountains Local Environmental Plan 2005*), or
- (c) in relation to land in a zone under the *Blue Mountains Local Environmental Plan 2005* in which development of land for the purpose of a dwelling house is permitted, with or without development consent, for:
 - (i) the purpose of a residential care facility, or
 - (ii) the purpose of a hostel, or
 - (iii) a purpose of the kind referred to in clause 114 (“Self-sustained” development outside the accessible housing area) of that Plan.

[55] Schedules 4 and 5

Insert after Schedule 3:

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 4 Compatibility criteria

(Clause 24A (2))

1 General criteria

(1) **Availability of retail, commercial and medical services**

Whether or not there are (or will be) retail, community and medical services available to meet the likely demand for such services arising from the proposed development.

(2) Whether or not any such retail, community and medical services are (or will be) consistent with the location and access requirements set out in clause 25 of this Policy in respect of such services.

(3) **Availability of transport networks**

Whether or not the transport networks available in the locality of the proposed development are (or will be) adequate to meet the likely demand for transport services arising from the proposed development.

2 Criteria applicable to land zoned primarily for urban purposes

(1) **Application of criteria**

These criteria apply to the assessment of compatibility on land that is zoned primarily for urban purposes.

(2) **Impact on adjoining sites**

Whether or not the impact of the proposed development on adjoining sites can be adequately managed.

(3) **Building envelopes**

Whether or not building envelopes for the proposed development can be arranged on the site of the proposed development to ensure a development form that responds to the built form of the surrounding area.

3 Criteria applicable to land that adjoins land zoned primarily for urban purposes

(1) **Application of criteria**

These criteria apply to the assessment of compatibility on land that adjoins land zoned primarily for urban purposes.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

(2) **Extent of demand for seniors housing**

Whether or not the proposed development is justified by the demand for seniors housing.

(3) **Impact on role of adjoining centres**

Whether or not the proposed development will strengthen the role of existing commercial, retail and service functions of any adjoining centre, town or village.

(4) **Relationship to scale and character of existing settlements**

Whether or not the proposed development on the site is appropriate to the scale and character of an existing settlement, taking into account the following:

- (a) the natural and heritage features of the site,
- (b) open space connections and networks linking the development site to the existing settlement,
- (c) the protection of important vistas and scenic landscapes.

(5) **Contribution to service utilisation**

Whether or not the proposed development on the site contributes to the utilisation of services, facilities and infrastructure of an existing settlement.

(6) **Appropriateness for urban land use**

Whether or not the proposed development is appropriate for an urban land use, taking into account the following:

- (a) any potential loss of agricultural land,
- (b) any environmental hazards on or affecting the site (including bushfire and flooding),
- (c) the protection of significant environmental values, including (but not limited to) endangered ecological communities, water supply catchments and the catchment of coastal lakes,
- (d) any potential loss of natural resources, namely, mineral resources, extractive resources or water resources,
- (e) the ability to provide water, sewer, power and telecommunications services to the site,
- (f) any potential sterilisation of future employment or industrial lands.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 5 Standards concerning accessibility and useability for hostels and self-contained dwellings

(Clause 39 (1))

Part 1 Standards applying to hostels and self-contained dwellings

1 Application of standards in this Part

The standards set out in this Part apply to any seniors housing that consists of hostels or self-contained dwellings.

2 Siting standards

(1) Wheelchair access

If the whole of the site has a gradient of less than 1:10, 100% of the dwellings must have wheelchair access by a continuous accessible path of travel (within the meaning of AS 1428.1) to an adjoining public road.

(2) If the whole of the site does not have a gradient of less than 1:10:

- (a)** the percentage of dwellings that must have wheelchair access must equal the proportion of the site that has a gradient of less than 1:10, or 50%, whichever is the greater, and
- (b)** the wheelchair access provided must be by a continuous accessible path of travel (within the meaning of AS 1428.1) to an adjoining public road or an internal road or a driveway that is accessible to all residents.

Note. For example, if 70% of the site has a gradient of less than 1:10, then 70% of the dwellings must have wheelchair access as required by this subclause. If more than 50% of the site has a gradient greater than 1:10, development for the purposes of seniors housing is likely to be unable to meet these requirements.

(3) Common areas

Access must be provided so that a person using a wheelchair can use common areas and common facilities associated with the development.

3 Security

Pathway lighting:

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

- (a) must be designed and located so as to avoid glare for pedestrians and adjacent dwellings, and
- (b) must provide at least 10 lux at ground level.

4 Letterboxes

Letterboxes:

- (a) must be situated on a hard standing area and have wheelchair access by a continuous accessible path of travel (within the meaning of AS 1428.1), and
- (b) must be lockable, and
- (c) must be located together in a central location adjacent to the street entry or, in the case of self-contained dwellings, must be located together in one or more central locations adjacent to the street entry.

5 Private car accommodation

If car parking (not being car parking for employees) is provided:

- (a) each car parking space must be not less than 6 metres \times 3.2 metres or the design of the development must be such as to enable the size of the car parking space to be increased to an area of not less than 6 metres \times 3.2 metres, and
- (b) each car parking space above the cabin of the car must have an internal clearance of at least 2.5 metres as measured from the finished floor level of the car parking space, and
- (c) the height at the entry of the garage or carport must be at least 2.3 metres as measured from the finished floor level of the entry, and
- (d) any garage must have a power-operated roller door, or there must be a power point and an area for motor or control rods to enable a power-operated door to be installed at a later date.

6 Accessible entry

Every entry (whether a front entry or not) to a dwelling, not being an entry for employees:

- (a) must not have a slope that exceeds 1:40, and
- (b) must comply with clauses 4.3.1 and 4.3.2 of AS 4299, and
- (c) must have an entry door handle and other hardware that complies with AS 1428.1.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

7 Interior: general

- (1) Internal doors must have a minimum clear opening clearance of at least 800 millimetres.
- (2) Internal corridors must have an unobstructed width of at least 1,000 millimetres.
- (3) The width at internal door approaches must be at least 1,200 millimetres.

8 Bedroom

At least one bedroom within each dwelling must have:

- (a) in the case of a dwelling in a hostel—an area sufficient to accommodate a wardrobe and a single-size bed with a clear area at least 1,200 millimetres wide at the foot of the bed, and
- (b) in the case of a self-contained dwelling—an area sufficient to accommodate a wardrobe and a queen-size bed with a clear area at least 1,200 millimetres wide at the foot of the bed, and
- (c) 2 double general power outlets on the wall where the head of the bed is likely to be, and
- (d) at least one general power outlet on the wall opposite the wall where the head of the bed is likely to be, and
- (e) a telephone outlet next to the bed on the side closest to the door and a general power outlet beside the telephone outlet, and
- (f) wiring to allow a potential illumination level of at least 300 lux.

9 Bathroom

- (1) At least one bathroom within a dwelling must be on the ground (or main) floor and have:
 - (a) an area that complies with AS 1428.1, and
 - (b) a slip-resistant floor surface, and
 - (c) a shower:
 - (i) the recess of which is at least 1,160 millimetres × 1,100 millimetres, or that complies with AS 1428.1, or that complies with clause 4.4.4 and Figures 4.6 and 4.7 (where relevant) of AS 4299, and
 - (ii) the recess of which does not have a hob, and

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

- (iii) that is waterproofed in accordance with AS 3740, and
 - (iv) the floor of which falls to a floor waste, and
 - (v) that can accommodate a grab rail that complies with Figure 4.6 of AS 4299 and AS 1428.1, and
 - (vi) that has a tap set that is a capstan tap set or that comprises lever handles and that has a single outlet, and
 - (vii) that has the tap set positioned so as to be easily reached from the entry to the shower, and
 - (viii) that can accommodate an adjustable, detachable hand-held shower rose mounted on a slider grab rail or a fixed hook, and
 - (ix) that can accommodate a folding seat that complies with Figure 4.6 of AS 4299, and
 - (d) plumbing that would allow either immediately or in the future the installation of a washbasin with clearances that comply with Figure 4.4 of AS 4299, and
 - (e) a wall cabinet that is sufficiently illuminated to be able to read the labels of items stored in it, and
 - (f) a mirror, and
 - (g) a double general power outlet beside the mirror.
- (2) Subclause (1) (c) (i) or (ii) does not prevent the installation of a shower screen that can easily be removed.

10 Toilet

A dwelling must have at least one toilet:

- (a) that is on the ground (or main) floor of the dwelling, and
- (b) that is a visitable toilet within the meaning of clause 1.4.12 of AS 4299, and
- (c) that is installed in compliance with AS 1428.1, and
- (d) that has a slip-resistant floor surface, and
- (e) the WC pan of which is located from fixed walls in accordance with AS 1428.1, and
- (f) that can accommodate a grab rail that complies with Figure 4.5 of AS 4299 and AS 1428.1.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

11 Surface finishes

Balconies and external paved areas must have slip-resistant surfaces.

12 Door hardware

Door hardware provided as the means for opening doors must be:

- (a) able to be operated with one hand, and
- (b) located between 900 millimetres and 1,100 millimetres above floor level.

13 Ancillary items

- (1) Switches must be located between 900 millimetres and 1,100 millimetres above floor level.
- (2) General purpose outlets must be located at least 600 millimetres above floor level.

Part 2 Additional standards for self-contained dwellings

14 Application of standards in this Part

The standards set out in this Part apply in addition to the standards set out in Part 1 to any seniors housing consisting of self-contained dwellings.

15 Living room and dining room

- (1) A living room in a self-contained dwelling must have:
 - (a) a circulation space:
 - (i) of at least 2,250 millimetres in diameter, and
 - (ii) as set out in clause 4.7 of AS 4299, and
 - (b) a telephone adjacent to a general power outlet.
- (2) A living room and dining room must have wiring to allow a potential illumination level of at least 300 lux.

16 Kitchen

A kitchen in a self-contained dwelling must have:

- (a) a width of at least 2.7 metres and a clear space between benches of at least 1,450 millimetres, and
- (b) a width at door approaches of at least 1,200 millimetres, and

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

Schedule 1

- (c) benches that include at least one work surface:
 - (i) that is at least 800 millimetres in length, and
 - (ii) that can be adjusted or replaced as a unit at variable heights within the range of 750 millimetres to 850 millimetres above the finished floor surface, and
- (d) a tap set:
 - (i) that is located within 300 millimetres of the front of the sink, and
 - (ii) that is a capstan tap set or that comprises lever handles or a lever mixer, and
- (e) cook tops:
 - (i) with either front or side controls, and
 - (ii) with controls that have raised cross bars for ease of grip, and
 - (iii) that include an isolating switch, and
- (f) a work surface adjacent to the cook top and at the same height and that is at least 800 millimetres in length, and
- (g) an oven that is located adjacent to a work surface the height of which can be adjusted, and
- (h) “D” pull cupboard handles that are located towards the top of below-bench cupboards and towards the bottom of overhead cupboards, and
- (i) general power outlets:
 - (i) at least one of which is a double general power outlet within 300 millimetres of the front of a work surface, and
 - (ii) one of which is provided for a refrigerator in such a position as to be easily accessible after the refrigerator is installed.

17 Access to kitchen, main bedroom, bathroom and toilet

In a multi-storey self-contained dwelling, the kitchen, main bedroom, bathroom and toilet must be located on the ground floor.

18 Lifts in multi-storey buildings

In a multi-storey building containing separate self-contained dwellings on different storeys, lift access must be provided to dwellings above the ground level of the building.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 1 Principal amendments to State Environmental Planning Policy (Seniors Living) 2004

19 Laundry

A self-contained dwelling must have a laundry:

- (a) that has provision for the installation of an automatic washing machine, and
- (b) that has provision for the installation of a clothes dryer, and
- (c) that has a clear space in front of appliances of at least 1,300 millimetres, and
- (d) that has a slip-resistant floor surface, and
- (e) that has an accessible path of travel to any clothes line provided in relation to the dwelling.

20 Storage

A self-contained dwelling must be provided with a linen cupboard:

- (a) that is at least 600 millimetres wide, and
- (b) that has adjustable shelving.

21 Garbage

A garbage storage area must be provided in an accessible location.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Amendments to State Environmental Planning Policy (Seniors Living) 2004 Schedule 2
relating to renumbering

Schedule 2 Amendments to State Environmental Planning Policy (Seniors Living) 2004 relating to renumbering

(Clause 5)

[1] Clauses 16–39 and 74–84

Renumber clauses 16–39 and 74–84, as amended or inserted by Schedule 1 to this Policy, with clauses numbered consecutively starting from clause 14 and amend any cross-reference in the Policy to a renumbered clause (including in any notes) by renumbering the cross-reference accordingly.

[2] Schedules 3, 4 and 5

Renumber Schedules 3, 4 and 5, as amended or inserted by Schedule 1 to this Policy, as Schedules 2, 3 and 4, respectively, and amend any cross-reference in the Policy (including in any notes) to a renumbered Schedule by renumbering the cross-reference accordingly.

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State Environmental Planning Policy (Seniors Living) 2004 (Amendment No 2)

Schedule 3 Consequential amendment of other State Environmental Planning Policies

Schedule 3 Consequential amendment of other State Environmental Planning Policies

(Clause 6)

3.1 State Environmental Planning Policy No 9—Group Homes

[1] Clause 2 Definitions

Omit “*State Environmental Planning Policy (Seniors Living) 2004*” from the definition of ***permanent group home*** in clause 2 (1).

Insert instead “*State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*”.

[2] Clause 2 (1), definition of “transitional group home”

Omit “*State Environmental Planning Policy (Seniors Living) 2004*”.

Insert instead “*State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*”.

3.2 State Environmental Planning Policy No 10—Retention of Low-Cost Rental Accommodation

Clause 6 Buildings to which this Policy applies

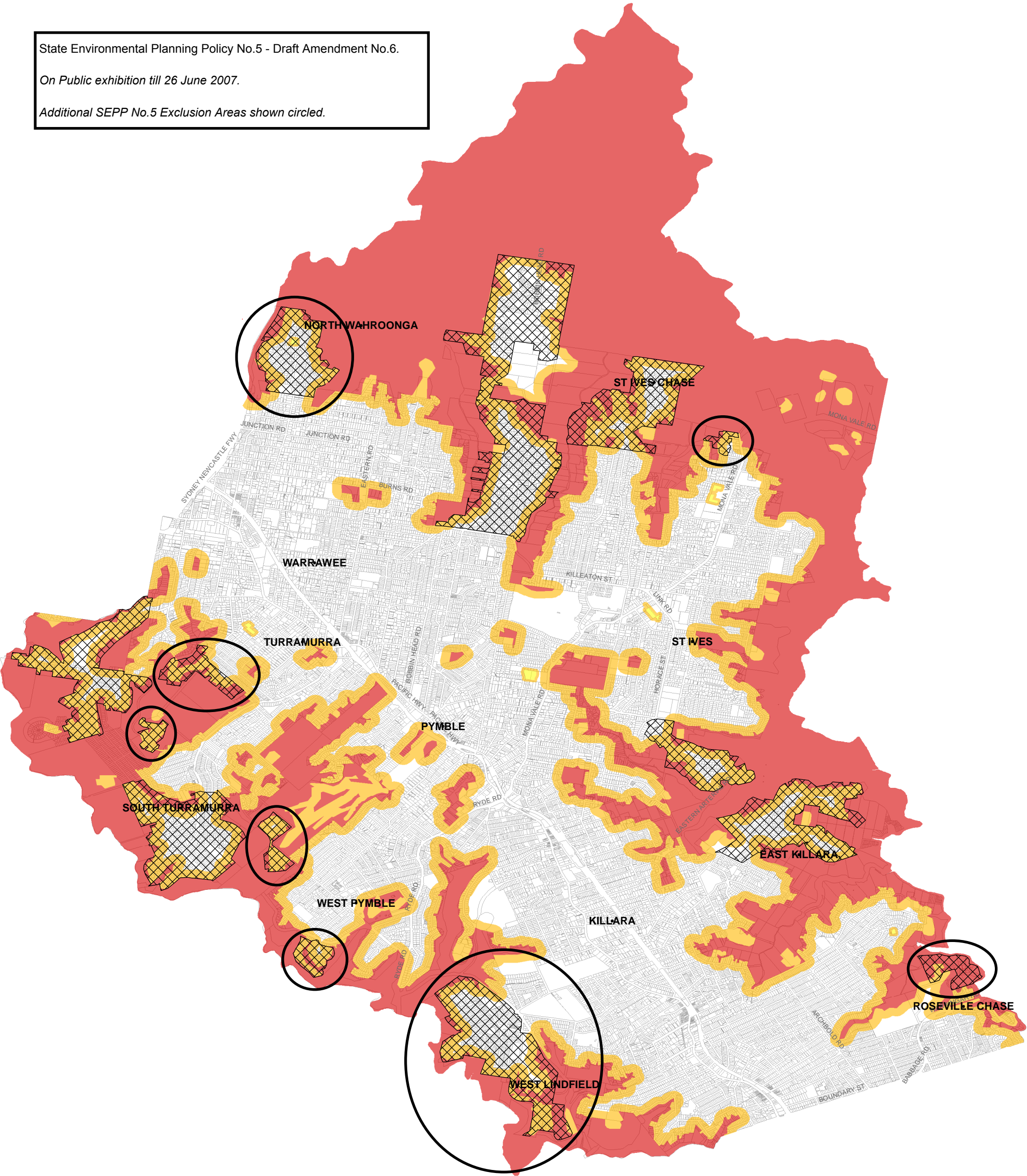
Omit “*State Environmental Planning Policy (Seniors Living) 2004*” from clause 6 (2) (d).

Insert instead “*State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004*”.

State Environmental Planning Policy No.5 - Draft Amendment No.6.

On Public exhibition till 26 June 2007.

Additional SEPP No.5 Exclusion Areas shown circled.



- Bushfire Prone Vegetation Category 1
- Bushfire Prone Vegetation Category 2
- Bushfire Prone Vegetation Buffer (100m and 30m)
- Parcel Boundary
- SEPP Exclusion Area

STATE ENVIRONMENTAL PLANNING POLICY NO 5
Housing for Older People or People with a Disability
Draft Amendment No 6
Bush Fire Evacuation Risk Map



**Submission on State Environmental Planning Policy (Seniors Living)
Amendment 2**

Thank you for the opportunity to comment on the proposed amendment to State Environmental Planning Policy (Seniors Living) and the Environmental Planning and Assessment Amendment (Seniors Housing) Regulation 2007. Please find Council's submission on the impact of proposed amendments should the changes be adopted.

General comments

Council understands the need to provide housing for seniors and people with a disability and the need to incorporate provisions to allow for this in the comprehensive LEP stage. However, this stage is quite close for all Councils, and the introduction of such provisions at this stage (and indeed the continuation of the SEPP) has the potential to compromise the strategic location of such housing under the LEP.

Councils are required to meet housing targets set under the Metropolitan Strategy through their comprehensive LEPs. For Ku-ring-gai these targets have already been addressed under the Draft Ku-ring-gai LEP (Town Centres) 2006, which is currently awaiting gazettal. Seniors Housing has been specifically accommodated in the residential zones under this Draft LEP. Further, controls have been provided in the Ku-ring-gai Town Centres DCP for accessible and adaptable housing within the town centres. The proposed amendments have the potential to compromise the achievement of such housing within the town centres.

The draft amended SEPP SL continues to provide (and extends) controls relating to land adjoining land zoned primarily for urban purposes. Council opposes the use of environmental planning instruments that include mandatory provisions for land adjacent to other land zoned for specific purposes. Such provisions lead to uncertainty for Councils when (re)zoning lands, as the potential for the neighbouring site needs to be considered, as well as the site itself. This is likely to lead to Councils seeking zoning that reduces the development potential on some sites from what could otherwise be supported on the site.

While it is acknowledged in this regard that the Department advises that SEPP SL will not apply when Councils have finalised their comprehensive LEPs, there is no guarantee that the SEPP will be repealed. The proposed mandatory lapsing of exemptions to the SEPP for the Councils which previously demonstrated that they catered adequately to this need in their LGA, is a graphic example of the lack of certainty in this regard.

Draft amendments to SEPP Seniors Living

The following is a consideration of specific changes that have the potential to affect Ku-ring-gai LGA.

1. Changes to permissibility/assessment in relation to bushfire risk

Council strongly supports the exclusion from the SEPP of the bushfire risk evacuation zones, as proposed. These exclusion zones will prevent the development of seniors housing on lands that are inappropriate for seniors or people with a disability due to the difficulties of evacuation from these areas.

It is noted that the bushfire risk evacuation map is shown on the existing bushfire prone lands map. It is unclear if the bushfire prone vegetation categories/buffer zones shown on the map are part of this map under the SEPP. Council has undertaken extensive work to update the bushfire prone land mapping and is awaiting a decision from the Department of Local Government before it can be adopted by Council or be submitted to RFS for certification. It is unclear how such mapping updates would be dealt with under the SEPP. A timely decision from the Department of Local Government may allow incorporation prior to gazettal of the SEPP.

If SEPP SL is to be permitted in Category 1 bushfire zones, an anomaly arises in respect of bushland areas that are accessible only through the bushfire risk evacuation zones. For instance, there are bushfire prone lands – Vegetation Category 1 on the site of the SAN hospital complex in Wahroonga that are accessible only through the exclusion zones. If the SEPP permits seniors housing on Category 1 lands, the boundaries of the bushfire risk exclusion zones should be readjusted to fully reflect the intention of the zones.

However, Council strongly opposes the inclusion of Bushfire Prone-Vegetation Category 1 sites within the SEPP. While the exclusion of the SEPP from bushfire risk evacuation areas will significantly decrease the impacts on Ku-ring-gai of the change to permit development under SEPP SL on Category 1 Bushfire prone land, the change will result in uncertainty for a number of sites. Sites that would be affected are mainly on the peripheries of the LGA adjacent to large reserve areas. Many of the Category 1 sites which would permit development under the SEPP are unlikely to be suitable due to the topography and environmental constraints. The large Asset Protection Zones required under *Planning for Bushfire Protection 2006* for such developments have the potential to significantly impact on bushland on these sites. This is also true for sites more central within the LGA, which form part of bio-linkages or riparian corridors. Such sites include some large properties adjacent to Dalrymple Hay Reserve which support an endangered ecological community.

The few sites which may be suitable would be better picked up through a more comprehensive, strategic and focussed assessment at the comprehensive LEP stage, rather than encouraging applicants to seek such developments on unsuitable lands.

2. Sites of State heritage significance

Council accepts that development under SEPP SL may be a tool used to conserve a State Heritage Item, or an item listed under an Interim Heritage Order. However, the likely extent of development in this regard is unclear, as the only limiting provisions appear to be in regard to such development not being able to use the incentives provided for “vertical villages”.

In particular, Council strongly opposes the potential for development under SEPP SL on such heritage sites to disregard the design principles in the SEPP. These principles address the character of the local area (of which the heritage item is likely to be a significant part), the amenity of neighbours, and the functionality for the intended residents, and should not be compromised simply to enable an increased yield.

Council questions the relationship between the SEPP and the heritage incentive clauses in other instruments (eg. 61H of the Ku-ring-gai Planning Scheme Ordinance and 35(9) of the standard LEP instrument, incorporated into Draft Ku-ring-gai LEP 2006 (Town Centres)). At present there is concern that the provisions of both the SEPP and the local plan may apply, which is likely to result in further adverse impacts on the neighbourhood and future residents of the site.

Council also seeks the exclusion of local heritage sites from the provisions for vertical villages.

3. Registered club sites

It is anticipated that the major sites in Ku-ring-gai affected by this provision would be Killara and Pymble Golf Clubs. There is some uncertainty about its application to the Avondale and Roseville Golf Clubs (discussed under Issue 4).

Council opposes permitting development under SEPP SL on sites with registered clubs. The potential social implications of encouraging SEPP SL developments on registered clubs that may be at some distance (and therefore relative inconvenience) from a broader range of services and facilities appear to have been overlooked. The proposal to encourage those members of the community with the least ability to travel, to have convenient access to gambling and drinking facilities with daily needs and most other recreational opportunities potentially accessible only via limited public transport and up to a total of 800m (plus) walking distance has severe adverse social implications.

Council is concerned about the potential loss of recreational opportunities provided within the community, by allowing such developments on club lands (including those zoned for private open space). Given that demand well exceeds supply for a range of open space facilities within the Sydney region, the potential reduction of recreational opportunities on private open space lands, cannot be not supported.

4. Land adjoining land zoned for urban purposes- special use and registered club sites

Council supports the clarification of what is considered “lands zoned for urban purposes” in the case of land zoned “special uses” or land which supports existing registered clubs. The clause will successfully exclude inappropriate sites, such as the Driver Training School, which adjoins significant areas of National Park.

There have been a number of cases in the Land and Environment Court where the issue dealt with related to what lands are to be treated as “lands zoned for urban purposes”. The clarification will help to provide increased certainty for special use zones and registered club sites. The clarification should be extended for all “lands zoned for urban purposes” not just these specific zones/development types.

The use of the term “adjoins” has been interpreted very loosely in the Land and Environment Court. The new clause providing that separation by a sealed public road does not prevent a site from being considered to “adjoin” is helpful in this regard. However, the continued use of the term “adjoins” without clear definition, will lead to continued uncertainty about which lands the SEPP applies to. For Ku-ring-gai this would lead to uncertainty on sites such as Avondale and Roseville Golf Courses, and perhaps even the University of Technology site in West Lindfield and the SAN site in Wahroonga. It is recommended that “adjoin” be clearly defined in the SEPP, or another phrase, such as “having a common boundary”, be substituted.

5. Site Compatibility Test

Council is concerned that the process of requiring site compatibility certificates from the Department of Planning will undermine the effectiveness of more detailed assessment by Council. While there are provisions that allow Council to make a differing assessment than the Department’s assessment undertaken for the Certificate, it is questionable whether the Land and Environment Court would be likely to support Councils which disagree with the site compatibility certificate.

Some of the criteria for non-urban land should also be applied to urban land, such as the impact on centres and site suitability (environmental sensitivity, bushfire hazard). Such criteria should be considerations for the consent authority.

Council has undertaken considerable work for the Draft LEP 2006 (Town Centres) to provide for revitalisation and increased density in centres with good access to transport. The plans include zonings that permit seniors housing and provisions for accessibility and adaptability. The provision of seniors housing distant from these centres has the potential to compromise the achievement of target populations close to the centres.

Many of the sites in Ku-ring-gai LGA, to which the draft amendment to SEPP SL would apply for the first time, are likely to be inappropriate due to topography or environmental constraints. The inclusion of the suitability criteria to urban lands would reduce the number of development applications on clearly unsuitable sites.

Criteria that should also be included for the consideration of the consent authority are the social/recreational impacts (especially for clubs) and the impact of the loss of educational and other special use functions.

6. Delete the requirements for visitor parking

The deletion of the clause on visitor parking means that, in effect, the minimum overall parking requirements are reduced to a requirement for 0.5 car spaces for each bedroom where the development application is made by a person other than a social housing provider (and one for each 5 dwellings for social housing providers). While it may be reasonable to exclude the need for visitor parking, where there are no clearways, for dual occupancy developments under the SEPP, larger developments should provide for parking for visitors that may also be senior or disabled people, or for carers. Given the more limited ability of residents of such sites to travel, visitor parking becomes more important. In areas such as Ku-ring-gai, where on-street parking may only be available on steeper streets, this is even more critical.

7. Changes to vertical village provisions

The deletion of the requirement for a site to allow development with a floor space ratio of a minimum of 1:1, to qualify for the floor space bonus as a vertical village, will have little impact in the Ku-ring-gai Town Centres. Under the draft Ku-ring-gai LEP, the B5 zone does not permit “residential flat buildings” and accordingly vertical villages would not be permissible in these areas. It is unclear whether the provision would apply to B2 zones. Where residential flat buildings are permissible within the Draft LEP 2006 (Town Centres) the minimum permissible floor space ratio is generally at least 1:1.

This is not the case however, for the remaining 2(d), 2(e) and 2(h) sites under the Ku-ring-gai Planning Scheme Ordinance. The 2(h) zones are most likely to be affected, with a current maximum floor space ratio of 0.4. As these sites are generally along main transport routes, it is important that the provisions do not compromise the strategic value and future development potential of these sites. The minimum 1:1 FSR for the application of the bonus should be retained.

The clarification of gross floor area for the purposes of this clause is reasonable.

8. Changes to definitions and other miscellaneous provisions

i) Change to clause defining “access”

The clause which defines “access” seeks to clarify the point on the site from which the distance to appropriate transport/services is to be measured. This point is proposed to be “the nearest access point to the site of the proposed development”.

Comment

The proposed definition of “access” would result in the distance to the closest transport and services on very large sites, or sites with increased setbacks from the road (eg. battleaxe allotments), would mean the actual distance residents need to negotiate to access the services may be considerably greater than 400 metres.

While increasing certainty through the clause is supported, the distance to transport/services should be measured from the entry to furthest dwelling. It is recommended that this distance remain at 400m, which is already sometimes quite difficult for many seniors and disabled people.

ii) Access to “banks” replaced with access to “banking services”.

The services to which development under SEPP SL must have access includes “banks”. The draft amendment proposes to change this to “banking services”. The term “banking services” is not defined. The extent of services is therefore uncertain. Can a post-office be considered to provide banking services? An ATM or Point of Sale terminal? While there may be argument to allow the provision to include banking services such as credit unions and building societies, the term should be defined to include a full range of such services.

iii) Deletion of requirement for outside garbage storage area.

Council supports the removal of the requirement for waste storage areas to be outside. The option to store garbage in an appropriate underground facility allows improved streetscape aesthetics and improves Occupational Health and Safety.

9. Other considerations

It is noted that the Bushfire Risk Evacuation Map is marked SEPP 5 and that SEPP 53 refers to the Amendment 5. All references to maps in SEPP SL within and between environmental planning instruments should be consistent.

While not applicable to SEPP SL, consideration should be given under other legislation, to the exclusion from the Bushfire Risk Evacuation Zones of other development types with high evacuation risks because of the vulnerability of the users. For example developments for the following also involve high evacuation risks: child care centres, schools, hospitals, establishments for the mentally ill/incapacitated, group homes, sheltered workshops.

DRAFT BUSHFIRE PRONE LAND MAP (2007)

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To seek Council's approval to exhibit the proposed draft Bushfire Prone Land Map for Ku-ring-gai Local Government Area.

BACKGROUND:

Section 146 of the *Environmental Planning and Assessment Act (1979)* and the NSW Rural Fire Service Bushfire Prone Land Mapping Guidelines – June 2006, requires councils to maintain and update a Bushfire Prone Land Map every five years. This report includes the proposed draft bushfire prone land map (2007) to be exhibited for public comment.

COMMENTS:

The proposed draft bushfire prone land map (2007) is a significantly improved map in terms of accuracy, based on more recent higher resolution aerial photography and extensive field investigations by staff. The proposed amended map has identified 13,205 bushfire prone properties which is 546 less than on the 2002 map. These changes have not reduced the impact on evacuation. As a result, the current exclusion areas for SEPP – Seniors Living and SEPP 53, as identified on the 2002 map, are recommended to be retained.

RECOMMENDATION:

That Council approve the proposed draft Bushfire Prone Land Map (2007) for public exhibition and seek the approval of the Department of Planning to extend the Bushfire Evacuation Risk Map as previously resolved by Council and supported by the NSW Rural Fire Service.

PURPOSE OF REPORT

To seek Council's approval to exhibit the proposed draft Bushfire Prone Land Map for Ku-ring-gai Local Government Area.

BACKGROUND

The Bushfire Prone Land Map formally identifies land affected by a bushfire hazard and acts as a legislative trigger for the consideration of appropriate planning and development controls. These controls are contained within the document "Planning for Bushfire Protection" published by the Department of Planning in 2001 and subsequently adopted as a Regulation to the Rural Fires Act in August 2002. In accordance with section 146 of the *Environmental Planning and Assessment Act (1979)* and the NSW Rural Fire Service 'Guidelines for Bushfire Prone Land Mapping' (June 2006), councils are required to maintain and update a Bushfire Prone Land Map every five years.

On 28 February 2006, Council gave consideration to a report outlining the timetable and progress for the amendment to the Bushfire Prone Land Map, as certified by the Commissioner of the NSW Rural Fire Service in November 2002. At this meeting Council resolved to adopt the timetable and process for the review and that a draft map be considered by Council in November 2006. This report addresses this resolution and Attachment 1 provides a summary of the timetable and process to date. Notably this update is being funded by the Environmental Levy as reported previously to Council and supported by the community.

Guidelines

The NSW Rural Fire Service 'Guidelines for Bushfire Prone Land Mapping' (June 2006) was used as the basis for the review (Attachment 2). Bushfire prone land is defined as land likely to be significantly impacted by a bushfire, such land is classified as either a Category 1 or 2 hazard or bushfire prone buffer, where:

- Category 1 vegetation is defined as areas of forests, woodlands, heaths or wetlands greater than 1 hectare.
- Category 2 vegetation is defined as areas of forests, woodlands, heaths or wetlands, "less than 1 hectare that are within, or partially within 100m lateral separations from a bushfire vegetation category 1, or that are within or partially within 30m lateral separation from a bushfire vegetation Category 2 are classed as Bushfire Vegetation Category 2" (page 7 of "Guidelines for Bushfire Prone Land Mapping").
- Bushfire prone vegetation buffer is defined as land that is cleared or otherwise managed within 100m of a Category 1 hazard or 30m of Category 2 hazard.

Under page 7 of the Guideline for Bushfire Prone Land Mapping, 2006 the following areas are excluded from the bushfire prone land map:

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1. “Areas of vegetation, less than 1 hectare and not less than 100m lateral separation from a Bushfire Vegetation Category 1, or not less than 30m lateral separation from a Bushfire Vegetation Category 2;
2. Areas of “managed grassland” including grassland on, but not limited to, grazing land, recreational areas, commercial/industrial land, residential land, airports/airstrips and the like are excluded;
3. Areas of managed gardens and lawns within curtilage of buildings;
4. Managed botanical gardens;
5. Agricultural lands used for annual and/or perennial cropping, orchard, market gardens, nurseries and the likes or;
6. Mangroves”

Current Status

Council's current map (certified by the Commissioner of the NSW Rural Fire Service November 2002) was developed using vegetation mapping data and low resolution aerial photography. Whilst accurate on the broader scale, the data sets were never designed for determining matters at the scale of individual lots. This has resulted in a significant number of properties being incorrectly identified as either bushfire prone or not. Furthermore, the aerial photo interpretation was not able to differentiate between tree canopy and structured vegetation capable of supporting bushfire.

Over the past four years, as development applications and inquiries have been received by Council staff, it has become increasingly apparent that the map contains inaccuracies in that it does not always reflect current conditions on the ground. This has resulted in over 90 cases that have sought or undertaken external consultant review as to the applicability of the encumbrance of a bushfire prone classification. Notwithstanding this error, it is important to recognise the map is based on vegetation that itself changes over time.

The proposed draft bushfire prone land map (2007) (Attachment 3) has been prepared with the use of recent high resolution aerial photography and extensive ground validation. As a result, the map more accurately depicts the location of significant bushfire hazards across the Ku-ring-gai Local Government Area (LGA), as identified at the time of inspection. The methodology adopted by Council Officers to undertake the review is outlined in Attachment 2.

COMMENTS

The proposed Draft Bushfire Prone Land Map (2007) has significantly increased the accuracy of the current map and has incorporated relevant changes to land uses and conditions that have occurred since the previous map was certified in 2002. The proposed changes to the 2002 map are summarised in Tables 1 and 2.

Table 1 – Changes to the Bushfire Prone Land Map for the Ku-ring-gai LGA

	Category 1 Vegetation (ha)	Category 2 Vegetation (ha)	Total No. of Bushfire Prone Properties
2002 map	3,348.21	4.41	13,751
Proposed Draft Bushfire Prone Land Map	3,212.97	5.25	13,205
Proposed Changes	-135.24	+0.84	-546

Table 2 – Summary of changes to the affected land under the proposed draft bushfire prone land map (2007)

	Land-use	Category 1 Affected	Category 2 Affected	Buffer Affected	Total No. of Properties Affected
2002 Map	Residential	4,148	21	8,814	12,983
	Business	3	0	78	81
	Special Uses	51	2	92	145
	Recreation	404	7	92	503
	Other	14	0	25	39
Proposed Draft Bushfire Prone Land Map	Residential	3,096	92	9,292	12,480
	Business	6	0	57	63
	Special Uses	43	2	98	143
	Recreation	419	6	63	488
	Other	13	0	18	31
Net changes	Residential	-1,052	71	478	-503
	Business	3	0	-21	-18
	Special Uses	-8	0	6	-2
	Recreation	15	-1	-29	-15
	Other	-1	0	-7	-8
	Total	-1,043	70	427	-546

Maps illustrating the changes for each catchment area across the Ku-ring-gai LGA are provided in **Attachments 4, 6 & 8**. A basic analysis of the Catchment areas is provided in **Attachment 5, 7 and 9**.

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The review of the 2002 Bushfire Prone Land Map has resulted in a number of changes to the boundary of Category 1 and 2 vegetation classes across the Ku-ring-gai LGA. These changes fall into five broad groups:

1. **Minor boundary adjustments** – The majority of changes on the amended map are minor boundary adjustments which are a direct consequence of using high resolution aerial photography and/or undertaking detailed ground validation exercises. Typically these adjustments result in boundary shifts in the order of 1-20m.
2. **Change in land use** – Land use across Ku-ring-gai is in a constant phase of change. Some areas that once contained fire prone vegetation have been subject to development, clearing or management and no longer constitute a bushfire threat as provided for in the Planning and Bushfire regulations. The condition of the land on the day of mapping was recorded and forms the basis of the proposed Draft Bushfire Prone Land Map (2007).
3. **Omissions from the 2002 map** – The 2002 Bushfire Prone Land Map failed to capture some parcels of land that represent a significant bushfire hazard. The availability of high resolution aerial photography and extensive ground validation has allowed for a more comprehensive analysis of bushfire hazards within the LGA. Hence, areas that had been overlooked in the past have been included on the proposed draft bushfire prone land map (2007).
4. **Inclusion of tree canopy in the 2002 map** – The 2002 Bushfire Prone Land Map has included a number of properties on the basis of the presence of tree canopy alone. This was a result of the low quality resolution of the aerial photo that could not identify the presence of shrub-layer or ground fuels that contribute to the bushfire risk. With the aid of higher quality resolution aerial photos and ground truthing, many of these properties have been removed from the amended map.
5. **Amendments to the mapping guidelines** - Changes to the guidelines for mapping bushfire hazards have resulted in the reclassification of some areas. In particular this has affected the classification of Category 2 vegetation.

An example of each of these issues with photographic evidence is depicted in Attachment 10.

Exclusion Zones

The 2002 Bushfire Prone Land Map for Ku-ring-gai is the only map in the State that incorporates a “Bushfire Evacuation Risk Map” affecting development potential. This prohibits additional SEPP 5, now known as SEPP Seniors Living, and SEPP53 developments. This planning control was made pursuant to section 146 of the *Environmental Planning and Assessment Act 1979* and is also referenced within DCP38. The rationale for this addition is that it recognises the poor access and egress in certain areas based on topography, road and lot layout and contain demographic characteristics.

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At Council's meeting on the 7 December 2004, it was resolved to seek approval from the Department of Infrastructure Planning and Natural Resources (DIPNR) to increase the planning controls, to provide protection for further vulnerable communities, such as schools and childcare centres, and to prohibit subdivision. DIPNR did not support this extension as it considered the proposal had not been adequately justified and therefore would not be prepared to recommend to the Minister that the Ku-ring-gai Planning Scheme Ordinance be amended. This advice was given on the understanding that the Bushfire Coordinating Committee and the NSW Rural Fire Service believed that the asset protection zones and appropriate construction standards would be unlikely to significantly increase the need for evacuation. Attachment 11 provides a full copy of the letter from DIPNR to Council on this matter.

Following this, on 20 June 2005 Council received correspondence from the NSW Rural Fire Service in support of 6 of the 10 additional exclusion zones previously resolved by Council. In this correspondence the Rural Fire Service also indicated a further two areas (not suggested by Council) where SEPP - Seniors Living exclusion zones would be appropriate, totalling an additional 8 exclusion area. A copy of the NSW Rural Fire Service correspondence is provided in Attachment 13 and maps illustrating the 8 new exclusion zones are depicted in Attachment 14. Support of exclusion zones is based on the difficulty associated with evacuating these areas during a bushfire due to significant constraints to access and egress.

More recently, the Department of Planning has proposed an amendment to SEPP Seniors Living 2004 that seeks to exclude SEPP Seniors development from the existing and the additional eight areas within the Ku-ring-gai LGA (refer to Attachment 3). Details of this draft amendment is dealt with in a separate report to Council on 19 June 2007.

Given the recommendation received by the Rural Fire Service and subsequent proposed amendment to SEPP Seniors Living by the Department of Planning it is appropriate for Council to support the amendments by the Department of Planning for these areas to be added to the Bushfire Evacuation Risk Map. The correspondence received from the Rural Fire Service specifically addresses SEPP - Seniors Living development only, and no specific mention of other special protection developments (e.g. child cares centres, hospital or Schools) is made.

Planning implications

The Bushfire Prone Land Map and the Bushfire Evacuation Risk Map act as legislative triggers in the following ways:

- Under section 79BA of the *Environmental Planning and Assessment Act 1979* new dwellings or modification to existing dwellings are required to meet the standards outlined in Planning for Bushfire Protection 2001, including specific construction standards as detailed in AS3959-1999.
- Under section 91 *Environmental Planning and Assessment Act 1979* subdivision and types of development referred to as "special fire protection purposes" (SEPP Seniors Living, childcare centres, schools, hospitals etc) all become Integrated Development with regard to section 100B of the *Rural Fires Act (1997)*. These development types are required to meet specific construction and site standards as outlined in Planning for Bushfire Protection 2001.

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- Currently any development submitted under State Environmental Planning Policy – Seniors Living is prohibited on land identified as Category 1. This may change if the proposed amendment to SEPP Seniors Living is gazetted. Within the Ku-ring-gai LGA this also applies to SEPP 53 - Metropolitan Residential Developments. This will continue to apply. The blue hatched areas on the 2002 Bushfire Prone Land Map for Ku-ring-gai furthers this planning control in areas where the Department of Planning and the NSW Rural Fire Service have identified, evacuation to be a significant issue.
- Development Control Plan No. 38 makes particular reference to Bushfire Prone Lands when subject to proposed dwelling house development. Measures for appropriate landscaping treatment apply, as well as the need to address the provisions outlined in Planning for Bushfire Protection 2006. Similar measures apply to dual occupancy development under Council's Development Control Code for Dual Occupancy.
- Land parcels identified as being Bushfire Prone Land also have such a notation on the relevant section 149 Certificates.

CONSULTATION

The proposed Draft Bushfire Prone Land Map (2007) (Attachment 3) has been prepared in accordance with the "Guideline for Bushfire Prone Land Mapping" (Attachment 2) produced by the NSW Rural Fire Service (NSWRFS) and a methodology developed by Council's Open Space staff, in consultation with the NSW Rural Fire Service. This has involved staff from both RFS Head Office and the Hornsby Ku-ring-gai District Office particularly the District Community Safety Officer. A copy of a letter from the NSW Rural Fire Service supporting the proposed Draft Bushfire Prone Land Map (2007) is provided in Attachment 12. In light of the strategic importance of this process the consultation process to-date has sought:

- To ensure a consistent approach in the interpretation and application of the mapping guidelines;
- To ensure mapping processes are consistent with those used by other Councils in the district;
- To obtain an expert opinion on areas where the classification of land is unclear or potentially conflicting.

The Hornsby Ku-ring-gai Fuel Management Committee and the Bushland, Catchments and Natural Areas Reference Group have also been given regular updates on the progress of the proposed draft bushfire prone land map (2007).

Council's Technical Fire Mapping Officers have undertaken on-going consultation with members of the Ku-ring-gai community. This has included on-site meetings with residents, as requested, to inform them about the Bushfire Prone Land Map and its practical implications. To generate

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community interest in the process, the review of the proposed draft bushfire prone land map (2007) has been advertised on the Council's website and in the e-newsletter "Out in the Open".

Following Council's adoption of the proposed draft bushfire prone land map (2007) for public exhibition, further consultation will be undertaken. It is proposed that this map be placed on exhibition from 2 July 2007 until 30 July 2007 and will involve four public meetings (two midweek day-time meetings and two midweek evening meetings) where presentations will be given on mapping methodology and results. Large copies of the amended map will be placed on display and residents will be invited to make submissions. These maps will be made available on Council's website, at Council Chambers and the three (3) libraries throughout the LGA. For landowners whose properties have had an increase in the encumbrances as a result of the amended map, letters will be sent explaining the implications and consultative process. This is likely to affect 1280 residential, 11 business and 12 special use properties. Additionally letters notifying of the review will be forwarded to those people who have registered with Council an interest in the review of the map, including property owners and community groups.

Following the exhibition period, a report will be brought back to Council outlining any changes and recommended amendments to proposed Draft Bushfire Prone Land Map (2007) prior to seeking a resolution of Council to refer this map to the NSW Rural Fire Service for their certification. Once final certification has been made, letters will be sent to affected land owners/ occupiers outlining how their property will be affected by the amended map.

FINANCIAL CONSIDERATIONS

The mapping, consultation and referral processes are fully funded by the Environmental Levy.

The implementation of the revised map may, however, impact on Council's planning and operational areas. From a planning and development control perspective, it is envisaged that the number of development applications that will need to consider the potential impact of bushfire on their property, or be referred to NSW Rural Fire Service, will decrease. In addition, the greater accuracy of this map should reduce subsequent appeals of decisions to any third party consultants and the Land and Environment Court.

Following the certification of the draft bushfire prone land map (2007) notification on section 149 certificates will need to be made. This will be achieved through the current capabilities of Council's Geographic Information System, and will represent an addition task for the Land Information Section.

In terms of development within bushfire prone land, there will be an economic impact in terms of permissible standards of construction, design and layout related to each site. This will only affect new dwellings, alterations and additions and not current buildings.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Consultations have occurred between Council's Planning and Development Control departments. The Technical Fire Mapping Officers have attended the team meetings of both departments to update staff on the progression of the amended Bushfire Prone Land Map.

SUMMARY

Council is required to update its current Bushfire Prone Land Map by November 2007. The proposed Draft Bushfire Prone Land Map (2007) has identified 13,205 properties as bushfire prone which is 546 less than the current map identifies. These changes are a result of greater accuracy achieved through the availability of high quality aerial photography and extensive field investigations. As part of the consultation process for the new map, the proposed Draft Bushfire Prone Land Map (2007) will be exhibited from the 2 July 2007 until 30 July 2007 including holding four public meetings to discuss methodology and changes to the map. Consultation will also include advising property owners who have been identified as having an increase in encumbrances. After the exhibition period, comments and any proposed changes will be reported to Council with the final draft to be referred to the Commissioner of the NSW RFS for certification.

As part of the review process it is proposed that Council offices will write to the Department of Planning to support their inclusion of additional areas to the Bushfire Evacuation Map as proposed in the draft amendments to SEPP Seniors Living. For other lands identified as being bushfire prone, encumbrances as per the *Environmental Planning and Assessment Act 1979*, *Rural Fires Act 1997* and Planning for Bushfire Protection 2006 will remain.

RECOMMENDATION

1. That Council approve the proposed Draft Bushfire Prone Land Map for public exhibition.
2. That public exhibition take place in the form of four public meetings (two, mid-week daytime meetings and two mid-week evening meetings) where the proposed draft bushfire prone land map (2007) will be displayed and residents given the opportunity to make submissions.
3. That the consultation period commence 2 July 2007 and conclude 30 July 2007.
4. That a report be referred to Council following the public exhibition to consider comments prior to final adoption.
5. That Council write to all property owners who have been identified as having an increase in encumbrances, as a result of the proposed Draft Bushfire Prone Land Map (2007) and those who have registered an interest in the review of the map.

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6. That Council support the proposed amendment to SEPP Seniors Living in relation to the additional exclusion areas.
7. That the exhibition of the expansion to the Bushfire Risk Evacuation Map occur concurrently with the proposed Draft Bushfire Prone Land Map (2007).

Mark Arnfield
Technical Officer – Fire

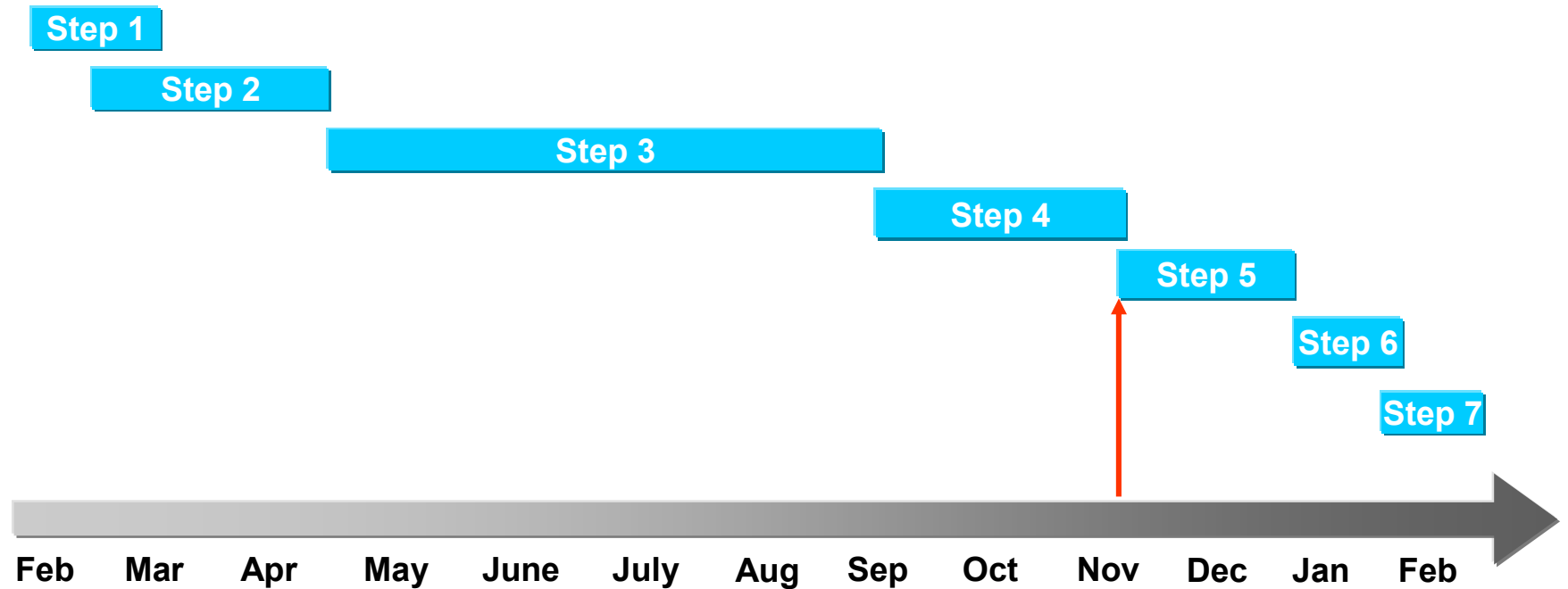
Peter Davies
**Manager Sustainability &
Natural Environments**

Antony Fabbro
Acting Director Strategy

Attachments:

- 1. Mapping timetable and progress - 702091**
- 2. Bushfire Prone Land Mapping Methodology - 702093**
- 3. Proposed draft amended Bushfire Prone Land Map - 784563**
- 4. Map of Cowan Catchment - 703091**
- 5. Analysis of Cowan Catchment - 703090**
- 6. Map of Middle Harbour Catchment - 703092**
- 7. Analysis of Middle Harbour Catchment - 703093**
- 8. Map of Lane Cove Catchment - 703094**
- 9. Analysis of Lane Cove Catchment - 703095**
- 10. Examples of Mapping Issues - 703096**
- 11. Letter from Department of Infrastructure, Planning and Natural Resources - 476420**
- 12. Letter of endorsement from the Hornsby Ku-ring-gai Rural Fire Service - 688218**
- 13. Report from NSW Rural Fire Service - Proposed SEPP 5 Exemption Areas - 509956**
- 14. Existing and proposed SEPP 5 exemption areas - 703766**

Attachment 1 -Mapping Timetable & Progress 06-07



Analysis of Middle Harbour Catchment

Introduction

The Middle Harbour Catchment encompasses approximately 2485.22 Ha of land that occupies the eastern portion of the Ku-ring-gai LGA. The catchment contains a mixture of residential and commercial development within the suburbs of St Ives, Gordon, Killara, East Killara, Lindfield, East Lindfield, Roseville, Roseville Chase and eastern parts of Pymble. Developed lands accounts for 68% of the total catchment area with the remaining 32% consisting of National Park (18%) and Council owned / managed land (14%)

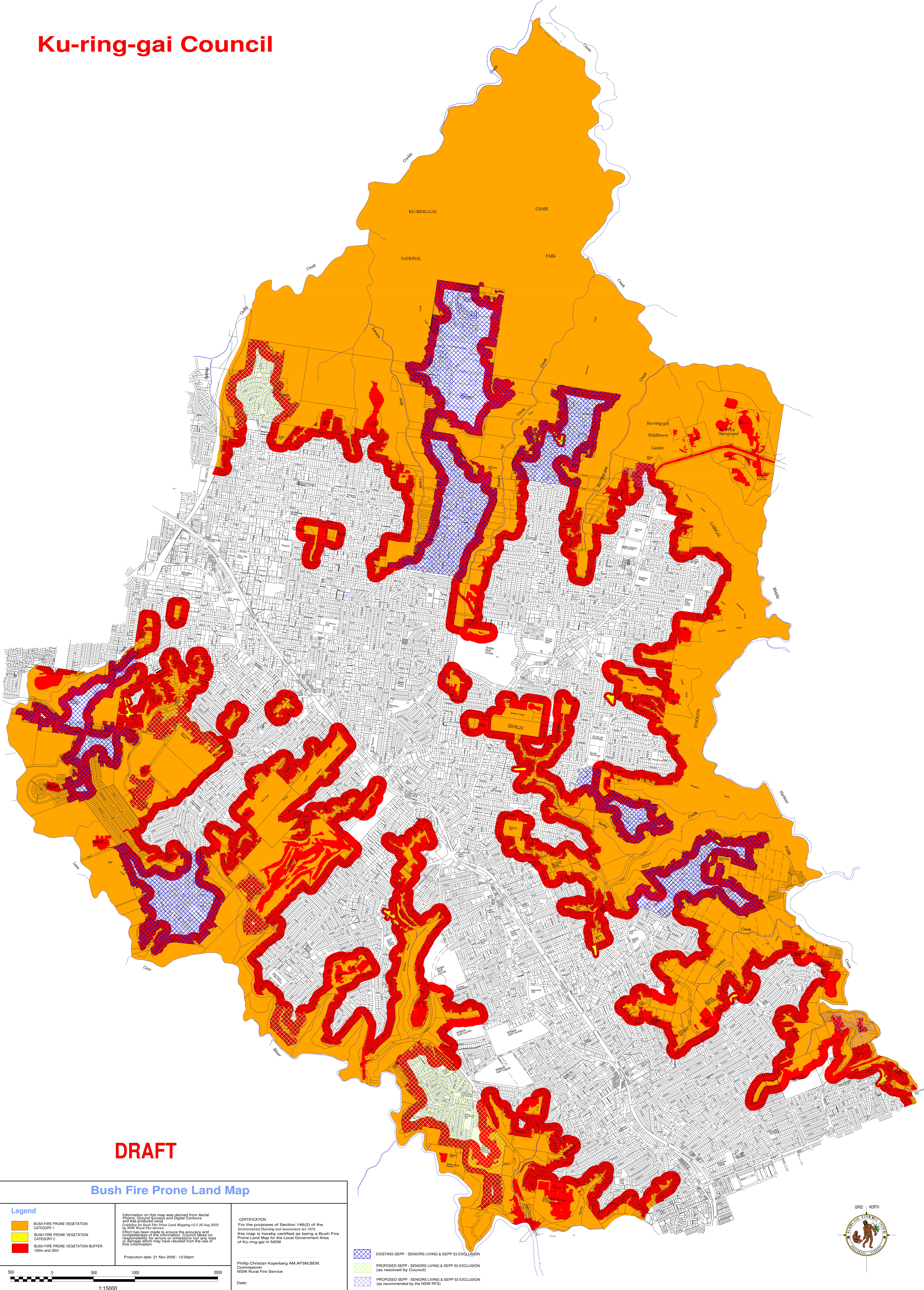
Large tracts of bushland are located to the east of the built up areas which includes Garigal National Park, Council Reserves, Crown Land, Private Open Space and State Authority Open Space. Small pockets of Council owned / managed bushland are also scattered across the catchment. The total area of bushland within the Middle Harbour Catchment is approximately 261 Ha.

Summery of Changes

Table 1 – Changes to the Bushfire Prone Land Map for the Middle Harbour Catchment

	Category 1 Vegetation (ha)	Category 2 Vegetation (ha)	No. of Bushfire Prone Properties
Current map (2002)	793.54	0.19	4305
Proposed amended map (2006)	795.92	3.01	4236
Proposed Changes	2.38	2.82	-69

Ku-ring-gai Council



DRAFT

Bush Fire Prone Land Map

Legend

- BUSH FIRE PRONE VEGETATION CATEGORY 1
- BUSH FIRE PRONE VEGETATION CATEGORY 2
- BUSH FIRE PRONE VEGETATION BUFFER 100m and 30m

Information on this map was derived from Aerial Photos, Ground Surveys and Digital Contours and was produced using *Guidelines for Bush Fire Prone Land Mapping v2.0 20 Aug 2002* by NSW Rural Fire Service. Effort has been made to ensure the accuracy and completeness of the information. Council takes no responsibility for errors or omissions nor any loss or damage which may have resulted from the use of this information.

Production date: 21 Nov 2006 - 12:00pm

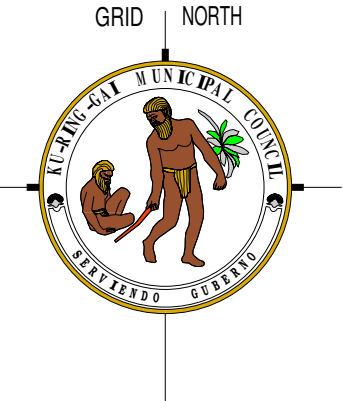
CERTIFICATION

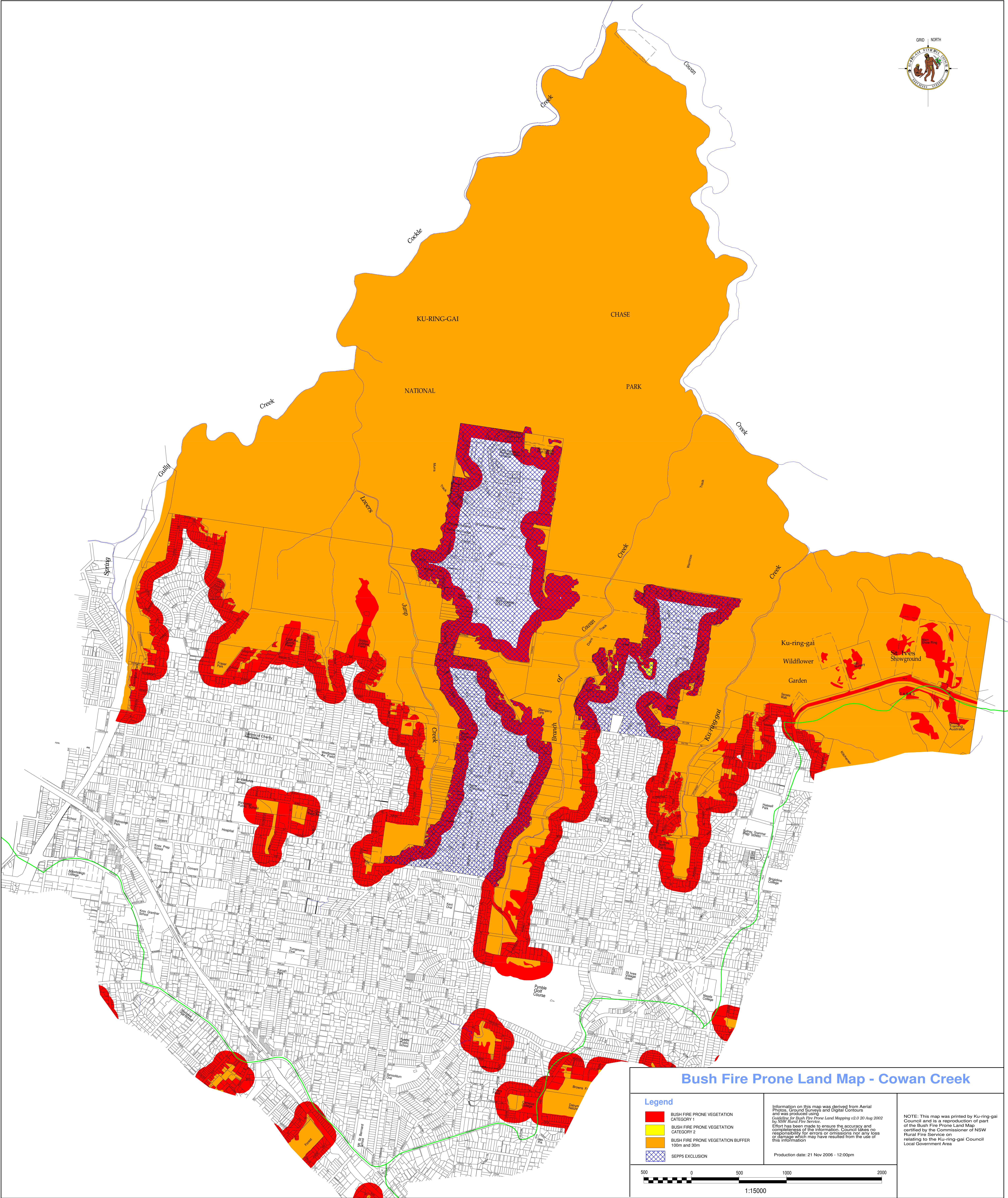
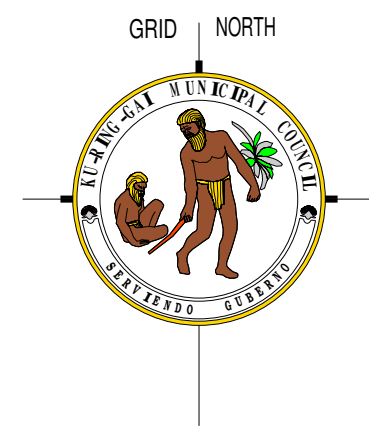
For the purposes of Section 146(2) of the *Environmental Planning and Assessment Act 1979*, this map is hereby certified as being a Bush Fire Prone Land Map for the Local Government Area of Ku-ring-gai in NSW

Philip Christian Koperberg AM,AFSM,BEM,
Commissioner
NSW Rural Fire Service

Date:

- EXISTING SEPP - SENIORS LIVING & SEPP 53 EXCLUSION
- PROPOSED SEPP - SENIORS LIVING & SEPP 53 EXCLUSION (as resolved by Council)
- PROPOSED SEPP - SENIORS LIVING & SEPP 53 EXCLUSION (as recommended by the NSW RFS)





Bush Fire Prone Land Map - Cowan Creek

Legend

- BUSH FIRE PRONE VEGETATION CATEGORY 1
- BUSH FIRE PRONE VEGETATION CATEGORY 2
- BUSH FIRE PRONE VEGETATION BUFFER 100m and 30m
- SEPPS EXCLUSION

Information on this map was derived from Aerial Photos, Ground Surveys and Digital Contours and was produced using *Guideline for Bush Fire Prone Land Mapping v2.0 20 Aug 2002* by NSW Rural Fire Service. Effort has been made to ensure the accuracy and completeness of the information. Council takes no responsibility for errors or omissions nor any loss or damage which may have resulted from the use of this information.

Production date: 21 Nov 2006 - 12:00pm



NOTE: This map was printed by Ku-ring-gai Council and is a reproduction of part of the Bush Fire Prone Land Map certified by the Commissioner of NSW Rural Fire Service on relating to the Ku-ring-gai Council Local Government Area.

Analysis of Cowan Catchment

Introduction

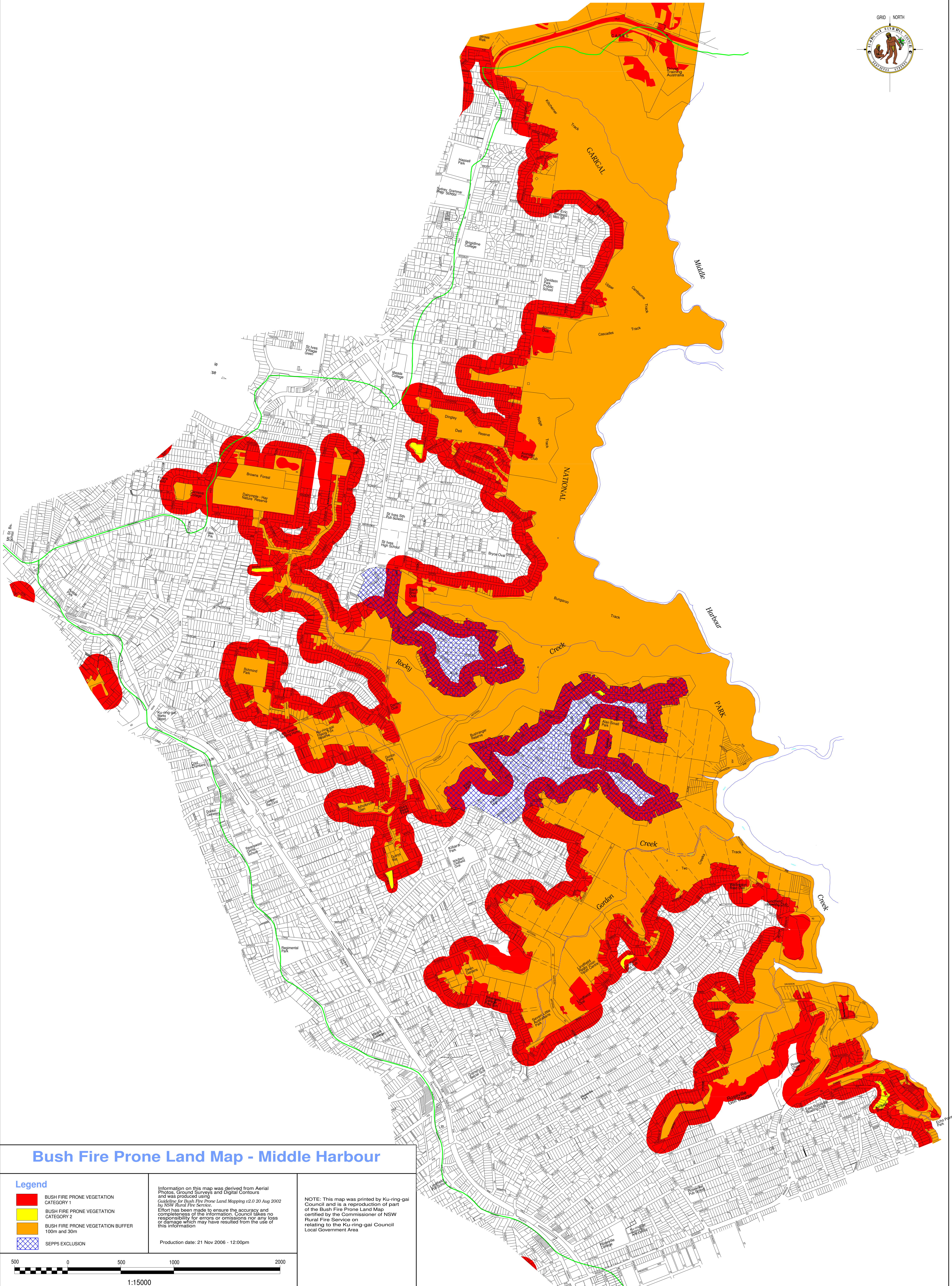
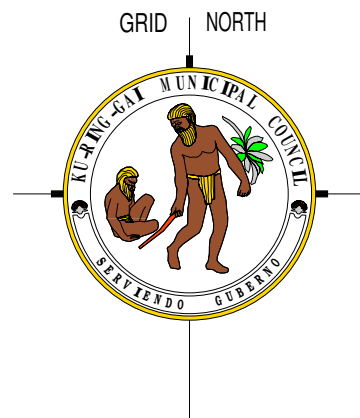
The Cowan Catchment is the largest of the three main catchments and encompasses approximately 3383.41 Ha of land that occupies the northern portion of the Ku-ring-gai LGA. The catchment contains a mixture of residential and commercial development within the suburbs of St Ives, St Ives Chase, Turramurra, North Turramurra, Wahroonga, North Wahroonga and northern parts of Pymble. Developed lands accounts for 58% of the total catchment area with the remaining 42% consisting of National Park (28%) and Council owned / managed land (14%)

Large tracts of bushland are located to the north of the built up areas which includes Ku-ring-gai National Park, Council Reserves Council Reserves, Crown Land, Private Open Space and State Authority Open Space. Small pockets of Council owned bushland are also scattered across the catchment. The total area of bushland within the Cowan Catchment is approximately 438 Ha.

Summery of Changes

Table 1 – Changes to the Bushfire Prone Land Map for the Cowan Catchment

	Category 1 Vegetation (ha)	Category 2 Vegetation (ha)	No. of Bushfire Prone Properties
Current map (2002)	1693.27	3.56	3229
Proposed amended map (2006)	1639.26	0.12	2950
Proposed Net Changes	-54.01	-3.44	-279



Bush Fire Prone Land Map - Middle Harbour

- Legend**
- BUSH FIRE PRONE VEGETATION CATEGORY 1
 - BUSH FIRE PRONE VEGETATION CATEGORY 2
 - BUSH FIRE PRONE VEGETATION BUFFER 100m and 30m
 - SEPP5 EXCLUSION

Information on this map was derived from Aerial Photos, Ground Surveys and Digital Contours and was produced using
Guideline for Bush Fire Prone Land Mapping v2.0 20 Aug 2002
by NSW Rural Fire Service.
Effort has been made to ensure the accuracy and completeness of the information. Council takes no responsibility for errors or omissions nor any loss or damage which may have resulted from the use of this information

Production date: 21 Nov 2006 - 12:00pm

NOTE: This map was printed by Ku-ring-gai Council and is a reproduction of part of the Bush Fire Prone Land Map certified by the Commissioner of NSW Rural Fire Service on relating to the Ku-ring-gai Council Local Government Area



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Analysis of Middle Harbour Catchment

Introduction

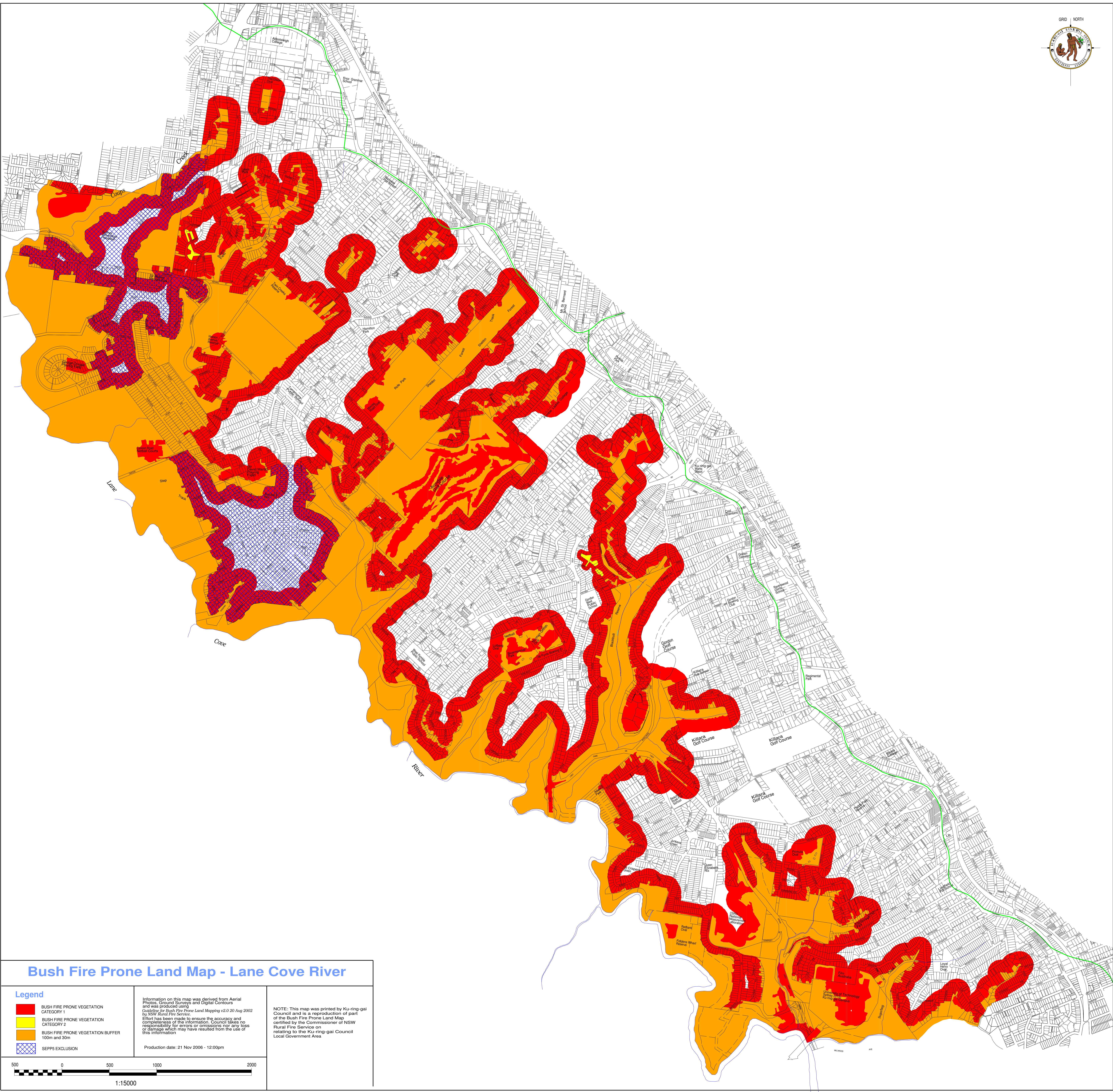
The Middle Harbour Catchment encompasses approximately 2485.22 Ha of land that occupies the eastern portion of the Ku-ring-gai LGA. The catchment contains a mixture of residential and commercial development within the suburbs of St Ives, Gordon, Killara, East Killara, Lindfield, East Lindfield, Roseville, Roseville Chase and eastern parts of Pymble. Developed lands accounts for 68% of the total catchment area with the remaining 32% consisting of National Park (18%) and Council owned / managed land (14%)

Large tracts of bushland are located to the east of the built up areas which includes Garigal National Park, Council Reserves, Crown Land, Private Open Space and State Authority Open Space. Small pockets of Council owned / managed bushland are also scattered across the catchment. The total area of bushland within the Middle Harbour Catchment is approximately 261 Ha.

Summery of Changes

Table 1 – Changes to the Bushfire Prone Land Map for the Middle Harbour Catchment

	Category 1 Vegetation (ha)	Category 2 Vegetation (ha)	No. of Bushfire Prone Properties
Current map (2002)	793.54	0.19	4305
Proposed amended map (2006)	795.92	3.01	4236
Proposed Changes	2.38	2.82	-69



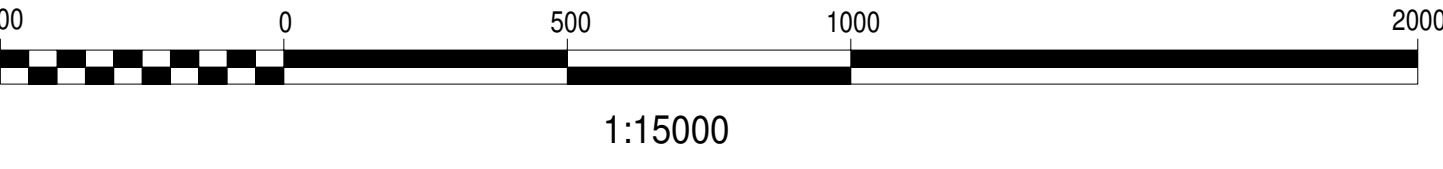
Bush Fire Prone Land Map - Lane Cove River

- Legend**
- BUSH FIRE PRONE VEGETATION CATEGORY 1
 - BUSH FIRE PRONE VEGETATION CATEGORY 2
 - BUSH FIRE PRONE VEGETATION BUFFER 100m and 50m
 - SEPPs EXCLUSION

Information on this map was derived from Aerial Photos, Ground Surveys and Digital Contours and was produced using *Guideline for Bush Fire Prone Land Mapping v2.0 20 Aug 2002* by NSW Rural Fire Service. Effort has been made to ensure the accuracy and completeness of the information. Council takes no responsibility for errors or omissions nor any loss or damage which may have resulted from the use of this information.

Production date: 21 Nov 2006 - 12:00pm

NOTE: This map was printed by Ku-ring-gai Council and is a reproduction of part of the Bush Fire Prone Land Map certified by the Commissioner of NSW Rural Fire Service on relating to the Ku-ring-gai Council Local Government Area



Analysis of Lane Cove Catchment

Introduction

The Lane Cove Catchment encompasses approximately 2640.81 Ha of land that occupies the western portion of the Ku-ring-gai LGA. The catchment contains a mixture of residential and commercial development within the suburbs of Warrawee, South Turramurra, Pymble, West Pymble, Killara, Lindfield and Roseville. Developed lands accounts for 73% of the total catchment area with the remaining 27% consisting of National Park (6%) and Council owned / managed land (21%)

Large tracts of bushland are located to the west of the built up areas which includes Lane Cove National Park, Council Reserves, Crown Land, Private Open Space and State Authority Open Space. Small pockets of Council owned / managed bushland are also scattered across the catchment. The total area of bushland within the Lane Cove Catchment is approximately 442 Ha.

Summery of Changes

Table 1 – Changes to the Bushfire Prone Land Map for the Lane Cove Catchment

	Category 1 Vegetation (ha)	Category 2 Vegetation (ha)	No. Bushfire Prone Properties
Current map (2002)	861.35	0.667	6217
Proposed amended map (2006)	779.28	1.558	6019
Proposed Changes	-82.11	0.891	-198

Examples of Mapping Issues

Minor boundary adjustments



Figure 1. The air photo shows the existing Category Boundary in red, and the proposed Category 1 boundary in purple. The new line shows fine scale details not recorded in the original mapping process. Adjustments of this nature were very common.

Change in land use



Figure 2 Forwood Ave in Turramurra has been recently cleared for development. The red line indicates an area that was previously identified as bushfire prone land. Due to recent clearing this area will no longer be mapped as Category 1 vegetation.

Omissions from the original map



Figure 3. Bushland adjacent to Primula Oval and West Lindfield Bowling club was omitted from the 2002 Bushfire Prone Land map. The area has been mapped as a Category 1 hazard on the proposed map.

Inclusion of tree canopy in the original map



Figure 4. Areas with canopy only and no ground fuels (above left) were not considered to be Category 1 vegetation. The air photo (above right) shows the same site from the air, the orange arrow indicates the location and direction that the photo was taken. The area shown in green will be removed from the map as it does not pose a fire hazard.

Reclassification

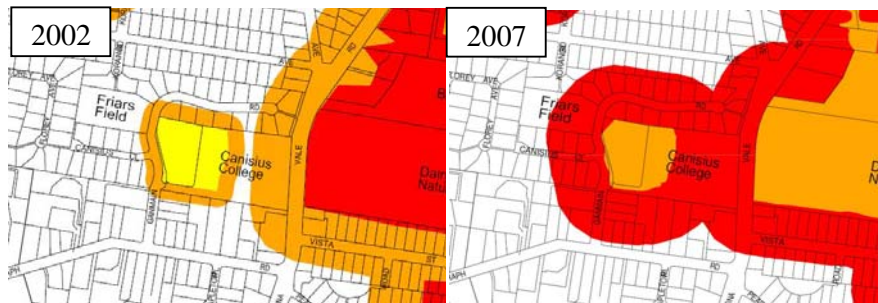


Figure 5 Category 2 (yellow, on left) reclassified into Category 1 (orange, on right)

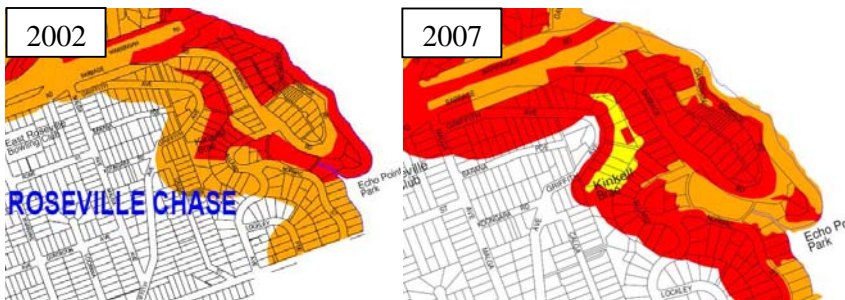


Figure 6 Category 1 (red, on left) reclassified into Category 2 (yellow, on right)

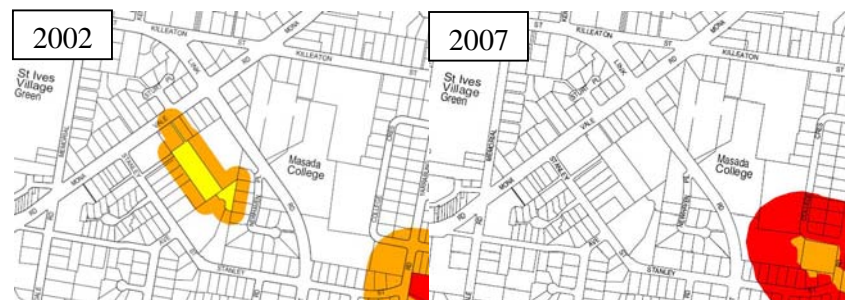


Figure 7 Category 2 (yellow, on left) vegetation less than 1ha and further than 100m from Category 1 and 30m from Category 2 vegetation was not classified as bushfire prone on the 2007 bushfire prone land map (as shown above, on right).



Department of
Infrastructure, Planning and Natural Resources

Contact: R Baker
Phone: 02 9762 8330
Fax: 02 9762 8710
Email: ron.baker@dipnr.nsw.gov.au

Mr Brian Bell
General Manager
Ku-Ring-Gai Council
818 Pacific Highway
GORDON 2072

Our ref:
Your ref: S03911

Dear Mr Bell,

Draft LEP – Land Identified as Evacuation Risk

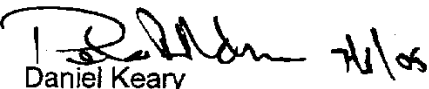
I refer to Council's letter of 14th December 2004 concerning a proposed local environmental plan which intends to prohibit the further subdivision of land for the purpose of creating separately titled dwellings and to prohibit schools, pre-schools and nursing homes in the areas identified as "Bush Fire Evacuation Risk".

The Department understands that the Bush Fire Coordinating Committee and the NSW Rural Fire Service have expressed the opinion that where provision has been made for Asset Protection Zones and appropriate construction standards have been met under the Rural Fires Act and the EP&A Act, it is unlikely that any new subdivision approved under the current planning requirements would significantly increase the need for evacuation. Further to this, the NSW Rural Fire Service has advised Ku-ring-gai Council that it considers that placing further restrictions on the areas identified on the "Bush Fire Evacuation Map" but which are not identified as bush fire prone, is difficult to justify solely on the basis of bush fire risk.

For the above reasons, the NSW Bush Fire Service does not support the draft LEP.

In view of the above the Department does not consider that the draft LEP has been adequately justified and it would not be prepared to recommend to the Minister that the plan be made. If the Council still wished to progress the draft plan it should first discuss the matters raised with the Rural Bush Fire Service with a view to addressing its concerns. At this point it would not be appropriate for Council to exercise its delegated authority to certify the exhibition of the plan.

Yours sincerely


Daniel Keary
Acting Regional Planning Coordinator
Sydney Region East

All communications to be addressed to:

NSW Rural Fire Service
Hornsby/Ku-ring-gai Rural Fire Service
PO Box 472
HORNSBY NSW 2077

Telephone: (02) 9485 5000
e-mail: firstname.surname@rfs.nsw.gov.au

NSW Rural Fire Service
Hornsby/Ku-ring-gai Rural Fire Service
143 Galston Road
HORNSBY HEIGHTS NSW 2077

Facsimile: (02) 9485 5047



The General Manager
Ku-ring-gai Council
818 Pacific Highway
GORDON NSW 2072

Our Ref:
Your Ref:

Attention: – Ben Hope

25/10/2006

Dear Ben,

RE Ku-ring-gai Bushfire Prone Map

Confirming that the Hornsby/Ku-ring-gai Rural Fire Service has been involved in the consultation process of the updating of the Ku-ring-gai Bushfire Prone Map.

Attached is a memo to our Commissioner endorsing the updated map.

Yours Truly

Colin Manton
Community Safety Officer



MEMORANDUM



Hornsby/Ku-ring-gai District

TO: COMMISSIONER
FROM: DISTRICT MANAGER
SUBJECT: KU-RING-GAI BUSH FIRE PRONE MAP

DATE: 23 October 2006

File No.

Sir

The District would like to take this opportunity to congratulate Ku-ring-gai Council on the work carried out updating the Bush Fire Prone Map.

The update process was outstanding, with consultation taking place with my office, in particular with the Community Safety team.

The District supports the amendments made by Ku-ring-gai Council.

Angelo Baldo
Superintendent
District Manager

All communications to be addressed to:

Head Office
NSW Rural Fire Service
Locked Mail Bag 17
Granville NSW 2142

Head Office
NSW Rural Fire Service
Unit 3, 175-179 James Ruse Drive
Rosehill NSW 2142

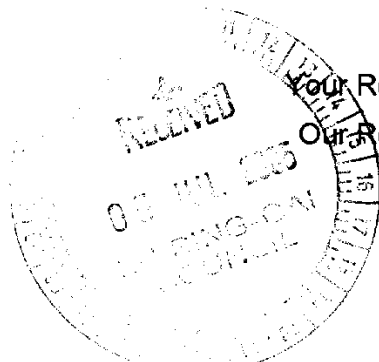
Telephone: (02) 9684 4411

Facsimile: (02) 9638 7956

e-mail: lew.short@rfs.nsw.gov.au



Mr Brian Bell
General Manager
Ku-ring-gai Council
Locked Bag 1056
PYMBLE NSW 2073



Your Ref:

Our Ref: A051032 - 1646

29 JUN 2005

Dear Mr Bell,

RE: ADDITIONAL SEPP SENIORS LIVING EXCLUSION AREAS IN KU-RING-GAI

I refer to a letter received from Cl. Malicki regarding additional SEPP Seniors Living Exclusion Zones in Ku-ring-gai and a request that the NSW Rural Fire Service (RFS) provide information on areas that were supported and not supported in the report that was sent to DIPNR on 20 May 2004. A copy of the report is attached for Councils information. This document defines the assessment criteria, process and the determinations that were made by the RFS.

Of the eight additional areas that Council sought to include as SEPP Seniors Living Exclusion Areas, the RFS supported six of these areas as presented by Council. Two additional areas were recommended by the RFS that were not identified by Council and two areas were not supported.

The RFS is satisfied that the underlying principles and outcomes of this report are sound and would take this opportunity to clarify with Council, that evacuation is an action of last resort during fire events. It is better for people to shelter in their own homes rather than to be relocated to an evacuation point. Large scale, mass evacuations of entire suburbs or communities require significant lead times, are difficult to organise and execute efficiently, and involve significant disruption to people and communities.

Legislation requires that integrated development must comply with *Planning for Bush Fire Protection* (Section 100B *Rural Fires Act*) including minimum asset protection zones, access, water and other bush fire safety requirements. The legislation and *Planning for Bush Fire Protection* are designed to ensure uniform and consistent regulations so that all bushland communities can be confident of the same level of planning rigour, removing anomalies and setting clear and consistent standards for all local government authorities.

Should you have any queries regarding this, please contact Mr Lew Short, Manager Development Control on 8741 5454.

Yours sincerely,

Rob Rogers AFSM
Assistant Commissioner
Community Safety

NSW Rural Fire Service



Proposed SEPP 5 Exemption Areas by Ku-ring-gai Council

Rural Fire Service Analysis

19 April 2004

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Disclaimer: Any representation, statement, opinion, or advice expressed or implied in this report is made in good faith on the basis that the State of NSW, the NSW Rural Fire Service, its agents and employees are not liable (whether by reason of negligence, lack of care or otherwise) to any person for any damage or loss whatsoever which has occurred or may occur in relation to that person taking or not taking (as the case may be) action in respect of any representation, statement or advice referred to in this document.

Executive Summary

On 21 November 2002, the Rural Fire Service (RFS) certified Ku-ring-gai Councils bush fire prone Land Map. The RFS received additional documentation from Ku-ring-gai Council on 30 June 2003 requesting additional areas to be mapped for SEPP 5 exemption.

The RFS has based the results on an evaluation undertaken using Australian Standard AS4360 (Risk Management). This enabled an objective analysis of the information provided by Council. The RFS has also taken a pragmatic approach and has considered a number of additional bush fire risk factors in the assessment.

Based on an assessment of documentation, discussion with Council and RFS staff, the RFS recommends to the Department of Infrastructure Planning and Natural Resources that the following areas be identified on a Bush Fire Evacuation Risk Map and excluded from SEPP 5 development in Ku-ring-gai:

Additional SEPP 5 Exclusion Zones

Area	Location	Recommendation
1	Northern Wahroonga off the northern end of Grosvenor Rd/Curtin Ave	Exclusion Zone as per KMC map 19-2-03
3	South Turramurra – Howson Ave and Stainsby Cl. and part of the Comenarra Parkway.	Exclusion Zone as per KMC map 19-2-03
5	South Turramurra – Part the Comenarra Parkway and Evans St, Ramsay and Parker Ave.	Exclusion Zone as per KMC map 19-2-03
6	West Pymble – South of Wallalong Cres.	Exclusion Zone as per KMC map 19-2-03
7	West Lindfield/West Killara – south of Lady Game Dr.	Exclusion of Albert Dr and south of the junction of Carramar and Bradfield Rd. Map attached
8	South Wahroonga/South Warrawee – south of Rothwell (Mitchell Cres), south end of Roland Ave and part Cambell Dr.	Exclusion Zone as per KMC map 19-2-03
9	St.Ives – Richmond Ave and Greenvalley Ave.	Exclusion as per map
10	Roseville Chase – Chase Ave, Cardigan Rd and Ormonde Rd	Exclusion as per map

1. Introduction

On 21 November 2002, the RFS certified Ku-ring-gai Councils Bush Fire Prone Land Map. This map identifies six areas as State Environmental Planning Policy Number 5 (SEPP5) exclusion zones based on egress and access issues. Since that time, Council have identified and submitted eight additional areas to RFS for analysis and inclusion on the Bush Fire Evacuation Risk Map. The recommendations contained in this report are for the consideration of The Department of Infrastructure Planning and Natural Resources (DIPNA).

2. Background

The RFS received documentation from Ku-ring-gai Council on 30 June 2003 requesting additional areas for SEPP 5 exemption. The RFS has met with Council to request additional information and to seek clarification on some issues. RFS received additional information on 11 November 2003 relating to traffic data. On 2 February 2004, RFS received additional information from Ku-ring-gai Council for the South Turramurra area that included resident responses to a survey completed in August 2003. The results were mapped and identified a range of issues relating to bush fire. These documents and the findings have been utilised in the decision making process.

The RFS recognises that Special Protection Development such as SEPP5 are developments that by the nature of their use, present limited mobility issues. In the event of a bush fire they may be difficult to evacuate and/or susceptible to smoke impacts. Generally, these residents cannot be expected to defend the property from bush fire attack.

Additionally, SEPP 5 development in areas that may be subject to bush fire attack, creates a range of complex issues for emergency services such as ensuring adequate resources are available to assist with evacuations, increased traffic on local roads that may limit access and egress for emergency services and the impact of smoke on the community.

3. Legislative Basis

Part 4 section 25A of SEPP 5 gives the legislative basis for the exclusion of areas from SEPP 5 development.

‘(1) The Director General may prepare a map or maps for the purpose of amending or replacing the bush fire evacuation risk map.

(2) In preparing such a map, the Director General is to take the following matters into consideration:

- the size of the existing population within the locality,
- age groups within that population and the number of persons within those age groups,
- the number of hospitals and other facilities providing care to the residents of the facilities within the locality, and the number of beds within those hospitals and facilities,
- the number of schools within the locality and the number of students at those schools,
- existing development within the locality that has been carried out under this policy (Part 4 section 25A of SEPP 5).’

Additionally, Schedule 1 of SEPP5 differentiates Environmentally Sensitive Land as excluding SEPP 5 development and includes:

- land identified in an environmental planning instrument as a high bush fire hazard
- land identified on a bush fire prone land map certified under section 146 of the Act as “Bush Fire Prone land – vegetation category 1” and
- Land shown cross hatched on the bush fire evacuation risk map.

4. Methodology

The RFS acknowledges that to adequately address the range of documentation, opinions, community concern and assessment criteria, a measurable and objective outcome is difficult to achieve. Hence, the RFS assessment has been undertaken based on the professional experience of the RFS and analysis of information provided by Ku-ring-gai Council.

Analysis of the data in accordance with Australian Standard AS4360 - Risk Management has been undertaken. The assessment will be undertaken in terms of consequence and likelihood in the context of potential impact of bush fire on a SEPP5 development and flow on implications for emergency services. The analysis will consider the range of risks posed to any existing or future development, potential consequences and how likely those consequences are to occur.

While the RFS has based outcomes on legislation for identifying and excluding areas from SEPP 5 development, the RFS has also taken a pragmatic approach and as such has considered a number of additional bush fire risk factors. These additional factors bush fire risk factors include:

- Single access/ egress into an area
- Bottle necks
- Potential limited access for combat/ emergency services
- Isolated development
- Access passes through or directly adjacent to the identified hazard
- Ridgetop development with steep slopes
- Known fire path / impact area
- Existing high density of special fire protection development
- Identified traffic flow problems
- Identified mains water pressure issues

5. Bush Fire Risk Evaluation

The Bush Fire Risk evaluation has been undertaken utilizing qualitative measures from AS4360. A judgment based on information provided, discussions with Council and RFS assessment of all factors has been undertaken. The final recommendations have been based on estimated levels of risk against the pre-established criteria. This enables risks to be ranked so as to identify potential bush fire risk evacuation areas for exclusion of SEPP5.

A conservative approach has been taken, in that if the levels of risk established is **High** or above, the RFS has supported Councils request for additional SEPP5 exclusion zones.

Table E1 Qualitative measures of consequence or impact

Level	Descriptor	Example detail description
1	Insignificant	No injuries, low financial loss
2	Minor	First aid treatment, on-site release immediately contained, medium financial loss
3	Moderate	Medical treatment required, on-site release contained with outside assistance, high financial loss
4	Major	Extensive injuries, loss of production capability, off-site release with no detrimental effects, major financial loss
5	Catastrophic	Death, toxic release off-site with detrimental effect, huge financial loss

NOTE: Measures used should reflect the needs and nature of the organization and activity under study.

Table E2 Qualitative measures of likelihood

Level	Descriptor	Description
A	Almost certain	Is expected to occur in most circumstances
B	Likely	Will probably occur in most circumstances
C	Possible	Might occur at some time
D	Unlikely	Could occur at some time
E	Rare	May occur only in exceptional circumstances

NOTE: These tables need to be tailored to meet the needs of an individual organization.

Table E3 Qualitative risk analysis matrix—level of risk

	Consequences				
	Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	1	2	3	4	5
A (almost certain)	H	H	E	E	E
B (likely)	M	H	H	E	E
C (moderate)	L	M	H	E	E
D (unlikely)	L	L	M	H	E
E (rare)	L	L	M	H	H

NOTE: The number of categories should reflect the needs of the study.

Legend

- E: extreme risk; immediate action required
- H: high risk; senior management attention needed
- M: moderate risk; management responsibility must be specified
- L: low risk; manage by routine procedures

The areas presented by Ku-ring-gai Council to the RFS are as follow:

Table 1. Bush Fire Risk Assessment

Area	Location	Level of Bush Fire Risk	RFS Position	Notes
1	Northern Wahroonga off the northern end of Grosvenor Rd/Curtin Ave	High	Exclusion Zone as per KMC map 19-2-03	Single access, which has the potential to bottleneck at the junctions of Barton Cres, Curtin Ave (South) and Grosvenor Rd. The area has a history of bush fire.
2	Lucinda Ave south and Campbell Dr south of Fox Valley Rd, Wahroonga	Minor	Exclusion not supported	Although the area has had bush fires in the vicinity, fire has not been recorded immediately adjacent to this area. The need for residents to evacuate has been assessed as minimal.
3	South Turramurra – Howson Ave and Stainsby Cl. and part of the Comenarra Parkway.	Extreme	Exclusion Zone as per KMC map 19-2-03	Access has the potential to be cut off by bush fire, isolated community, most of the area is included in the bush fire prone vegetation buffer, therefore, it is unlikely that any proposed special protection development would be able to meet setback distances as per Planning for Bush Fire Protection 2001.
4	South Turramurra – areas off Kissing Point Rd south of Rothwell and north of Havelock/Barwon/The Comenarra Parkway.	Minor	Exclusion not supported	The area proposed is large enough that evacuation would not be recommended during bush fires
5	South Turramurra – Part the	Extreme	Exclusion Zone as	Access has the potential to be cut off by

	Comenarra Parkway and Evans St, Ramsay and Parker Ave.		per KMC map 19-2-03	bush fire, isolated community, most of the area is included in the bush fire prone vegetation buffer, therefore, it is unlikely that any proposed special protection development would be able to meet setback distances as per Planning for Bush Fire Protection 2001. Significant bush fires immediately adjacent in 1987, 1994 & 2002.
6	West Pymble - South of Wallalong Cres.	Extreme	Exclusion Zone as per KMC map 19-2-03	Potential access/egress issues as both streets bottleneck. Most of the area is included in the bush fire prone vegetation buffer, therefore, it is unlikely that any proposed special protection development would be able to meet setback distances as per Planning for Bush Fire Protection 2001. Comments from Ku-ring-gai RFS Captain that areas were particularly problematic for access.
7	West Lindfield/West Killara - south of Lady Game Dr.	Parts - high	Exclusion of Albert Dr and south of the junction of Carramar and Bradfield Rd	Comments from Ku-ring-gai RFS Captain that areas were particularly problematic for access. Isolated community, access issues, bottleneck.
8	South Wahroonga/South Warrawee - south of Rothwell (Mitchell Cres), south end of Roland Ave and part Cambell Dr.	High	Exclusion Zone as per KMC map 19-2-03	Steep, difficult streetscapes. High impact area during previous fire events, access issues.

Based on the assessment undertaken the RFS has identified additional sites that warrant inclusion based on the above methodology. These include:

Table 2. Additional RFS recommended sites

9	St.Ives – Richmond Ave and Greenvally Ave.	High	Exclusion of properties in Richmond and Greenvally Ave St.Ives.	Evacuation from Richmond Ave has bushland directly adjacent to the road, which may prevent access/egress during the passage of a bush fire. Both Roads present access difficulties
10	Roseville Chase – Chase Ave, Cardigan Rd and Ormonde Rd	High	Exclusion Zone to the junction of Ormonde Ave and The Kingsway.	Isolated community with potential to be cut off during passage of bush fire.

6. Recommendations

Based on an assessment of documentation, discussion with Council and RFS staff, the RFS recommends to the Department of Infrastructure Planning and Natural Resources that the following areas be identified on a Bush Fire Evacuation Risk Map and excluded from SEPP 5 development in Ku-ring-gai:

Area	Location	Recommendation
1	Northern Wahroonga off the northern end of Grosvenor Rd/Curtin Ave	Exclusion Zone as per KMC map 19-2-03
3	South Turramurra – Howson Ave and Stainsby Cl. and part of the Comenarra Parkway.	Exclusion Zone as per KMC map 19-2-03
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9	St.Ives – Richmond Ave and Greenvallley Ave.	Exclusion as per map
10	Roseville Chase – Chase Ave, Cardigan Rd and Ormonde Rd	Exclusion as per map

The above areas are identified on the attached maps.

Should you have any queries regarding any aspect of this please contact me on 8845 3567.

Lew Short

A/Manager Planning & Environment Services

Attachments

1. Ku-ring-gai Council additional areas request and supporting documentation.

Ku-ring-gai Council

DRAFT

Bush Fire Prone Land Map

Legend

- BUSH FIRE PRONE VEGETATION CATEGORY 1
- BUSH FIRE PRONE VEGETATION CATEGORY 2
- BUSH FIRE PRONE VEGETATION BUFFER 100m and 30m

Information on this map was derived from Aerial Photos, Ground Surveys and Digital Contours and was produced using the NSW Rural Fire Service. Effort has been made to ensure the accuracy and completeness of the information. Council takes no responsibility for errors or omissions nor any loss or damage which may have resulted from the use of this information.

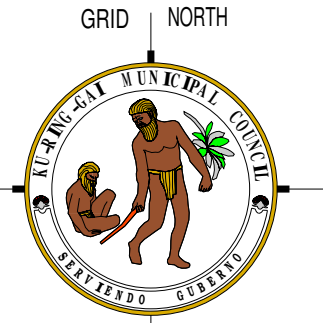
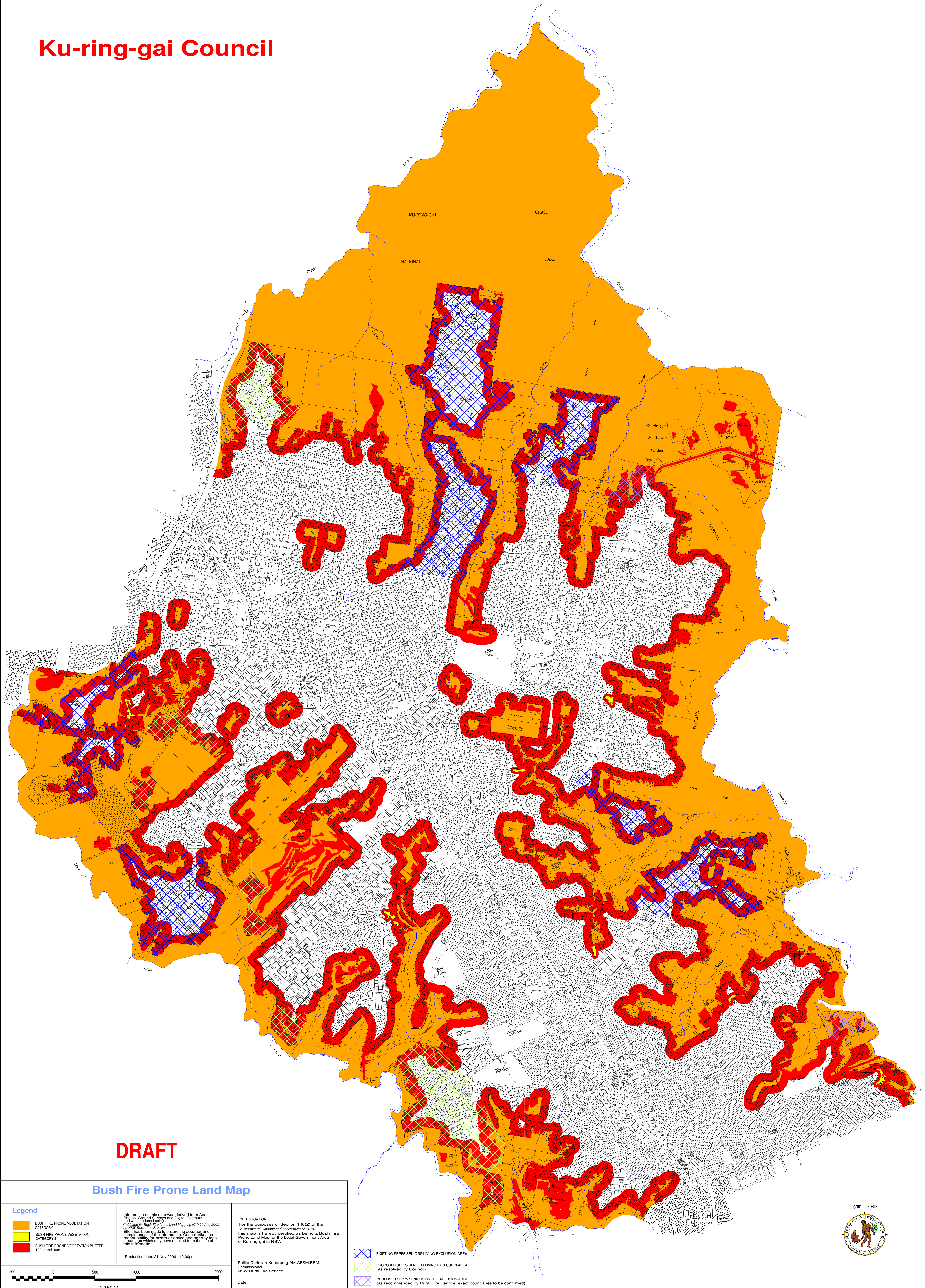
Production date: 21 Nov 2006 - 12:00pm

CERTIFICATION
For the purposes of Section 146(2) of the Environmental Planning and Assessment Act 1979, this map is hereby certified as being a Bush Fire Prone Land Map for the Local Government Area of Ku-ring-gai in NSW.

Phillip Christian Koperberg AM,AFSM,BEM,
Commissioner
NSW Rural Fire Service

Date:

- EXISTING SEPPs SENIORS LIVING EXCLUSION AREA
- PROPOSED SEPPs SENIORS LIVING EXCLUSION AREA (as resolved by Council)
- PROPOSED SEPPs SENIORS LIVING EXCLUSION AREA (as recommended by Rural Fire Service, exact boundaries to be confirmed)



PROPOSAL FOR ALLOCATION OF FUNDING BETWEEN ASSETS

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

To present a discussion paper on Council's current funding for the various asset classes and to assess criteria for the allocation of funds between asset classes.

BACKGROUND:

At Council's meeting of 23 May 2006, an updated report on the allocation of funding for assets and prioritisation of capital works was reported to Council. Council resolved:
"That the report be noted and referred to a future meeting of the Finance Committee in order that further work can be undertaken to develop criteria for allocation of funds between asset classes. Such criteria to include an assessment of timeframes to bring individual asset classes to a satisfactory standard".

COMMENTS:

The report examines a number of options for reviewing funding for each of Council's asset classes and options for distributing funds across the various asset classes.

RECOMMENDATION:

That Council not adopt a methodology for allocating funds to Council's assets until a review and defined strategy is adopted for each of the asset classes.

PURPOSE OF REPORT

To present a discussion paper on Council's current funding for the various asset classes and to assess criteria for the allocation of funds between asset classes.

BACKGROUND

At Council's meeting of 23 May 2006, an updated report on the allocation of funding for assets and prioritisation of capital works was reported to Council.

At the meeting, Council resolved:

"That the report be noted and referred to a future meeting of the Finance Committee in order that further work can be undertaken to develop criteria for allocation of funds between asset classes. Such criteria to include an assessment of timeframes to bring individual asset classes to a satisfactory standard".

Subsequently, at the presentation of the Annual Financial Statements, further advice was requested on the amount of funding required to bring Council's assets to a satisfactory standard, with particular reference to Special Schedule 7 of the Financial Statements.

COMMENTS

Asset Management Strategy

The general over-arching principle associated with asset management is the requirement to maintain assets to a satisfactory standard. The accounting standards require Councils to set aside funding for depreciation and sufficient funding to ensure Council's assets are maintained at a satisfactory standard. These principles place a major financial obligation on Councils due to the competition for funding for all of Council's services and the restrictions created by rate pegging.

Whilst most Councils strive to maintain assets to a satisfactory standard, generally there is insufficient funding available to achieve this objective and therefore distribution of funding for the various asset classes is generally based on an apportionment of what is available for capital works or improvements when all the recurrent expenditure requirements are met.

Each various asset class has its own characteristics and variables relating to useful life and determination of what is considered to be a satisfactory standard. For example, some drainage systems could last longer than their useful life of 100 years but may need replacing earlier because of damage caused by tree roots or the capacity does not meet the design standards. Hence, the cost to bring the asset up to a satisfactory standard may be to replace the drainage system with a larger capacity pipe in order to comply with the design standard. Whereas the accounting standards would only require replacement like for like.

Item 5

S02135
9 May 2007

Consequently, an overall strategy needs to be developed for all of Council's assets as well as an individual strategy for each class of asset. The construction of new assets increases Council's ongoing financial requirements; however, the replacement of existing assets with new assets can in some cases result in a reduction of ongoing costs.

It is not intended for this report to develop an overall strategy for Council's assets but is aimed more at developing a strategy for each class of asset. Once Council has adopted a strategy for each of the asset classes, then an overall strategy and funding profile can be developed.

Council has previously resolved to internally restrict funds for capital works and set depreciation levels to provide for future replacement of assets. This strategy has provided much needed funding for the replacement of assets and new assets. However, funding for the recurrent budget is extremely tight and it is becoming extremely difficult each year to maintain the current service levels. Any increases in the capital works budget for the various asset classes are likely to adversely impact on the recurrent budget.

A summary of the current financial position relating to Council's assets is **attached as Attachment A** to this report. Below is a discussion on the various options that can be considered for each of the various asset classes. Also attached as **Attachment B**, is a copy of the Schedule 7 which was included with the Annual Financial Statements.

Buildings

Below is a table showing the current value of Council's Buildings, depreciation requirements and funding allocations:

Current Total Value-WDV	\$29.0 million
Replacement Value	\$67.2 million
Depreciation Requirements	\$1.5 million
Estimated Cost to bring to a satisfactory standard	\$7.4 million
Annual Maintenance Allocation	\$1.4 million
Annual Capital Works Program	Nil

Based on the outstanding works from the condition audits, the estimated cost to bring Council's building assets up to a satisfactory standard is \$7.36 million and the annual amount required is \$1.875 million. Council allocates approximately \$900,000 each year to the building maintenance program for maintenance and refurbishment works of Council's buildings. However, of the total recurrent allocation, approximately \$450,000 is used for other items such as fencing, signage, line marking, street signs, vandalism and street furniture. Therefore, there is an annual shortfall of approximately \$500,000 for works on Council properties in order to maintain Council's buildings to a satisfactory standard.

Whilst Council could endeavour to try and increase the current level of expenditure for building maintenance and refurbishment, there are a number of issues that need to be resolved before determining the preferred funding level. Such issues include, whether the current stock of

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Council's buildings are suitable for their current use, should Council maintain ownership of the buildings, should Council continue to subsidise uses of the buildings, could the building be improved or re-built by redeveloping the site and what other opportunities exist before determining what level of funding is required.

A number of these processes are currently in hand for Council's buildings such as the Town Centres facilities strategy, Council's depot relocation, Marian Street Theatre and Firs Estate Cottage. It is considered prudent to examine all of Council's property holdings and determine a strategy for each building before determining what level of funding is required for all of the buildings.

Council's recurrent budget, for the current levels of services provided, is considered to be at a level that any further cuts in the budget may result in reducing or removing current services. However, it is not considered appropriate for Council to increase the building maintenance budget by reducing the recurrent budget in other areas of Council without proper consultation with the community and an assessment of the impacts.

Given the state of some of Council's buildings and the need to find additional funds for building maintenance, it is also not considered appropriate for Council to do nothing.

There are a number of building types that should be looked at carefully by Council in order to develop a strategy for addressing the condition and types of buildings currently owned and used by Council and community groups.

Any review of Council's buildings should also assess the rental returns of the various buildings. However, a review on rental returns should not be limited to a financial analysis but also take into consideration community benefits and social equity

Council has several residential premises that it currently owns which creates an onus on Council to maintain. A review of these properties should be undertaken to determine the value to the community and whether Council should continue to own these properties.

Asset Strategy and Preferred Option

Generally there is limited funding available to increase the recurrent budget without impacting on service delivery. Therefore, the preferred options for building assets would be to rationalise Council's current asset portfolio and determine what assets need to be held, upgraded, replaced or sold. Also, the current leases need to be assessed to determine what level of subsidy should be provided or the level of maintenance and repairs that should be undertaken by the lessee. It is considered appropriate to undertake a review of all of Council's properties before determining what level of funding is required for ongoing maintenance.

The other complication with buildings is determining what is considered to be a satisfactory standard. Essentially a satisfactory standard will be dependent on the use of the building and how it complies with current legislative requirements such as BCA and DDA requirements.

Roads

Below is a table showing the current value of Council's roads and kerb and gutter, depreciation requirements and funding allocations:

Current Total Value – WDV	\$133.1 million
Replacement Value	\$272.9 million
Depreciation Requirements	\$3.0 million
Estimated Cost to bring to a satisfactory standard	\$49.8 million
Annual Maintenance Allocation	\$1.3 million
Annual Capital Works Program	\$4.5 million

Council has recently been successful in obtaining an extension of the Infrastructure Levy and allocates approximately \$4.5 million for the upgrade of Council's road network. Based on Council's Pavement Management System, the funding required annually to keep Council's roads to a satisfactory standard is approximately \$5.5 million.

As can be seen in Schedule 7 of the Annual Financial Statements, additional annual maintenance funding is required to assist with maintaining roads that are rated as poor or failed until the roads are programmed for reconstruction. Approximately 50% of Council roads are in these categories.

Based on the information contained in Schedule 7 of the Annual Financial Statements, there is a need to increase the recurrent maintenance budget by approximately \$500,000. This will allow heavy patching of poor and failed roads. However, as future reconstruction and rehabilitation programs are implemented, the costs for maintenance will decrease. Based on the current funding levels, it will take 10 to 15 years before any marked improvement will result in a reduction of the annual maintenance requirements. With the ongoing development expected in the Council area, more pressure will be placed on Council's road network from heavy construction equipment. In some cases this will accelerate the deterioration of Council's roads and while restoration funding is obtained from developers, it is difficult to quantify the damage caused to all roads that are affected by construction traffic.

Given the constraints on Council's budget and the relative proportion of funding provided for roads compared to other asset classes, it may be necessary to not provide any additional funding at this stage.

Increasing the capital works budget for road reconstruction or rehabilitation works would assist in bringing Council's roads up to a satisfactory standard over a shorter time frame. However, to do this would most likely be at the expense of other services. Internally, there is capacity to undertake additional work should additional funding be made available similar to the increase from the Roads to Recovery Program. As most of the work is contracted out and Council approves its road works program in July each year, it is possible to complete all the works within the financial year. Most of the work is essentially rehabilitation work and therefore, very few projects require road design work.

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Given the state of Council's roads and the support received from residents when surveys were undertaken during the consultation period for the Infrastructure Levy, it is essential that Council continues funding its roads with the assistance of this levy. Any reduction in other funding sources will erode the benefits of the road infrastructure levy. The levy provides approximately \$1.9 million each year and represents about \$53 per year per rateable property. The infrastructure levy was approved in June 2006 for a further seven (7) years and hence, it expires in 2013/14. Consideration for extension of the levy will be dependent on the condition of Council's roads near the cessation of the levy as assessed by the Pavement Management System.

Asset Strategy and Preferred Option

There is limited capacity to increase the recurrent budget for roads and the preferred option would be to increase the capital works budget. The options for increasing funding for roads are covered in the financial considerations of this report.

Footpaths and Cycleways

Below is a table showing the current value of Council's Footpaths and Cycleways, depreciation requirements and funding allocations:

Current Total Value – WDV	\$14 million
Replacement Value	\$33 million
Depreciation Requirements	\$280,000
Estimated Cost to bring to a satisfactory standard	\$1.8 million
Annual Maintenance Allocation	\$793,000
Annual Capital Works Program	\$390,000

Generally Council provides sufficient recurrent funding to maintain Council's footpaths to a satisfactory standard over a three year cycle. Based on Council's current policy, all footpaths are surveyed annually and programs are developed to undertake repairs based on varying frequencies according to location.

Council also allocates approximately \$390,000 per year for the construction of new concrete or asphalt footpaths where they currently do not exist. Also, these funds are used to construct new shared footpaths and cycleways.

Essentially, the allocation of funds for the installation of new footpaths creates new assets that require maintenance. However, there is a built up demand from residents for new footpaths.

Based on the Pavement Management System, the annual funding requirement for footpath maintenance is approximately \$800,000 per annum and Council currently allocates \$793,000 per annum. As such, the shortfall is considered to be minimal and consequently an increase in the recurrent budget is not recommended as it generally not required.

Over the last 3 years, the number of complaints relating to footpath tripping has reduced due to the repair program adopted by Council.

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Over the years Council has received numerous requests for new footpaths and with an increase in the ageing of the population, more demand is placed on providing accessible footpaths that allow people to use the footpaths and not the roadways in a number of locations.

The possibility exists for reallocating funding for new footpaths to other asset classes because the construction of new footpaths creates new assets and therefore creates an ongoing maintenance obligation for Council. This however, has to be assessed against the community benefit that new footpaths create for the community.

Also, Council provides approximately \$190,000 per annum for upgrade to the Business Centres and this is mainly used for pavement treatments in the shopping centres. In the main town centres, it is proposed to upgrade the public domain with Section 94 funding. Consequently, funding for the business centres may not be required in the future and these funds could be directed to other asset classes.

Asset Strategy and Preferred Option

Increasing the capital works budget for new footpaths will assist in meeting the demands of residents for new paved footpaths but this will also increase Council's asset base and therefore ongoing maintenance requirements. With funding likely to be available from Section 94 funds for the town centres, Council should consider reallocating funds from the Business Centres Program at the completion of the current program which is 2009/10. This would provide \$190,000 to be allocated to other asset classes.

Drainage

Below is a table showing the current value of Council's Drainage Systems, depreciation requirements and funding allocations:

Current Total Value	\$20.5 million
Replacement Value	\$59.2 million
Depreciation Requirements	\$455,000
Estimated Cost to bring to a satisfactory standard	\$66 million for 1 in 20 year design storms
Annual Maintenance Allocation	\$693,000
Annual Refurbishment Program	Nil
Annual Capital Works Program	\$570,000

Council has completed the catchment analysis studies for all of the drainage systems in its three main catchments. Under the provisions of the previous accounting standard, AAS27, Council was required to survey all its current drainage systems to determine the condition of the existing assets and hence evaluate the cost to bring them up to a satisfactory standard. This would have involved surveying by camera all the existing pipes and culverts and would have cost Council approximately \$500,000. While this would have provided a condition rating of the drainage system, it would not have provided an assessment of the capacity deficiencies of Council's drainage system. Replacement of like for like will not address the capacity deficiencies of bringing the drainage system up to a satisfactory standard for 1 in 20 year design storm events and would have been regarded as a waste of Council's funds.

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Consequently, it was resolved by Council to undertake catchment analysis for all the catchments to determine what capacity deficiencies exist in the current system. Coupled with this analysis was the determination of quality considerations to improve the water quality of stormwater discharge into Council's waterways.

Therefore, any designs for new or upgraded drainage systems would examine both capacity and water quality issues. Also, the need to consider re-use options is essential given likely long term water restrictions.

While programs have been developed, the work involved in upgrading or providing new drainage systems is quite complex in that local flood studies have to be carried out to determine the size and type of drainage before detailed designs are prepared. Drainage works are generally time consuming because of the excavation, shoring of trenches, utility relocations and reinstatement. If additional funds were to be provided for this asset class, additional resources would need to be engaged because the designs are complex and even if contracted out, briefs and management of consultants is required. However, now that the studies have been completed, it is now considered to be an appropriate time to allocate additional funding to this asset class.

Council's recurrent budget provides for replacement of damaged pits and lintels, the routine cleaning of drainage systems and gross pollutant pits and street sweeping in order to keep Council's drainage system clear of leaf and litter debris. Council's drainage crews have a regular maintenance program and areas of known flooding problems are maintained on a four monthly cycle. While additional recurrent funds would assist in providing additional resources for this purpose, it is considered that if any additional funds are available then these should be directed to new works.

Council currently provides \$570,000 for new or improved drainage works. At this stage, most of the works proposed are aimed at improving localised flooding problems by increasing lintel or pit sizes to increase the inlet capacities. It will be necessary to incorporate water quality treatments in some of the proposed programs and also align with projects proposed under the Environmental Levy program. At this stage, there are only two internal resources allocated to drainage works for both design and environmental levy projects and any increase in funding will require additional resources to undertake studies or manage consultants so that the funds can be expended.

All Councils are now able to levy for stormwater funds under Section 496A of the Local Government Act for improvements to drainage works. The charge is set at \$25 per rate assessment for single residential properties and 50% of this rate for medium density properties. Business rates are based on \$25 per 350 m2 of land. It is estimated that this would generate approximately \$900,000 per annum for these works. While this may be considered to be a suitable option for increasing capital works funding for drainage, consideration needs to be given to the fact that Council is already levying its residents with an environmental levy and an infrastructure levy. The guidelines indicate that Council can levy this charge without approval from the Minister but should not introduce the levy if other similar levies exist such as the environmental levy.

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There are a number of options that Council could consider for stormwater drainage including providing a subsidy for the installation of rain water tanks and this could be possibly funded by the introduction of the Stormwater Levy. Council is also undertaking a number of stormwater harvesting projects which help reduce the impact on local flooding and provide a much needed resource for Council. It is not considered appropriate for Council to undertake extensive pipe upgrade works as this will increase the flow to Council's waterways. There needs to be a number of alternative strategies to address stormwater issues and it should not be focused on extensive funding to bring the drainage systems up to a satisfactory standard as required under Schedule 7.

Traffic Facilities

Below is a table showing the current value of Council's Traffic Facilities Devices and Signs and funding allocations:

Current Total Value - WDV	\$2.4 million
Replacement Value	Not known
Depreciation Requirements	Not known
Estimated Cost to bring to a satisfactory standard	\$572,000
Annual Maintenance Allocation	\$325,000

Traffic facilities include regulatory, warning and advisory signs and traffic calming treatments.

For new or replacement works such as line marking, regulatory and road warning signs, the RTA is responsible for the installation and maintenance of these works as Council has resolved not to accept the block grant from the RTA. Consequently, Council funding is only required for other signage such as notices and orders and traffic calming device maintenance. Funding for these works is provided from a number of sources within Council.

Council generally provides sufficient funding for maintenance of traffic facilities with the exception of traffic calming devices. Maintenance of these devices for repairs is generally funded through the road maintenance program and additional funding for the ongoing maintenance of existing devices would be beneficial. However, this has to be assessed against other competing demands.

Council generally allocates \$150,000 per annum for traffic control and calming devices such as roundabouts or chicanes and this level of funding helps support Council's share of projects that are funded by grants from the RTA. As Council's ranking system is focused towards road and accident safety reductions, it is important that this level of funding not be reduced. However, because of the current ranking system, residents appear to accept the criteria and advice given when requesting new devices. The funding provided is not based on any asset management system and is essential based on historical distribution of funding.

While the allocation for capital works is for new devices and therefore generating new assets, it would be considered irresponsible for Council to redirect these funds to other areas as these devices assist with road safety matters.

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It is not intended to change Council's current approach to the installation of traffic facilities and their maintenance. The current priority ranking system is working well and matches the RTA system for allocating funds.

Street signs and furniture

Below is a table showing the current value of Council's Street Signs and funding allocations:

Current Total Value – WDV	\$350,000
Replacement Value	\$650,000
Depreciation Requirements	\$65,000
Estimated Cost to bring to a satisfactory standard	\$240,000
Annual Maintenance Allocation	\$100,000

The estimated cost to replace all of Council's current street signs and furniture is approximately \$650,000. Funding for replacement and new street signs and furniture is funded under the Building Maintenance budget and is mainly for replacement signs that have either faded or been damaged.

At present, replacement of street signs and furniture is funded under the building maintenance budget and based on information from the building trade's database, the expenditure per annum on signs and street furniture is approximately \$100,000. This consists of a number of signs such as street signs, car parking signs and signs for buildings and also replacement furniture such as street seats and bins.

The condition of signage throughout the Council area is considered to be in a reasonable condition and any increase in the budget is not recommended at this stage.

As Council is in the process of preparing a public domain manual for street furniture and in the town centres, funding for street furniture is likely to be available from Section 94 contributions.

Asset Strategy and Preferred Option

There is limited funding available for replacement signs and street furniture but as there is not generally a high demand for these items the funding is considered to be reasonable. With regard to street furniture, other options for funding are available such as the bus shelter advertising and Section 94 funding for public domain works.

Fencing and guardrail

Below is a table showing the current value of Council's fencing including pedestrian and guardrail fencing and funding allocations:

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Current Total Value – WDV	Not known
Replacement Value	Not known
Depreciation Requirements	Not known
Estimated Cost to bring to a satisfactory standard	\$400,000
Annual Maintenance Allocation	\$70,000
Annual Refurbishment Program	Nil
Annual Capital Works Program	Nil

Council has a number of areas where fencing exists for both pedestrian and road traffic purposes. Replacement of fencing or the installation of new fencing is funded through Council's Building Maintenance recurrent budget. Guardrail is used in areas of known road safety dangers and funding is partly funded by the RTA for new or replacement guardrail on regional roads and by the road maintenance budget for local roads.

Council expends approximately \$30,000 per annum on new and replacement fencing and depending on funding from the RTA, approximately \$40,000 per annum on guardrail. The level of funding is usually based on reactive works requests however, with guardrail replacement, funding is provided by the RTA on a 50/50 basis under the road safety program or funded by the block grant for guardrail on regional roads. It is not considered that additional funding be provided under the recurrent budget for this asset category.

Asset Strategy and Preferred Option

Generally there is sufficient funding in the recurrent budget and grants from the RTA, but to make expenditure easier to track, a new cost centre is proposed to be established.

Car Parks

Below is a table showing the current value of Council's Car Parks and funding allocations:

Current Total Value – WDV	Not known
Replacement Value	\$11.7 million
Depreciation Requirements	Not known
Estimated Cost to bring to a satisfactory standard	\$500,000
Annual Maintenance Allocation	\$24,000
Annual Capital Works Program	\$60,000

There has been limited funding available for repairs and resheeting of car parks in the past and in some cases levies have been collected from local businesses to fund improvement works. Repairs, such as patching is covered under the road maintenance budget and line marking and signage is covered under the Building Maintenance budget.

In the currently adopted Business Centres Improvement Program, funds have now been allocated for resheeting of car parks in neighbourhood centres but nothing has been allocated to the town centres because of the proposed changes based on the new LEPs and DCPs.

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The recurrent budget is \$24,000 per annum for the various car parks not including car parks in parks. This covers utility service costs and some minor maintenance. Consideration should be given to increasing the recurrent budget to help fund maintenance works.

Council currently has in its reserves, \$450,000 previously collected from the business centres for improvements to car parks apart from any Section 94 funds that are available. Also, funding from the Business Centres Improvement Program which is a separate funding source has provided funding for several neighbourhood centre car parks. The possibility exists for re-allocating the business centre car park funds to this work and therefore freeing up funds under the Business Centres Improvement Program for other asset classes.

Asset Strategy and Preferred Option

Funding for the maintenance of car parks could be made available from the business centres levy funds previously collected and any additional funding should come from the Business Centres Improvement Program.

Passenger Fleet

Below is a table showing the current value of Council's passenger fleet and funding allocations:

Current Total Value – WDV	\$2.9 million
Replacement Value	\$3.2 million
Depreciation Requirements	\$420,000
Estimated Cost to bring to a satisfactory standard	Not applicable
Annual Maintenance Allocation	\$833,300
Annual Capital Allocation	\$350,000

Council currently provides 105 vehicles as part of a lease back or salary package arrangement that can be used for both business and private use. Council's recurrent budget for passenger fleet is \$833,300 for items such as maintenance, repairs, insurance, registration, FBT and fuel and Council receives revenue of approximately \$300,000 from lease and salary packaging arrangements. Also, Council allocates \$350,000 each year for the purchase and disposal of the passenger fleet.

A review has currently been carried out on the type and make of vehicles available to staff for lease back use where incentives were introduced to encourage staff to use 4 cylinder and alternative fuel options in order to reduce the fuel costs and purchase and disposal change-over costs. This strategy is proving to be effective as a number of staff have taken up the option to use 4 cylinder vehicles and other fuel powered vehicles. Based on the current budget, this option is sustainable.

Council currently owns the passenger fleet and as such holds approximately \$2.9 million in assets. An alternative to Council owning the fleet is the option of leasing the fleet. A financial analysis of this option would be required before further consideration could be given to the sale and leasing of Council's vehicles.

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An alternative to Council owning vehicles would be to introduce a novated or easilease option. This is where staff would take out their own lease under an employer sponsored arrangement and the employee owns the vehicle. The disadvantage of this system would be that the vehicle is solely owned by the employee and therefore cannot be used for business purposes.

Likewise, a financial analysis is also required to assess the feasibility and suitability to both Council and the employee.

Asset Strategy and Preferred Option

The preferred strategy will be the subject of a separate report as there will need to be a detailed financial analysis to determine the preferred option.

Operational Plant

Below is a table showing the current value of Council's operational plant and funding allocations:

Current Total Value – WDV	\$3.7 million
Replacement Value	\$7.6 million
Depreciation Requirements	\$875,000
Estimated Cost to bring to a satisfactory standard	\$723,000 per annum
Annual Maintenance Allocation	\$622,000
Annual Capital Allocation	\$700,000

Council currently owns and operates a significant number of operational plant with an estimated replacement value of \$7.6 million. Council allocates an amount of \$700,000 each year for the purchase and replacement of operational plant.

Due to the high capital cost and replacement costs associated with operational plant, continual reviews are undertaken to assess the effectiveness and utilisation of operational plant. Consequently, until a review of service levels and methods of providing the service are carried out, it is not recommended that the funding levels for this asset class be altered.

The use of hired plant is an appropriate option when utilisation rates are low or Council's operational plant experiences downtime. For utilisation rates greater than 75%, this is not a cost effective option.

The option of contracting out of operations will involve an evaluation of the service provision to determine whether it is more cost effective for Council to contract out the service rather than providing for the service in house. Generally, capital works projects are contracted out and maintenance activities can be contracted out when it is possible to identify the frequency of an activity and the scope of works. When services are contracted out, Council does not require funding for large operational plant replacement. An assessment of these services is an ongoing process but also has industrial relation implications.

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The current funding levels are adequate for the replacement of plant but further investigation will be undertaken on the possibility of contracting some services which will help reduce the need for replacement of major plant items.

OPEN SPACE ASSETS

Council's provision of active and passive recreation facilities and natural areas is based on a set of asset management principles that will ensure that facilities provided are safe and fit for their specific use and take into account future needs. As with other asset classes, the determination of asset value has sought to apply a replacement cost figure where applicable. It has not valued bushland, large remnant trees and other attributes outside that of a definable landscape design. Further there are some asset types such as the skate park facility at St Ives that do not fit well within the current asset categories that could warrant their own asset class.

Golf Courses

Below is a table showing the current value of the courses, depreciation requirements and funding allocations.

Current total value WDV	\$4,985,000
Replacement Value	Not available
Depreciation requirements	Nil
Estimated cost to bring to satisfactory condition	(Based on draft 10 year master plan) \$3,295,000
Annual Maintenance allocation	\$1,295,400
Annual Refurbishment Allocation	Included in maintenance allocation
Annual Capital Works Allocation	\$250,000 (average, may vary year to year with implementation of plan)
Golf Course Improvement Levy (balance)	\$114,000

This asset class includes all elements of the golf course including but not limited to playing area, fences, utilities, buildings, internal roads and car parks. The club houses at Gordon and Turramurra fall within the building asset class.

Funding for the improvement of this asset is derived through the annual maintenance allocation of \$1,295,400 and golf course improvement levy. The levy is derived as a pre-determined proportion of the player fees that is approximately \$250,000 per year. Over the past 4 years, this reserve has accumulated to fund the implementation of major capital works such as an irrigation system and the provision of a sustainable source of water. The reserve as at 31 March 2007 has \$1.1million. These initiatives are in line with the adopted Plan of Management and Master Plan for the sites. In the short term this funding will be directed towards the funding of the sewer mining and stormwater harvesting project for Gordon Golf Course. The redevelopment of North Turramurra Golf Course and associated recreation will also draw from this reserve in addition to

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section 94 funding associated with the construction of the new recreation areas and relocation of a number of the golf course holes. The timetable for the funding of these upgrades was considered by Council on adoption of the exhibition of the draft Master Plan for the North Turrumurra Recreation Area.

To meet the expectations of users and the depreciation of the assets both courses require bi-annual renovations to the greens and tees and other works for the fairway, rough and landscape areas. Added to this is a need to ensure the adequacy of internal roads and pathways, fencing, car parking and amenities. In some situations, the golf course master plans recommend the relocation of various elements to the courses to improve the course from a recreational and competition player perspective. Enabling these upgrades within a restricted potable water environment, both courses are planning to introduce sustainable water schemes and associated irrigation across all play areas. For Gordon, this process has commenced with the planning and tender for the design, construction and maintenance of a stormwater harvesting and sewer mining project. This project has only been possible through the accumulation of capital works funding over the past four years due to the cost of such projects and a government grant. Noting however that such a project will have an increase in the operational cost of the course through the costs associated with the maintenance of the water supply scheme, irrigation and associated infrastructure. These costs will easily offset any potable water savings. Further the depreciation and replacement of these assets will also need to be included within any long term plan for the courses.

In terms of the adequacy of funding to this asset, it is foreseeable that further capital investment will be required to enable the installation of irrigation across play areas and importantly the provision of a sustainable water supply that was not envisaged pre water restrictions. While there will be some operational savings due to the offset of potable water for irrigation and grant funds, the costs of treating and distributing the more sustainable water source will be higher. To achieve this there are a number of options including an increase in green fees (as set annually with the fees and charges); a greater proportion of the green fees being directed to the golf course reserve; variations to the current lease arrangements with the course professional to increase expenditure to the course; or cost sharing with the current lessee at Gordon with Gordon Golf Club Incorporated as to improvements to Gordon. Developer contributions will be targeted towards the North Turrumurra Recreation Area in the short term and the accumulation of funds in this reserve may determine the roll out of new golf facilities though it will not extend to the long term maintenance of this asset or asset class.

Sportsgrounds

Below is a table showing the current value:

Estimated Total Value	\$26,764,200
Replacement Value	\$50,988,000
Depreciation Requirements	\$320,000
Estimated Cost to bring to a satisfactory standard	\$4,800,000 over 15 years
Annual Maintenance Allocation	\$1,760,000
Annual Capital Works Allocation	\$329,000 per annum
Sportsgrounds Reserve (Balance)	\$60,000

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There are 49 sportsfields across the local government area within this asset class. The total value of the assets is inclusive of internal roads, car parks, footpaths, barriers, sporting facilities, amenity buildings and utilities. It does not include playgrounds and hard courts (a separate asset classes), club houses or special buildings such as Firs Estate (that fall within the building asset class). The current capital works program is focused on the upgrade or refurbishment of the oval surface and will also involve the installation of new or replacement floodlighting, irrigation, stormwater harvesting (including drainage and storage).

Funding the upgrade of this asset class is the sportsfield capital works program, section 94 contributions, sportsground reserve and the Environmental Levy (for the purpose of providing stormwater harvesting and other sustainable water supplies). To date there has been little allocation towards fencing, landscaping, shelters, internal roads and pathways, car parks and amenities as part of the capital and refurbishment program.

Assisting the program have been grants from the NSW Government such as the Sport and Recreation Capital Assistance Program and Regional Sports Facilities Program and through partnerships with sporting clubs. The latter contribution is usually tied to ongoing licence agreements in order to secure longer tenure arrangements.

Given the increased pressure on sportsfields from all users (including non sporting users such as for dog off leash areas), annual maintenance budgets are allocated according to a predetermined program based on a sportsfield hierarchy. This prioritises operational expenditure for the surface of the fields across the assets according to the level of competition and utilisation. The priority, number of fields and frequency for renovations are as follows:

Level 1 Sportsfields: 5 locations, a full surface renovation is undertaken annually

Level 2 Sportsfields: 29 locations, a full surface renovation is undertaken every 4 years

Level 3 Sportsfields: 15 locations, a full surface renovation is undertaken every 8 years

Compounding increasing utilisation, water restrictions are limiting the maintenance and in turn condition of the assets. This includes an increase in returfing on parts of the ovals post the winter season. A sustainable source of irrigation would reduce this maintenance requirement and improve the overall asset class to maximise growth and condition of the turf during the summer months.

Income from hiring of sporting facilities is derived through the fees and charges as set by Council annually. The total income from hire and use of sportfields in 2006/07 was approximately \$526,000. This amount has been increasing over the past few years as a deliberate strategy to lessen the subsidy to users. This is currently at around 80%.

Future options to fund the upgrade of these facilities will increasingly turn to section 94 contributions (that to a large extent will focus on North Turrumurra Recreation Area), partnerships with clubs (though this would have implications on future licences and allocations) and variations to the current capital works program. The current demand for government grants far exceeds supply and while this is sought annually a reliance on this funding source should be seen as opportunistic rather than a reliable source.

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Complementary funding for stormwater harvesting has been identified in the Environmental Levy for nine locations. However, based on more accurate design costs the \$2 million allocation for this program is insufficient and is increasingly reliant on a proportion of the sportsfield capital funding.

Of more immediate need in terms of funding this asset class is an allocation to the complementary assets within the sportsground precinct, such as internal roads, carparks, amenities and pathways. Any reallocation of funding for these purposes would reduce the number of fields to be upgraded as identified in the 10 year program.

Playgrounds

Below is a table that shows the current value of Council's playgrounds, depreciation requirement, funding allocations and internally or externally restricted reserves.

Estimated total value	\$1,300,000
Replacement Value	\$1,500,000
Depreciation requirements	Not available
Estimated cost to bring to satisfactory condition	\$1.5 million over 10 years
Annual Maintenance allocation	\$123,500 part of general parks budget
Annual Refurbishment Program	\$12,350
Annual Capital Works Program	\$154,000 (average, may vary year to year with implementation of plan including grants and Section 94)
Playground Reserve	\$51,000 plus various Section 94 reserves which include projects identifying playgrounds

There are 97 playgrounds with a replacement value of \$1.5 million. In 2002, Council determined a 10 year capital program of \$150,000 per year to be allocated toward the refurbishment and development of Council's playground assets.

The maintenance and refurbishment of Council's playgrounds is funded from the recurrent budget. The funding allocation for these activities addresses routine services and rectifying safety issues as identified in audits and reviews. The capital works program seeks to replace equipment on a 15 year frequency that meets the current funding allocation for this asset class. This frequency typically reflects an average warranty period for playground equipment. The program as adopted by Council seeks to refurbish or replace around 5 playgrounds per year. To date, this program has been successful in reducing the gap between the asset value and replacement costs.

The maintenance, refurbishment and capital program is designed to ensure a safe and diverse play experience, recognising the high proportion of young children that live in the LGA. Somewhat limited in the program is the provision of play equipment for older children, typically those over nine years of age. This could include new informal play facilities such as half basketball courts (that would fall with the tennis court asset class) and skate parks, while currently not assigned to an asset class, would best be included in the playgrounds asset as new

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facilities are likely to be modular in nature, similar to play equipment. While there are some sites that offer this opportunity such as the play equipment for older children (tweens) at Bicentennial Park and The Glade (half basketball court), more diverse play opportunities could be provided.

Annual targeted prioritisation is ensuring that the current program is meeting current demand. Increased future playground needs will be met if the program is supplemented by predicted additional section 94 contributions for new facilities.

Tennis Courts

Estimated Total Value	\$10,551,000
Replacement Value	\$22,011,076
Depreciation Requirements	\$17,000
Estimated Cost to bring to a satisfactory standard	\$2,970,782
Annual Maintenance & Refurbishment Program	\$82,500
Annual Capital Works Allocation	\$158,000
Tennis Court Reserve	Nil

This asset class includes court surface and fencing, seating, shade facilities, immediate pathways and floodlights. This asset class should be renamed as hard court to encapsulate all sport types undertaken on the facilities such as netball and basketball.

Council has 60 tennis courts, 20 netball courts, 11 dual use tennis/netball courts and 2 half court basketball courts. Since the introduction of the capital works program for this asset class 5 years ago, all tennis courts are now in play and the overall condition has increased substantially. Income has also increased as a consequence of this program and the marketing program. Current returns via bookings per year are \$366,000. The fall in financial returns from tennis has been largely stabilised and marketing efforts are targeting new and existing markets to increase financial returns.

In line with the adopted Open Space Strategy and Sport in Ku-ring-gai Strategy, and as a consequence of an increase in demand for hard court facilities, further opportunities will be investigated to have more facilities as dual purpose to accommodate netball, basketball and the like and training facilities for other sports. This need reflects the current deficiency in the program that to-date has focused on the play surface only and not the ancillary facilities such as fencing, lighting and internal pathways. This is particularly relevant to the Canoon Road site that also contains barbeques, shelters, seats and car park areas.

While there is a gap in the allocation of capital funding for major renovations or new facilities for this asset class, maintenance is undertaken via the building trades section as necessary.

Funding options and opportunities rely on the recurrent and capital works program in combination with government grants. This latter funding source has been accessible as a result of the dedication of capital expenditure to this asset class to meet the dollar for dollar

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requirements. Future demands for netball and specifically the need for night training and competition will result in greater pressures on the funding to this asset class.

Swimming Pool

Current Total Value – WDV	Not known
Replacement Value	\$7,800,000 (estimate)
Depreciation Requirements	\$300,000
Estimated Cost to bring to a satisfactory standard	\$1.75 (over 6 years, approximately \$600,000 expenditure remaining)
Annual Maintenance Allocation	Approximately \$34,000 (including building maintenance)
Annual Refurbishment Program	Not budgeted
Annual Capital Works Allocation	\$300,000
Swimming Pool Reserve (Balance)	\$30,000

This asset class includes all elements of the swimming pool complex including but not limited to pool shell, utilities, buildings and shade structures, grounds, fencing, internal pathways, water filtration plant and associated infrastructure.

Council's West Pymble Pool opened in 1969 and represents one of Council's most significant community assets. Whilst recognising a number of Council and community initiated improvements at the facility, the pool and amenities are of poor standard when compared to a number of newer or redeveloped facilities within the region.

Maintenance of the swimming pools is defined as those tasks that will address the pool's ability to be serviceable day to day. Responsibilities for maintenance and ongoing management of this asset are defined within the lease that exists for the facility. In addition Council spends approximately \$34,000 per year in meeting its responsibilities towards ongoing maintenance under the lease.

Refurbishment of the pool is a significant undertaking for Council. A condition audit of the facility undertaken in 2002 highlighted approximately \$1.5 million of refurbishment that was required to address issues of compliance and declining asset condition. In response, Council established a 5 year capital works program to undertake the works across five stages. Stages 1 to 4 have been completed and Stage 5 (retiling, water proofing and replacement of the water distribution system) will occur during the 2008 winter season. The cost of the final program for the pool refurbishment is now expected to be \$1.75 million.

Additional development of the asset will be undertaken in line with the resolution of Council related to the construction of new indoor 25m pool, new babies and toddlers pool, new change rooms and cafe, while retaining the 50m pool. It is anticipated that these works will contribute to bringing most of the ancillary assets to a higher standard in line with the new assets for the site.

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Current Total Value – WDV	Not known
Replacement Value	Not known
Depreciation Requirements	\$200,000
Estimated Cost to bring to a satisfactory standard	Not available
Annual Maintenance Allocation	\$1,576,000
Annual Refurbishment Program	Included in recurrent budget
Annual Capital Works Program	Approximately \$200,000 per annum
Parks Reserve (Balance)	\$25,000

There are 250 parks across the LGA within this asset class. The total value of the assets is inclusive of internal roads, car parks, footpaths, barriers, amenity buildings and utilities. It does not include playgrounds, club houses or special buildings. The current capital works program is focused on the embellishment of assets when playground upgrades are undertaken.

The current maintenance budget allocation is utilised on basic horticultural maintenance, planting, mowing and litter collection. This is not sufficient to extend to other infrastructure such as fencing, retaining walls, hard landscaping, pathways, picnic facilities and shelters or the refurbishment of heritage structures.

An inventory of all park assets has been completed and is currently being updated that in turn will inform the development and implementation of an asset maintenance program. This will allow a proactive approach for the management of this asset class beyond basic maintenance and will be undertaken within recurrent budget allowances. Similar to sportsfields, a cyclic program will be undertaken based on the three established hierarchical park categories: regional, district and local. The two regional parks will receive annual asset maintenance, district parks will be undertaken on a 3 year cycle and 15 local parks will be completed each year. While this approach will ultimately ensure the improvement and sustainability of park assets, given existing budgetary constraints, the frequency of cycles for each park category could be markedly improved with additional funding.

The future development and maintenance of parks associated with the open space acquisition strategy will have implications on the recurrent and capital budgets. In the first instance this would be funded by section 94 contributions for park establishment and embellishment though ongoing maintenance and refurbishment would then rest with the maintenance budget.

Natural Areas

Current Total Value - WDV	Not available
Replacement Value	Not available
Depreciation Requirements	Not available
Estimated Cost to bring to a satisfactory standard	Not available
Annual Maintenance Allocation	\$1,140,000
Annual Capital Works Program	\$1,823,000 (Environmental Levy)
Natural Areas Reserve (Balance)	\$60,000

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This asset class relates to all built assets within council managed bushland. This extends to fire trails, fire breaks, walking trails and the Ku-ring-gai Wildflower Garden (with the exception of the education centre and offices that form part of the building asset class). Also included is the bushland itself although this is not given an economic value requires maintenance such as the control of noxious weeds, pest species, bush regeneration and the undertaking of hazard reduction programs in order to meet community, legislative and environmental responsibilities.

An assessment of the condition of all built assets in natural areas was completed late 2006 and is currently being converted into the Council's open space asset data base. Supplementing this information source is the weed mapping and environmental monitoring programs that seek to present information on the current state of the natural systems and track changes over time.

Capital works within natural areas tend to focus on the construction of new assets such as the fire trail linking North Turramurra to North Wahroonga as funded by the Environmental Levy. Other activities are more appropriately classified as maintenance or refurbishment such as bush regeneration or the upgrade of existing walking trails.

Funding for natural area management is primarily derived from the annual maintenance allocation. The Environmental Levy has and continues to be used to supplement specific projects in terms of maintenance and capital projects. However the majority of capital projects identified in the seven year program will be completed by June 2007 with the exception of two minor walking tracks. In effect this leaves little capacity for Council to invest in new initiatives or match grant funding for capital or major refurbishment works within this asset class in the foreseeable future. Under the Environmental Levy and through Government grants maintenance over-and-above the program undertaken by Operations is limited to selective sites and programs. Most of this is directed towards the regeneration of bushland containing endangered ecological communities. In all there are around 25 sites that are being regenerated that represents a very small proportion of the total bushland assets of Council.

Of all the assets within this class, walking and other recreation trails receive the least funding and attention. These facilities are used extensively by the community for informal recreation and like parks are limited in their ability to attract fee for service charges.

While Council has adopted service standards for a range of recreation tracks and is in process of developing a maintenance schedule to meet the said standards, the current age, condition and extensive network of tracks and trails will have a significant limit on actual delivery. Compounding this dilemma is the increasing use and demands by mountain bike riders that seek a range of off road requirements and experiences that are currently not offered or promoted by Council.

Other needs for this asset class include protection, refurbishment, interpretation or upgrade of heritage sites (including Aboriginal and non-Aboriginal), provision for other forms of recreation such as abseiling and the specific care or recovery of sites such as Flying Fox Reserve, locations containing rare and endangered species, threatened and vulnerable vegetation communities and the possible inclusion of the Wildflower Garden as a regional park facility.

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Current Total Value – WDV	Not available
Replacement Value	Not available
Depreciation Requirements	Not available
Estimated Cost to bring to a satisfactory standard	Not available
Annual Maintenance Allocation	\$1,660,000
Annual Capital Works Program	\$130,000
Tree Planting Reserve	\$35,000

The number of trees located on nature strips, in parks, Council properties and other council managed land makes this asset class extremely difficult to accurately quantify. It is estimated that there are in excess of 300,000 street trees alone within Ku-ring-gai.

Council has adopted a proactive maintenance policy that is to be phased in within recurrent budget allocation and while this will ultimately improve the condition of this asset on identified streets, this will result in a reduction to service levels for reactive response in the interim unless additional funding is allocated.

Maintenance is currently focused on reactive activities in response to customer requests and storm/wind damage. Capital expenditure over the past five years has focussed on the canopy replenishment. This has seen upwards of 2000 trees planted on nature strips and in parks and reserves per year. The future direction of the capital works within this asset class will seek to review the program with a view to looking at plantings within drainage reserves, unmade roads and other open space areas. Further the balance of funding will also be directed to expanding the allocation of maintenance of existing trees planted as part of the program.

CRITERIA AND METHODOLOGY

The above commentary on the various options within each of the asset classes only examines potential options for Council to bring the various assets up to a satisfactory standard and also whether Council should continue to own or manage various assets.

As Council has limited financial capacity to fund its assets and provide for new assets, it is not considered appropriate to reduce funding in other areas of Council for the benefit of improving or renewing Council's assets. However, this is a decision for Council.

Like the ranking criteria developed for the various asset classes, there needs to a basis for allocating available funds across the various assets classes. The criteria relating to each asset to assist with determining the relative importance is suggested as follows:

1. Relative value of the asset compared to other assets.
2. Annual cost requirements to bring to a satisfactory standard.
3. Impact on community if Council does not maintain or provide the asset.
4. Impact on recurrent expenditure if not maintained to a standard.
5. Ability to fund through other sources.

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This criteria could then be used to rate the various asset classes using a high, medium or low rating and a weighting based on the relative importance of the above criteria. The suggested matrix is as follows:

Criteria	Score	Weighting
1. Relative value of asset	High 4, Medium 2, Low 1	10
2. Annual cost requirements	High 3, Medium 2, Low 1	8
3. Impact on community	High 3, Medium 2, Low 1	6
4. Impact on recurrent expenditure	High 3, Medium 2, Low 1	4
5. Alternative funding sources	High 1, Medium 2, Low 3	2

This can now be used to assess each of the asset classes in terms of relative importance:

Asset	1	2	3	4	5	Total	%
Buildings	20	16	12	8	4	60	6.6
Roads	40	24	18	12	4	98	10.8
Footpaths	10	8	12	8	6	44	4.9
Drainage	40	24	12	12	6	94	10.4
Traffic Facilities	10	8	12	4	4	38	4.2
Street Signs	10	8	6	4	4	32	3.5
Fencing and guardrail	10	8	6	4	4	32	3.5
Car parks	10	8	12	4	2	36	4.0
Passenger fleet	10	8	6	4	2	30	3.3
Operational plant	20	16	12	8	4	60	6.6
Golf courses	10	8	6	4	2	30	3.3
Sportgrounds	20	16	18	12	4	70	7.7
Playgrounds	10	8	12	8	4	42	4.6
Tennis courts	10	8	6	4	2	30	3.3
Swimming pool	10	8	12	8	2	40	4.4
Parks	20	16	12	8	6	62	6.8
Natural areas	20	8	12	8	6	54	6.0
Trees	20	8	12	8	6	54	6.0
						906	100

Attachment C shows the distribution of funding based on the above criteria with and without the infrastructure levy.

As can be seen in the attachment, the distribution of funds under this model does not provide a realistic allocation of funding between assets. Until a proper analysis of all the asset classes is undertaken, it is considered inappropriate at this stage to use such a model for the distribution of funding between assets.

CONSULTATION

Consultation will be required with the community on each of the asset classes when determining appropriate strategies for community assets.

FINANCIAL CONSIDERATIONS

The distribution of available funding for maintaining Council's assets is a complex issue and involves the allocation of scarce resources. Council has made a concerted effort in the past to ensure a significant amount of Council's budget is allocated to maintaining and improving its assets and also building up its reserves to build or replace its assets.

To increase the amount of funding for the various asset classes from the recurrent budget will seriously impact on the current levels of service that Council provides for all sectors as the recurrent budget is continually stretched and the level of Working Capital available is at a critically low level.

The options indicated in this report attempt to address a better distribution of funding amongst the asset classes.

Depreciation charges for infrastructure assets, under current accounting standards, are calculated on a "straight line" basis where the original capital cost of the assets is reduced over their expected life by equal amounts each year.

Following the introduction of Australian Equivalents to International Financial Reporting Standards (AIFRS) in 2005/06, the NSW Department of Local Government has determined that infrastructure assets will be re-valued using the 'fair value' methodology, on a staged basis, as follows:

- 2007/08 Property, plant and equipment, land, buildings and other
- 2008/09 Roads, bridges, footpaths and drainage

For Local Government, 'fair value' is the current replacement value of an asset. Replacement, in its broadest sense, includes replacement with an asset redesigned to suit current purposes and built with newer technology. This means that asset values as detailed in Council's financial statements will closely align with asset management systems used by Council.

This will mean that depreciation charges will be the difference between fair value estimates in successive financial years, rather than the current calculation. Depreciation charges will then more accurately represent the asset value 'consumed' during the year.

The implication of this for allocation of funds for asset replacement will be to favour expenditure in areas of greatest depreciation. Further, the total amount of depreciation incurred becomes a more critical factor in determining the appropriate total level of asset renewal spending that Council should undertake and requiring funding.

ASSET MANAGEMENT PLANNING

The NSW Department of Local Government has released a position paper on Asset Management planning for Local Government (**attached as Attachment D**). The paper outlines proposals to strengthen current asset management practices in NSW Councils by:

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- Requiring strategic long term asset management and financial planning to be included as essential components of an integrated planning and reporting framework. The integrated plan would be a 'Community Strategic Plan' with a minimum 10 year time horizon
- Changes to the Local Government Act to make long term planning a legislated requirement
- Requiring Councils to gather information on individual assets to support the optimisation of activities and programs to meet agreed service levels. Long term asset management needs would be specified in the 10 year plan as proposals to:
 - acquire new assets
 - renew existing assets to ensure they meet community needs and standards
 - retire existing assets that no longer meet community needs or change practices to continue to serve needs without asset ownership
- The long term financial plan will show projected balance sheet, operating and cash flow statements as well as key ratios (debt service, current ratio, etc) to demonstrate that asset management plans are deliverable.

As Ku-ring-gai Council already has a long term financial plan these new requirements are more readily accommodated. Optimal allocation of funding between asset classes is essential to deliver the service levels the community demands at an affordable price. It is best achieved thorough the continual refining of the management planning process to include:

- New legislative requirements
- More detailed information on individual asset condition and options for, and costs of, replacement. This analysis must include 'whole of life' costs for asset maintenance
- Alignment of accounting depreciation and asset valuation with technical assessments of asset condition and replacement costs
- Examination of financial merits of various funding options such as leasing assets, owning the best portfolio of assets in terms of optimal service delivery, borrowing to accelerate the rate of asset renewal

BORROWING TO FUND EXTRA ASSET EXPENDITURE

The following table shows the impact of borrowing and extra \$2M per year during the current 10 year financial plan period to fund enhanced expenditure on asset renewal.

Change from Existing Financial Plan

Year	Extra Borrowing	Extra Interest & Repayments	Extra asset Expenditure
2007/08	2,000,000	0	2,000,000
2008/09	2,000,000	267,414	1,732,586
2009/10	2,000,000	553,692	1,446,308
2010/11	2,000,000	835,695	1,164,305
2011/12	2,000,000	1,118,506	881,494
2012/13	2,000,000	1,240,158	759,842
2013/14	2,000,000	1,519,749	480,251
2014/15	2,000,000	1,799,236	200,764
2015/16	2,000,000	2,080,296	-80,296

The above calculations assume that Council maintains its current working capital (“bottom line funding”) result and that the enhanced asset expenditure does not produce any tangible maintenance or other savings. With the more detailed long term asset management systems to be developed over the next two years, it may be possible to better target borrowings to replacement of individual assets that can produce maintenance savings. However, the maintenance savings will need to be high enough to offset the interest charges.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

Consultation between Operations, Strategy and Corporate departments has taken place with the preparation of this report.

SUMMARY

The report examines various options for assessing options for each asset class to determine the best strategy for rationalising Council’s assets.

Also included is a proposed methodology for providing a distribution of funding between assets and could be used to demonstrate a need for reallocating funding between assets.

Based on the information provided in this report, it is not considered appropriate at this stage to utilise a methodology for allocation of funding between asset classes until a review and a strategy is adopted for each asset class.

RECOMMENDATION

- A. That Council not adopt the methodology for allocating funds to Council's assets as indicated in the report until a review and defined strategy is adopted for each of the asset classes.
- B. That a report be brought back to Council on a review of Council’s various property holdings and current leasing arrangements for Council’s buildings to identify preferred strategies for asset improvements and ongoing maintenance obligations.
- C. That a report be brought back to Council to consider as part of the budget process the redistributing of funding for business centres beyond 2009/10.
- D. That a report be brought back to Council on preferred strategies for addressing drainage assets which considers the benefits of applying a stormwater levy under Section 496A of the Local Government Act.

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- E. That a report be brought back to Council on the various options for funding Council's passenger fleet and operational plant.
- F. That following completion of the reviews of each of the asset classes listed above, a further report be prepared to consider the preferred overall strategy for distributing funds to all the asset classes.

Greg Piconi
Director Operations

John Clark
Director Corporate

Steven Head
Director Strategy

Attachments:

- A. Summary of Council's financial position relating to Council's assets - 784587**
- B. Special Schedule No 7 - 784587**
- C. Review of funding spreadsheets based on criteria - 784587**
- D. Department of Local Government Position Paper on Asset Management - 784588**

ASSET STRATEGIES

ASSET DESCRIPTION	COST TO SATISFACTORY STANDARD	ANNUAL COST FOR SATISFACTORY STANDARD	ANNUAL RECURRENT COST PROVIDED	ANNUAL CAPITAL COST PROVIDED	TOTAL RECURRENT AND CAPITAL	DIFFERENCE BETWEEN REQUIRED AND AVAILABLE
BUILDINGS	\$ 7,360,000	\$ 1,875,000	\$ 912,000	\$ -	\$ 912,000	\$ 963,000
ROADS (includes levy)	\$ 49,800,000	\$ 5,500,000	\$ 1,253,000	\$ 4,500,000	\$ 5,753,000	-\$ 253,000
FOOTPATHS	\$ 1,750,000	\$ 800,000	\$ 769,000	\$ 390,000	\$ 1,159,000	-\$ 359,000
DRAINAGE	\$ 66,150,000	\$ 4,500,000	\$ 693,000	\$ 570,000	\$ 1,263,000	\$ 3,237,000
TRAFFIC FACILITIES	\$ 572,000	\$ 572,000	\$ 325,000	\$ 151,000	\$ 476,000	\$ 96,000
STREET SIGNS AND FURNITURE	\$ 240,000	\$ 120,000	\$ 100,000	\$ 50,000	\$ 150,000	-\$ 30,000
FENCING AND GUARDRAIL	\$ 400,000	\$ 120,000	\$ 70,000	\$ -	\$ 70,000	\$ 50,000
CAR PARKS	\$ 500,000	\$ 100,000	\$ 24,000	\$ 60,000	\$ 84,000	\$ 16,000
PASSENGER FLEET	\$ 830,000	\$ 830,000	\$ 830,000	\$ 350,000	\$ 1,180,000	-\$ 350,000
OPERATIONAL FLEET	\$ 723,000	\$ 750,000	\$ 622,000	\$ 650,000	\$ 1,272,000	-\$ 522,000
GOLF COURSES	\$ 3,295,000	\$ 1,300,000	\$ 1,295,400	\$ 250,000	\$ 1,545,400	-\$ 245,400
SPORTGROUNDS	\$ 4,800,000	\$ 1,760,000	\$ 1,760,000	\$ 329,000	\$ 2,089,000	-\$ 329,000
PLAYGROUNDS	\$ 1,500,000	\$ 250,000	\$ 136,850	\$ 154,000	\$ 290,850	-\$ 40,850
TENNIS COURTS	\$ 2,970,782	\$ 175,000	\$ 82,500	\$ 158,000	\$ 240,500	-\$ 65,500
SWIMMING POOL	\$ 1,750,000	\$ 150,000	\$ 34,000	\$ 300,000	\$ 334,000	-\$ 184,000
PARKS	Not known	\$ 1,576,000	\$ 1,576,000	\$ 200,000	\$ 1,776,000	-\$ 200,000
NATURAL AREAS	Not known	\$ 1,140,000	\$ 1,140,000	\$ -	\$ 1,140,000	\$ -
TREES	Not known	\$ 1,660,000	\$ 1,660,000	\$ 130,000	\$ 1,790,000	-\$ 130,000
					\$ -	\$ -
	\$ 142,640,782	\$ 23,178,000	\$ 13,282,750	\$ 8,242,000	\$ 21,524,750	\$ 1,653,250

Ku-Ring-Gai Council

Special Schedule No. 7
Condition of public works
as at 30 June 2006
\$'000

Asset Class	Asset Category	Depn Expense (%)	Depr'n. Expense	Cost	Valuation	Accum Depreciation and Impairment	WDV	Asset Condition	Estimated Cost to bring to a Satisfactory Standard	Required annual maintenance	Current annual maintenance
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
		Per Note 1	Per Note 4	Per Note 9					Per Section 428(2d)		
Public Buildings	Council Offices	2.5%	266	10,648	0	5,178	5,471	Fair	450	400	58
	Council Works Depot	2.5%	52	2,711	0	1,368	1,343	Poor	2,500	200	30
	Council Halls	2.5%	153	6,132	0	4,044	2,088	Fair	1,200	160	81
	Council Houses	2.5%	42	1,673	0	1,180	492	Fair	210	150	137
	Other Buildings	2.5%	538	21,762	0	13,209	8,552	Fair	1,200	250	338
	Library	2.5%	311	12,442	0	5,105	7,337	Fair	400	150	25
	Childcare Centre(s)	2.5%	68	2,700	0	1,253	1,447	Good	150	100	49
	Art Gallery	2.5%	18	705	0	502	204	Poor	750	200	25
	Amenities/Toilets	2.5%	100	3,986	0	2,259	1,727	Fair	500	200	169
				1,548	62,759	0	34,098	28,661		7,360	1,810
Public Roads	Sealed Roads	1%	3,001	305,970	0	156,149	149,821	Fair	45,700	1,875	1,253
	Unsealed Roads	0%	0	0	0	0	0	NA			
	Sealed Roads Structure	0%	0	0	0	0	0	NA			
	Bridges	0%	0	0	0	0	0	Good	250	15	0
	Footpaths	0%	0	0	0	0	0	Fair	1,750	800	769
	Cycle ways	0%	0	0	0	0	0	Fair	150	20	20
	Kerb and Gutter	0%	0	0	0	0	0	Fair	1,500	180	198
	Road Furniture	0%	0	0	0	0	0	Fair	2,300	240	215
				3,001	305,970	0	156,149	149,821		51,650	3,130

Asset Class	Asset Category	Depn Expense (%)	Depr'n. Expense	Cost	Valuation	Accum Depreciation and Impairment	WDV	Asset Condition	Estimated Cost to bring to a Satisfactory Standard	Required annual maintenance	Current annual maintenance
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
		Per Note 1	Per Note 4	Per Note 9					Per Section 428(2d)		
Drainage Works	Retarding Basins	3%	0	500	0	500	215	Good	100	50	0
	Outfalls	1%	0	1,004	0	1,004	1	Good	50	25	0
	Stormwater Conduits	1%	533	56,623	0	36,175	0	Fair	64,000	4,500	433
	Inlet and Junction Pits	1%	0	1,724	0	1,724	20,314	Fair	2,000	500	200
	Head Walls	0%	0	0	0	0	0	NA			
	Outfall Structures	0%	0	0	0	0	0	NA			
	Stormwater Converters	0%	0	0	0	0	0	NA			
			533	59,851	0	39,403	20,530		66,150	5,075	633
Total Classes	Total - All Assets		5,082	428,580	0	229,650	199,012		125,160	10,015	4,000

FUNDING ALLOCATIONS WITH INFRASTRUCTURE LEVY

ASSET DESCRIPTION	COST TO SATISFACTORY STANDARD	ANNUAL COST FOR SATISFACTORY STANDARD (REQUIRED)	ANNUAL RECURRENT COST PROVIDED	ANNUAL CAPITAL COST PROVIDED	TOTAL RECURRENT AND CAPITAL (EXISTING)	DIFFERENCE BETWEEN REQUIRED AND AVAILABLE	CRITERIA PERCENTAGE	PROPOSED FUNDING BASED ON CRITERIA	DIFFERENCE BETWEEN FUNDING EXISTING AND PROPOSED	DIFFERENCE BETWEEN FUNDING REQUIRED AND PROPOSED
BUILDINGS	\$ 7,360,000	\$ 1,875,000	\$ 912,000	\$ -	\$ 912,000	\$ 963,000	6.6	\$ 1,425,480	-\$ 513,480	\$ 449,520
ROADS (includes levy)	\$ 49,800,000	\$ 5,500,000	\$ 1,253,000	\$ 4,500,000	\$ 5,753,000	-\$ 253,000	10.8	\$ 2,328,284	\$ 3,424,716	\$ 3,171,716
FOOTPATHS	\$ 1,750,000	\$ 800,000	\$ 769,000	\$ 390,000	\$ 1,159,000	-\$ 359,000	4.9	\$ 1,045,352	\$ 113,648	-\$ 245,352
DRAINAGE	\$ 66,150,000	\$ 4,500,000	\$ 693,000	\$ 570,000	\$ 1,263,000	\$ 3,237,000	10.4	\$ 2,233,252	-\$ 970,252	\$ 2,266,748
TRAFFIC FACILITIES	\$ 572,000	\$ 572,000	\$ 325,000	\$ 151,000	\$ 476,000	\$ 96,000	4.2	\$ 902,804	-\$ 426,804	-\$ 330,804
STREET SIGNS AND FURNITURE	\$ 240,000	\$ 120,000	\$ 100,000	\$ 50,000	\$ 150,000	-\$ 30,000	3.5	\$ 760,256	-\$ 610,256	-\$ 640,256
FENCING AND GUARDRAIL	\$ 400,000	\$ 120,000	\$ 70,000	\$ -	\$ 70,000	\$ 50,000	3.5	\$ 760,256	-\$ 690,256	-\$ 640,256
CAR PARKS	\$ 500,000	\$ 100,000	\$ 24,000	\$ 60,000	\$ 84,000	\$ 16,000	4.0	\$ 855,288	-\$ 771,288	-\$ 755,288
PASSENGER FLEET	\$ 830,000	\$ 830,000	\$ 830,000	\$ 350,000	\$ 1,180,000	-\$ 350,000	3.3	\$ 712,740	\$ 467,260	\$ 117,260
OPERATIONAL FLEET	\$ 723,000	\$ 750,000	\$ 622,000	\$ 650,000	\$ 1,272,000	-\$ 522,000	6.6	\$ 1,425,480	-\$ 153,480	-\$ 675,480
GOLF COURSES	\$ 3,295,000	\$ 1,300,000	\$ 1,295,400	\$ 250,000	\$ 1,545,400	-\$ 245,400	3.3	\$ 712,740	\$ 832,660	\$ 587,260
SPORTGROUNDS	\$ 4,800,000	\$ 1,760,000	\$ 1,760,000	\$ 329,000	\$ 2,089,000	-\$ 329,000	7.7	\$ 1,663,060	\$ 425,940	\$ 96,940
PLAYGROUNDS	\$ 1,500,000	\$ 250,000	\$ 136,850	\$ 154,000	\$ 290,850	-\$ 40,850	4.6	\$ 997,836	-\$ 706,986	-\$ 747,836
TENNIS COURTS	\$ 2,970,782	\$ 175,000	\$ 82,500	\$ 158,000	\$ 240,500	-\$ 65,500	3.3	\$ 712,740	-\$ 472,240	-\$ 537,740
SWIMMING POOL	\$ 1,750,000	\$ 150,000	\$ 34,000	\$ 300,000	\$ 334,000	-\$ 184,000	4.4	\$ 950,320	-\$ 616,320	-\$ 800,320
PARKS	Not known	\$ 1,576,000	\$ 1,576,000	\$ 200,000	\$ 1,776,000	-\$ 200,000	6.8	\$ 1,472,996	\$ 303,004	\$ 103,004
NATURAL AREAS	Not known	\$ 1,140,000	\$ 1,140,000	\$ -	\$ 1,140,000	\$ -	6.0	\$ 1,282,932	-\$ 142,932	-\$ 142,932
TREES	Not known	\$ 1,660,000	\$ 1,660,000	\$ 130,000	\$ 1,790,000	-\$ 130,000	6.0	\$ 1,282,932	\$ 507,068	\$ 377,068
					\$ -	\$ -				
\$ 23,178,000					\$ 21,524,750	\$ 1,653,250	100	\$ 21,524,750	\$ -	\$ 1,653,250

FUNDING ALLOCATIONS WITHOUT INFRASTRUCTURE LEVY

ASSET DESCRIPTION	COST TO SATISFACTORY STANDARD	ANNUAL COST FOR SATISFACTORY STANDARD (REQUIRED)	ANNUAL RECURRENT COST PROVIDED	ANNUAL CAPITAL COST PROVIDED	TOTAL RECURRENT AND CAPITAL	DIFFERENCE BETWEEN REQUIRED AND AVAILABLE	CRITERIA PERCENTAGE	PROPOSED FUNDING BASED ON CRITERIA	DIFFERENCE BETWEEN FUNDING EXISTING AND PROPOSED	DIFFERENCE BETWEEN FUNDING REQUIRED AND PROPOSED
BUILDINGS	\$ 7,360,000	\$ 1,875,000	\$ 912,000	\$ -	\$ 912,000	\$ 963,000	6.6	\$ 1,298,725	-\$ 386,725	\$ 576,275
ROADS (without levy)	\$ 49,800,000	\$ 5,500,000	\$ 1,253,000	\$ 2,586,000	\$ 3,839,000	\$ 1,661,000	10.8	\$ 2,121,251	\$ 1,717,749	\$ 3,378,749
FOOTPATHS	\$ 1,750,000	\$ 800,000	\$ 769,000	\$ 390,000	\$ 1,159,000	-\$ 359,000	4.9	\$ 952,398	\$ 206,602	-\$ 152,398
DRAINAGE	\$ 66,150,000	\$ 4,500,000	\$ 693,000	\$ 570,000	\$ 1,263,000	\$ 3,237,000	10.4	\$ 2,034,669	-\$ 771,669	\$ 2,465,331
TRAFFIC FACILITIES	\$ 572,000	\$ 572,000	\$ 325,000	\$ 151,000	\$ 476,000	\$ 96,000	4.2	\$ 822,526	-\$ 346,526	-\$ 250,526
STREET SIGNS	\$ 240,000	\$ 120,000	\$ 100,000	\$ 50,000	\$ 150,000	-\$ 30,000	3.5	\$ 692,653	-\$ 542,653	-\$ 572,653
FENCING AND GUARDRAIL	\$ 400,000	\$ 120,000	\$ 70,000	\$ -	\$ 70,000	\$ 50,000	3.5	\$ 692,653	-\$ 622,653	-\$ 572,653
CAR PARKS	\$ 500,000	\$ 100,000	\$ 24,000	\$ 60,000	\$ 84,000	\$ 16,000	4.0	\$ 779,235	-\$ 695,235	-\$ 679,235
PASSENGER FLEET	\$ 830,000	\$ 830,000	\$ 830,000	\$ 350,000	\$ 1,180,000	-\$ 350,000	3.3	\$ 649,363	\$ 530,637	\$ 180,637
OPERATIONAL FLEET	\$ 723,000	\$ 750,000	\$ 622,000	\$ 650,000	\$ 1,272,000	-\$ 522,000	6.6	\$ 1,298,725	-\$ 26,725	-\$ 548,725
GOLF COURSES	\$ 3,295,000	\$ 1,300,000	\$ 1,295,400	\$ 250,000	\$ 1,545,400	-\$ 245,400	3.3	\$ 649,363	\$ 896,037	\$ 650,637
SPORTGROUNDS	\$ 4,800,000	\$ 1,760,000	\$ 1,760,000	\$ 329,000	\$ 2,089,000	-\$ 329,000	7.7	\$ 1,515,179	\$ 573,821	\$ 244,821
PLAYGROUNDS	\$ 1,500,000	\$ 250,000	\$ 136,850	\$ 154,000	\$ 290,850	-\$ 40,850	4.6	\$ 909,108	-\$ 618,258	-\$ 659,108
TENNIS COURTS	\$ 2,970,782	\$ 175,000	\$ 82,500	\$ 158,000	\$ 240,500	-\$ 65,500	3.3	\$ 649,363	-\$ 408,863	-\$ 474,363
SWIMMING POOL	\$ 1,750,000	\$ 150,000	\$ 34,000	\$ 300,000	\$ 334,000	-\$ 184,000	4.4	\$ 865,817	-\$ 531,817	-\$ 715,817
PARKS	Not known	\$ 1,576,000	\$ 1,576,000	\$ 200,000	\$ 1,776,000	-\$ 200,000	6.8	\$ 1,342,016	\$ 433,984	\$ 233,984
NATURAL AREAS	Not known	\$ 1,140,000	\$ 1,140,000	\$ -	\$ 1,140,000	\$ -	6.0	\$ 1,168,853	-\$ 28,853	-\$ 28,853
TREES	Not known	\$ 1,660,000	\$ 1,660,000	\$ 130,000	\$ 1,790,000	-\$ 130,000	6.0	\$ 1,168,853	\$ 621,147	\$ 491,147
					\$ -	\$ -				
\$ 23,178,000					\$ 19,610,750	\$ 3,567,250	100	\$ 19,610,750	\$ -	\$ 3,567,250

A Department of Local Government Position Paper

Asset Management Planning for NSW Local Government



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ISBN 1 920766 56 1



Recommendations

The recommendations presented in this paper have been developed in conjunction with the NSW Infrastructure Task Force. The recommendations are as follows:

1. Strategic long term asset management and financial plans be included as essential components of an integrated planning and reporting framework across NSW local government.
2. Legislative amendments requiring long-term strategic asset management planning be introduced into the *Local Government Act 1993*.
3. Councils adopt asset management planning systems and practices that are consistent with the *Local Government Financial Sustainability Frameworks*, and where applicable and practical, the International Infrastructure Management Manual.
4. A basic (core) approach to asset management planning be the agreed minimum level for all NSW councils.
5. An asset management improvement program be implemented to progressively raise asset management planning to a level appropriate for each council.
6. Legislative amendments requiring ten year financial planning be introduced into the *Local Government Act 1993*.
7. An industry wide capacity building program including a range of training, tools, templates and guidelines be introduced.

Implementation

Success in implementing the recommendations in this paper relies on a capacity building program. The Department of Local Government is committed to working with stakeholders to provide guidance to build the capacity of local government to respond to its future planning and reporting obligations. Stakeholder groups represented on the NSW Infrastructure Task Force are committed to working with their constituents and the department to make this achievable.

Your Feedback

An important part of assessing the recommendations in this paper relies upon your feedback. Councils, agencies, industry groups and other interested individuals are welcome to make written submissions on this position paper. Consultation on the paper will continue until **13 July 2007**.

SECTION 1 BACKGROUND

1.1 Introduction

Local government in NSW is responsible for assets worth approximately \$50 billion. Infrastructure assets include roads, water and sewerage assets, drains, bridges, footpaths and public buildings. A strong and sustainable local government system requires a robust planning process to ensure that those assets are maintained and renewed in the most appropriate way on behalf of local communities. As custodian, local government is responsible to effectively account for and manage these assets and to have regard to the long-term and cumulative effects of its decisions. This is a core function of councils and is reflected in the Charter, in section 8 of the *Local Government Act 1993* (NSW).

Given the value and importance of infrastructure assets, it is essential that they are well managed to ensure their future sustainability. Failure to adequately manage infrastructure assets is a key risk that could prevent local councils from achieving their strategic goals. An existing and urgent concern is that many councils have not established asset management systems and practices that will allow them to identify and respond to this challenge.

1.2 What is asset management?

The term “asset management” is used to describe the process by which councils manage physical assets to meet current and future levels of service. Under the *Asset Management Standard PAS 55*¹, asset management is defined as the systematic and coordinated activities and practices through which an organisation optimally manages its physical assets, and their associated performance, risks and expenditures over their lifecycle for the purpose of achieving its organisational strategic plan.

All councils, irrespective of size or location, need to ensure that the sustainable management of assets is a ‘whole of council’ responsibility, and recognised as such at all levels within council.

1.3 Context of position paper

1.3.1 A New Direction for Local Government

As part of its commitment to continuing reform of local government, the NSW Department of Local Government has released for comment a position paper entitled *A New Direction for Local Government*. This position paper can be accessed through the department’s website <http://www.dlg.nsw.gov.au>.

The position paper sets out seven elements of a strong local government system as follows:

- Good governance
- Representative democracy and community support
- Sound policy
- Sufficient resources

¹ PAS 55 is published by the British Standards Institute

- Meaningful planning
- Connectedness
- Strong leadership.

Under each element, the position paper outlines a number of proposed reform initiatives.

This is the second paper to be released in support of the overarching New Directions position paper, and relates to the fourth element – sufficient resources. Under this element a new asset management framework is proposed for local councils. The *Asset Management Planning* position paper explores this topic in more detail.

In November 2006, an options paper on *Integrated Planning and Reporting* was released by the department. This paper relates to the fifth element – meaningful planning. It addresses the strategic planning and reporting framework for local government in New South Wales, and can be accessed through the department's website <http://www.dlg.nsw.gov.au>

1.3.2 A National Framework for local government financial sustainability

In recognition of the challenges that some rural and remote councils face to remain financially sustainable, the NSW Minister for Local Government invited representatives from all jurisdictions to a special Roundtable held in Sydney in May 2006. The Roundtable endorsed the view that sustainable asset management is key to local government sustainability. The Roundtable recommended to the Local Government and Planning Ministers' Council (LGPMC) that nationally consistent approaches be established for: asset planning and management; financial planning and reporting; and criteria for assessing financial sustainability.

At its meeting on 4 August 2006, the LGPMC agreed to a nationally consistent approach to asset planning and management, financial planning and reporting and assessing financial sustainability. On 20 October 2006, the LGPMC endorsed the draft National Frameworks for Financial Sustainability in Local Government as a basis for consultation. On 21 March 2007 the LGPMC endorsed the Frameworks for implementation in the context of their relationships with their local government sectors. It was noted that NSW has not completed the consultation phase due to the electoral cycle and will consider the matter out of session. This position paper comprises the consultation with the sector. Jurisdictions will report on progress of their application of the Frameworks in 2008.

The National Frameworks consist of three main components as follows:

1. *Asset Planning and Management* - This framework consists of seven elements which each State and Territory are expected to adopt as follows:
 - Development of an asset management policy - Each state/territory is expected to develop an asset management policy, which provides high-level guidance to assist councils in developing their own asset management policy.
 - Strategy and Planning – Councils should be provided with guidance from the State on developing an asset management strategy, which is designed to support and implement its asset management policy;
 - Governance and Management Arrangements – Councils should be encouraged to apply and effect good governance and management arrangements which link asset management to service delivery and include assigning roles and

responsibility for asset management between the CEO, the Council and senior managers;

- Defining Levels of Service – mechanisms should be established that include community consultation to define the levels of service councils are expected to provide from their asset base;
- Data and Systems – a framework for collection of asset management data should be established;
- Skills and Processes – the asset management framework should contain a continuous improvement program;
- Evaluation – the asset management framework should contain a mechanism to measure its effectiveness.

2. *Financial Planning and Reporting* - Focuses on local government's financial management at both the strategic and operational levels. The framework requires the preparation of:

- A long term strategic plan which includes a financial component, demonstrating how the outcomes of the plan will be funded.
- An annual budget format comparable with the audited financial statements, linked to strategic objectives, which at a minimum should include:
 - Estimates of revenue and expenditure
 - An explanation of how revenue will be applied
 - An explanation of the financial performance and position of the council.
- Annual financial statements and annual report, which should include:
 - A report on council's operations during the financial year
 - An explanation to the community on variations between the budget and the actual results and how this may impact on the strategic plan
 - Audited financial statements for the financial year (prepared and audited in accordance with Australian Accounting and Auditing Standards).

3. *Criteria for Assessing Financial Sustainability.*

The National Frameworks define a council's long-term financial performance and position as sustainable when planned long term services and infrastructure standards are met without unplanned increases in rates and charges, or disruptive cuts to services. The frameworks provide a range of financial sustainability indicators, however they stress that the usefulness of indicators is not in the numbers themselves but the analysis of what is driving the indicator.

1.3.3 *NSW State Plan A New Direction for NSW*

The management of infrastructure is also addressed as a critical issue in the *NSW State Plan - A New Direction for NSW*. During the consultation process on the plan, the community emphasised the need to properly maintain existing infrastructure and invest for the future.

The State Plan identifies maintenance and investment in infrastructure as a priority for growing prosperity across NSW. This position paper is consistent with the State Plan.

1.4 Purpose of position paper

This paper outlines proposals for a robust asset management system for NSW councils. This position has been informed by a review and evaluation of current asset management practice in the NSW local government sector, and other jurisdictions in Australia. The elements and practices applicable and beneficial to the NSW local government sector have been identified.

The NSW Infrastructure Task Force was established by the Department of Local Government as a forum to engage stakeholders in discussion throughout this process. Key stakeholder groups represented on the Task Force include the Local Government and Shires Associations of NSW, Institute of Public Works Engineering Australia, Local Government Managers Australia (NSW Division), Local Government Audit Association, Roads and Traffic Authority and the Department of Energy, Utilities and Sustainability. The Department of Local Government is appreciative of the contribution made by the Task Force members throughout this process.

The purpose of the position paper is to develop an approach that is consistent with the National Frameworks, and will assist councils to develop the asset management and long-term financial planning tools they need to better manage their community's future.

SECTION 2 ASSET MANAGEMENT PRACTICES IN NSW LOCAL GOVERNMENT SECTOR

2.1 Current asset management planning requirements

Section 8 of the *Local Government Act 1993* (NSW) specifies that councils are to have regard to the long term and cumulative effects of their decisions, and are to bear in mind that the councils are the custodians and trustees of public assets and must effectively account for and manage the assets for which they are responsible.

The only specific obligation that requires councils to undertake asset management planning is included in the Department of Energy, Utilities and Sustainability *Best Practice Management of Water Supply and Sewerage Guidelines, 2004*. These guidelines direct councils to undertake this planning only in relation to water supply and sewerage assets.

2.2 Current reporting requirements

Councils must prepare their annual financial reports in accordance with the requirements of the:

- *Local Government Act 1993* (NSW) & *Local Government (General) Regulations 2005* (NSW)
- *Local Government Code of Accounting Practice & Financial Reporting* and the *Asset Accounting Manual*.

2.2.1 *Local Government Act 1993* (NSW) (*Reporting on the condition of public works*)

Section 428 2(d) of the *Local Government Act 1993* (NSW) requires councils to report on the condition of the public works under the control of the council as at the end of that year, together with:

- (i) An estimate (at current values) of the amount of money required to bring the works up to a satisfactory standard;
- (ii) An estimate (at current values) of the annual expense of maintaining the works at that standard; and
- (iii) The council's program of maintenance for that year in respect of the works.

Council's reporting obligations arising from section 428 2(d) are currently addressed through the completion of a schedule to the annual financial statements, referred to as Special Schedule 7.

2.2.2 *Local Government Code of Accounting Practice & Financial Reporting*

The *Local Government Code of Accounting Practice and Financial Reporting* (the Code) prescribes the form of the financial statements, as approved by the Department of Local Government. The Code applies to each council in respect of council's general purpose and special purpose financial reports. The Code is intended to facilitate the practical and effective implementation of Australian Accounting Standards, and in particular the adoption of Australian equivalents to International Financial Reporting Standards.

The Code requires each council to prepare and report Special Schedule 7 as part of its annual financial statements. This reporting requirement is specific to NSW local government, and the format of Special Schedule 7 is prescribed by the Code. The schedule reports on the condition of public works and the extent to which councils are able to maintain those public assets. Councils are required to provide information on asset condition so that it is possible for users of this information to make an informed judgment about the condition of public assets.

The accounting treatment of infrastructure is determined in accordance with the accounting standard *AASB 116 Property, Plant and Equipment*. This accounting standard provides a number of alternative methods for the valuation of assets. The Department of Local Government determined that local government infrastructure, property, plant and equipment would be valued at deemed cost for the 2005/06 financial year. However from 2006/07 onwards, a transition period commences, during which the department requires councils to revalue all assets using fair value methodology. The purpose of introducing fair value is to ensure that asset values reported on council's balance sheet more closely reflect their true value.

2.2.3 Asset Accounting Manual and the Australian Infrastructure Financial Management Guidelines

The *Asset Accounting Manual* was introduced by the Department of Local Government to assist councils with the identification, classification, measurement, depreciation and reporting of assets, in accordance with applicable accounting standards. The most recent update of the manual occurred in June 1999.

More recently, the need for a national approach to financial reporting of infrastructure was identified at the National Local Government Financial Management Forum. This resulted in a project to develop the *Australian Infrastructure Financial Management Guidelines*. This project is being undertaken as a joint effort between the Forum members and the National Asset Management Strategy Committee (a committee of the Institute of Public Works Engineering Australia). To date, a series of 8 position papers have been released as background to the guidelines. The Local Government Accounting Advisory Group has requested feedback on the position papers from the sector.

The department will review the *Asset Accounting Manual* following the completion of the *Australian Infrastructure Financial Management Guidelines*.

2.3 Current planning and reporting practices in NSW councils

2.3.1 Promoting Better Practice Program findings

The Local Government *Promoting Better Practice Program* is part of the Local Government Reform Program. The program aims to improve the sustainability of councils through a review process, which acts as a health check for councils, giving them confidence about what is being done well and helping to focus attention on key priorities.

Recent findings from this program indicate that while some NSW councils have well established and integrated asset management practices, these are in the minority. Where progress has been made, the challenge for the majority of councils is to establish the link

between asset management practices and other council planning and reporting processes, and to ensure that adequate information systems are in place to advance its planning and implementation efforts. Where practice has lagged, some councils have experienced a detrimental impact upon their financial sustainability, an increased risk of failure of major infrastructure, and increasing conflict over allocation of limited resources between competing priorities.

2.3.2 Independent Inquiry into the Financial Sustainability of NSW Local Government

The findings from the *Promoting Better Practice Program* are similar to those identified in a research report prepared for the independent Inquiry into the Financial Sustainability of NSW Local Government. This Inquiry was commissioned by the Local Government and Shires Associations of NSW. The Infrastructure Sustainability & Practice Report (Jeff Roorda & Associates, 2006), found that only 20% of councils have adopted asset management plans, 30% of councils intend to have asset management plans completed within the next one to two years, and the remaining 50% have no intention to prepare plans.

2.3.3 Department's financial performance reviews

The Department of Local Government regularly reviews the financial performance of all councils against a range of performance indicator benchmarks, and undertakes a closer monitoring of councils as required. The findings from these reviews reinforce that a key challenge facing Local Government is the maintenance and renewal of its existing assets. As evidenced by Special Schedule 7, the estimated cost to bring assets to a satisfactory standard far exceeds any provisions set aside for this purpose. Additionally, annual maintenance expenditure continues to fall below the required annual maintenance expenditure.

Councils that have strategic, asset management and long term financial plans in place are best positioned to respond to future maintenance and renewal requirements, and demonstrate their capacity to deliver the services to their communities over the long term.

2.3.4 Infrastructure Reporting

Findings from the LGSA Inquiry into the Financial Sustainability of NSW Local Government suggest that the current infrastructure accounting and reporting requirements for NSW Local Government are interpreted differently between councils and are therefore not consistently applied across the sector. This concern has been reinforced through audit issues raised with the NSW Infrastructure Task Force, which indicate that inconsistent and inadequate practices have been identified in the following areas:

- Maintenance of fixed asset registers (eg inadequate detail in register; register not properly/adequately reconciled on a regular basis)
- Calculating the estimated cost to bring to satisfactory condition and the estimated maintenance expenditure
- Assessing the useful lives of infrastructure assets
- Identifying the component parts of infrastructure assets (e.g. roads, water supply assets)

- The treatment of replaced/renewed infrastructure assets (e.g. assets not removed from fixed assets register)
- Condition assessment practices.

Although Special Schedule 7 is a financial report in nature, the integrity of Special Schedule 7 also relies upon well established asset management practices and processes. For example, the following mechanisms would support the preparation of Special Schedule 7:

- A framework for assessing asset condition and service standards
- A process of consultation which identifies what service levels the community considers are satisfactory
- The development of asset management plans for all major classes of assets.

2.3.5 Integrated planning and special variation applications

Each year councils can apply under section 508(2) or 508A of the *Local Government Act 1993* (NSW) for a special variation to increase their general income. Section 508(2) enables the Minister for Local Government to approve a percentage increase for a specified year that is greater than the general variation percentage approved under section 506 of the Act. While an increase under section 508(2) is for a specific year, the period for which the increase is to apply may be fixed or ongoing.

Through the special variation application process, a number of councils have demonstrated the capacity to integrate strategic, asset management and financial planning processes. This achievement, along with a demonstration of community consultation and support for its application, has contributed to councils extending their revenue generating capacity through a successful application under Section 508A of the *Local Government Act 1993* (NSW).

2.4 Summary of current reporting and planning practices

Some NSW councils have demonstrated the capacity to integrate strategic, asset management and financial planning processes. However, they are by no means the majority, with the evidence suggesting that many councils do not plan well for the long-term management of their assets. This limitation, when combined with the emergence of unsatisfactory asset accounting and reporting practices, may inhibit decision makers and other users of reported information from making informed judgments about the condition of local government infrastructure.

SECTION 3 ASSET MANAGEMENT PRACTICES IN OTHER JURISDICTIONS

3.1 Asset management practices in other jurisdictions

The department has undertaken a review of the various programs and approaches in other jurisdictions (Victoria, South Australia, Western Australia, Queensland, Tasmania and New Zealand) to identify any applicable lessons for asset management in New South Wales. An overview of each jurisdiction is provided in Appendix 1.

From this review it was evident that while each jurisdiction appears to have developed its own approach to achieving improvements in asset management, the approaches adopted in Western Australia, Queensland and Tasmania are essentially modelled on the *Step Program*, which is well established in Victoria. By comparison, South Australia has developed its own program, which has similarities to the approach adopted in New Zealand.

A comparison of the Victorian and South Australian approaches is provided in **Table 1** below.

Victoria	South Australia
<ul style="list-style-type: none"> There is no requirement in the <i>Local Government Act 1989</i> (Vic) for the preparation of asset management plans or long term financial plans. However, road management plans required under the <i>Road Management Act 2004</i> (Vic). These provide a focus on risk and maintenance management rather than strategic asset management. The principal objective of the Victorian <i>Step Program</i> is to assist councils to achieve a minimum standard of asset management practice. The Victorian <i>Step Program</i> assesses councils against a best practice asset management framework. The assessment is achieved through six monthly visits by consultants to benchmark a council against minimum criteria, and measure of their progress against an agreed improvement plan. A more recent focus on measuring the funding gap has been introduced into the program. 	<ul style="list-style-type: none"> The <i>Local Government (Financial Management and Rating) Amendment Act 2005</i> (SA) requires that all councils prepare long term financial plans and infrastructure asset management plans, for periods of at least ten years. The legislation is not prescriptive, however guidelines, tools and templates are being provided and are expected to set the minimum standards. A key aspect of the South Australian approach is a capacity building program that provides industry templates and guidelines with training and support to assist councils prepare their asset management and long term financial plans. This will be implemented through a combination of regional workshops, peer support and direct face-to-face assistance. Specific training and awareness programs are proposed for elected members, asset managers and finance managers.

The potential application of these approaches for implementation in NSW is considered in the following section .

SECTION 4 A WAY FORWARD FOR NSW LOCAL GOVERNMENT

4.1 Context of position

A strong and sustainable local government system requires a robust planning process to ensure that assets are maintained and renewed in the most appropriate way on behalf of local communities. It is evident that while some NSW councils have well established integrated asset management practices, this practice is not common throughout NSW local government. Accordingly, there is a clear need to develop a framework which supports a consistent approach to asset management across the sector.

The members of the NSW Infrastructure Task Force are in support of adopting a similar approach to improving asset management in NSW local government, to that used in South Australia, with some of the supporting components from other jurisdictions, particularly Victoria. The following approach is recommended:

- A focus on the integration of long term strategic, asset management and financial plans. *This focus is consistent with the direction promoted through the department's Integrated Planning and Reporting options paper (planning option 3).*
- The introduction of a general legislative obligation² that requires all councils to prepare long-term strategic asset management plans and long term (ten year) financial plans. *This approach provides flexibility for councils to carry out appropriate asset management and financial planning practices which match their requirements. This approach will also encourage a focus on outcomes rather than compliance.*
- Sector leadership provided to set minimum requirements for asset management. *This approach will build upon the leadership shown by some NSW councils and professional bodies operating within the sector.*
- Sector-led capacity building program that provides templates and guidelines, with training and support to assist councils prepare their asset management and long term financial plans. *This approach also builds upon work either undertaken or being considered by key stakeholder groups including the Institute of Public Works Engineering Australia, Local Government Managers Australia (NSW Division), Local Government and Shires Associations of NSW, and the Local Government Finance Professionals.*

4.2 Proposed position for NSW

The proposed position for NSW local government is that:

1. Strategic long-term asset management and financial plans be included as essential components of an integrated planning and reporting framework across NSW local government.
2. Legislative amendments requiring strategic long term asset management planning be introduced into the *Local Government Act 1993*.

² This obligation applies to councils' non-water supply and sewerage assets. With regard to water supply and sewerage, councils are expected to comply with the *Best-Practice Management of Water Supply and Sewerage Guidelines, 2004*.

3. Councils adopt asset management planning systems and practices that are consistent with the *Local Government Financial Sustainability Frameworks*, and where applicable and practical, the International Infrastructure Management Manual.
4. A basic (core) approach to asset management planning be the agreed minimum level for all NSW councils.
5. An asset management improvement program be implemented to progressively raise asset management planning to a level appropriate for each council.
6. Legislative amendments requiring ten year financial planning be introduced into the *Local Government Act 1993*.
7. An industry wide capacity building program including a range of training, tools, templates and guidelines be introduced.

These principal components are discussed in more detail in the following sections.

4.3 Integrated planning

Recommendation 1 – “Strategic long term asset management and financial planning are included as essential components of an integrated planning and reporting framework across NSW local government”.

As discussed in section 1.3, the department’s *Integrated Planning and Reporting* options paper provides three corporate planning models for consideration and feedback. The final model (option 3) describes a reshaping of the current local government planning framework to strengthen a strategic focus, and streamline planning and reporting processes. The model promotes the integration of long-term asset management and financial planning as essential components of a strategic planning framework for NSW local government. It proposes that each council adopt a ten-year Community Strategic Plan setting out its long term priorities, which would be supported by a four-year Delivery Program and an annual Operational Plan.

In the context of this planning option, the integration of the proposed long-term strategic asset management and financial planning are represented below. As can be seen in **Figure 1** (below) it is proposed that the long-term financial plan and asset management strategy be included as components of the 10 year Community Strategic Plan. Similarly a 4 year budget and asset management delivery plan (capital works and maintenance programs) would be part of the 4 year Delivery Program, and the annual budget included in the Operational Plan.

Following consultation, the sector has given ‘in principle’ support to option 3 subject to further assessment of the detail



Figure 1

4.4 Legislative requirements

Recommendation 2 – “Legislative amendments requiring strategic long term asset management planning be introduced into the *Local Government Act 1993*”.

A review of practices across jurisdictions suggests that an immediate focus on asset management may be achieved through legislation.

In South Australia, the requirements introduced through section 122 of the *Local Government (Financial Management and Rating) Amendment Act 2005* (SA), are as follows:

- (1a) A council must, in conjunction with the plans required under subsection (1), develop and adopt-
 - (a) a long term financial plan for a period of at least ten years; and
 - (b) an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by the council for a period of at least

ten years, (and these plans will also be taken to form part of the council's strategic management plans).

Similar legislative amendments to the *Local Government Act 1993* (NSW) have been suggested by the Task Force. It is expected that legislation would:

- Facilitate early implementation of appropriate asset management strategies and plans by councils as part of the Community Strategic Plan and associated Delivery Program
- Create the momentum for lagging councils to undertake such practices
- Establish strategic long term asset management and financial planning functions as an integral part of councils' planning responsibilities
- Legitimise the allocation of resources to such activities within councils.

4.5 Asset management requirements

Recommendation 3 – “Councils adopt asset management planning systems and practices that are consistent with the *Local Government Financial Sustainability Frameworks*, and where applicable and practical, the *International Infrastructure Management Manual*”.

Recommendation 4 – “A basic (core) approach to asset management planning be the agreed minimum level for all NSW councils”.

Recommendation 5 – “An asset management improvement program be implemented to progressively raise asset management planning to a level appropriate for each council”.

The recommendation for NSW local government to adopt practices consistent with the National Frameworks would require councils to demonstrate how their asset portfolios will meet the service delivery needs of their communities into the future, as supported by:

- An asset management policy;
- An asset management strategy;
- Asset management delivery plans; and
- Overarching good governance principles and procedures

Each of these elements is discussed in more detail below.

4.5.1 Development of an Asset Management Policy

States and Territories should develop an asset management policy, which provides high-level guidance to assist councils to develop their own asset management policy. The council asset management policy should:

- Establish the objectives for asset management providing a platform for service delivery;
- Integrate asset management with council corporate and financial planning;
- Assign accountability and responsibility for service delivery together with asset management; and
- Broadly take account of whole of life costing, service levels and financing options.

4.5.2 Asset management strategies

A council's asset management strategy should support and implement its asset management policy. The development of an asset management strategy will enable councils to show how their asset portfolio supports the service delivery needs of their communities into the future, and will enable council's asset management policy to be achieved.

At a minimum, an asset management strategy should address the following:

- What is the current situation with regard to a council's assets and their management?
- Where do we want to be? A council's asset management strategy should fit with the goals and objectives of its strategic plan.
- How will we get there? This would include a comparison between the current situation and future objectives to highlight where strategies will need to be developed to cater for any changes.

4.5.3 Developing asset management delivery plans

The *International Infrastructure Management Manual* is a useful tool available to assist local government in developing its asset management systems and practices. As all councils, irrespective of size or location, have asset management responsibilities it is recommended that each council develop an asset management delivery plan for all assets. The delivery plan should be integrated with the council's 4 year delivery program supporting the Community Strategic Plan. As illustrated through the *International Infrastructure Management Manual*, plans would typically include the following content:

- The purpose of the plan, relationship with other planning documents & timeframe of plan
- A description of the asset group and the services delivered
- An outline of the type of information available on assets, information systems used and key standards & guidelines which influence asset management activities
- Levels of service (current and desired) and a system for performance measures
- Factors influencing future demand and impact of changing demand on assets
- Management of risk
- Summary of lifecycle management strategies (operations, maintenance and renewal/disposal of assets)
- Financial summary - long term cash flow projections for each significant asset group
- Links to long term strategic and financial plans, capital works and maintenance programs.

Given that currently there is significant variation in asset management practices between councils, initially, a basic approach to asset management is required to bring all NSW councils to an agreed minimum level. An initial basic (core) approach is consistent with the recommendations of the *International Infrastructure Management Manual*.

The two approaches to asset management covered in the manual (as briefly described below) demonstrate that asset management systems and practices can be shaped according to the capacity of the council.

A core approach

Using elements of the approach prescribed in the *International Infrastructure Management Manual*, core asset management plans should include:

- Best available information and random condition/performance sampling
- A simple risk assessment to identify critical assets
- Existing levels of service
- Long term cash flow predictions for asset maintenance, rehabilitation and replacement, based on local knowledge of assets and options for meeting current levels of service
- Financial and critical service performance measures against which trends and asset management plan implementation and improvement can be monitored.

An advanced approach

Councils that have sufficient capacity, or have established asset management practices, may progress to the advanced level of asset management. Under the advanced approach information is gathered on individual assets to support the optimisation of activities and programs to meet agreed service standards. Advanced planning criteria include:

- Systematic monitoring and analysis of physical condition of all assets
- The integration of asset risk management with corporate risk management processes
- Adoption by council of levels of service developed in consultation with the community, and linked to council's long term strategic and financial plan
- An improvement program that outlines key performance indicators for monitoring asset management improvements.

4.5.4 Overarching good governance principles and processes

When developing the asset management framework the following principles and processes need to be complied with:

- *Governance and Management Arrangements* – Good governance and management arrangements must be in place that link asset management to service delivery. Service delivery needs and defined service levels must be established in consultation with the community. Quality and cost standards for services need to be established, and services must be regularly reviewed in consultation with the community to determine the financial impact of any change in services;
- *Data and Systems* – Systems must be established that allow for collection of asset management data to enable the measurement of asset performance over time, identify infrastructure funding gaps, and enable benchmarking within the sector.

- *Skills and Processes* – A continuous improvement program must be incorporated. This would include developing a best practice framework; developing and providing ongoing training for councillors, council management and officers on asset management; and providing best practice guides on asset management topics.
- *Evaluation* – The framework should contain a mechanism that measures its effectiveness and achievements.

4.6 Long term financial planning and asset management

Recommendation 6 – “Legislative amendments requiring ten year financial planning be introduced into the *Local Government Act 1993*.”

The National Frameworks propose that a council’s strategic and asset management delivery plans are supported by a long-term financial plan, which demonstrates how the outcomes of the plans will be funded.

In South Australia, the Local Government Association is assisting councils with the requirement to prepare long term financial plans in accordance with section 122 of the *Local Government (Financial Management and Rating) Amendment Act 2005* (SA). The Local Government Association has released the *Long Term Financial Plans* information paper, that explains the role of long term financial planning in supporting financial sustainability. This paper has been drawn upon in the following discussion.

4.6.1 *The purpose of long term financial planning*

The purpose of a long-term financial plan is to state in financial terms the activities that a council proposes to undertake over the medium to longer term to achieve the stated objectives in its strategic plan. It is similar to, but usually less detailed than the annual budget. Like the budget it is a guide for future action, but additionally its preparation requires the council to think about the long-term impact of revenue and expenditure proposals. Without a long-term financial plan councils are at risk of taking on additional services and expenditure on new capital items, without careful consideration of the implications for their financial sustainability.

When setting the annual budget, a council is exposed to financial risk over the longer term if little regard is given to both revenue and expense implications beyond the budget period. Long-term financial planning is arguably more critical for councils than many other organisations, since all councils have very large stocks of assets relative to their revenue base. In addition councils face continuing expectations and pressures to expand service levels and keep rate rises to moderate levels.

4.6.2 *Linking strategic, financial plans and asset management plans*

As noted in section 4.3, it is critical that a council’s strategic asset management plan (incorporating an asset management policy, strategy and delivery plan) and long-term financial plan form part of and be integrated into the council’s Community Strategic Plan and associated Delivery Program. Initiatives proposed in both the long-term financial plan and strategic asset management plan must be appropriate for the pursuit of the council’s objectives and strategic plan outcomes as stated in its Community Strategic Plan.

A strategic asset management plan should identify new and renewal infrastructure needs to meet future community service expectations and the expected associated maintenance costs based on expert technical assessment. Costs identified in draft asset management delivery plans need to be fed into a draft long-term financial plan to ensure the projected expenditure can be accommodated without detriment to a council's financial sustainability. If cuts need to be made to the strategic asset management plan, then a withdrawing or deferral of new assets, or rationalisation of existing assets may assist with this process.

4.6.3 *Elements of a long-term financial plan*

An effective long-term financial plan should include at a minimum, the following elements:

- Projected Balance Sheet, Operating & Cash Flow Statements
- Projected key ratios (debt service ratio, unrestricted current ratio, rates and charges outstanding, current ratio)
- An explanation of underlying assumptions (cost increases, revenue sources, rate peg/strategic special variation increases, fees and charges, interest rates, debt, investment and dividend policies and proposed undertakings etc across all business activities of council)
- The integration of asset management planning outputs including:
 - How the maintenance, renewal, and replacement of existing assets will be undertaken
 - How the costs of maintenance, renewal and replacement of existing assets will be funded
 - Identification of what additional asset capacity is required
 - How the provision of additional asset capacity will be undertaken
 - The estimated costs and funding sources for additional asset capacity
 - Projected cash flows from asset managements plans
 - Detailed long term capital works (new and renewals) and maintenance programs
 - Proposed asset disposals
- Updated contribution plans under section 94 of the *Environmental Planning and Assessment Act 1979* and section 64 of the *Local Government Act 1993*.

4.6.4 *Rating considerations*

A council's rate revenue expectations are an important consideration in the content of the long-term financial plan. An outcome of developing a long-term financial plan may be that a council will determine that a review of its rating strategies and structure, including an application for a special variation may be required. A well developed long-term financial plan, integrated with an asset management plan, should provide valuable evidence in support of any such application.

Recommendation 7 – “An industry wide capacity building program including a range of training, tools, templates and guidelines be introduced.”

4.7 What reporting requirements are currently under consideration?

In response to the previously discussed infrastructure accounting and reporting issues, the following actions are currently underway.

Special Schedule 7 is currently being reviewed in consultation with the sector through the Local Government Accounting Advisory Group. Any changes to this reporting requirement will be incorporated into the *Local Government Code of Accounting Practice & Financial Reporting*. Consideration will also be given to introducing other asset performance and renewal performance indicators in the annual financial statements, commentary on council's progress against its plan to bring assets up to a satisfactory standard, and its strategy to address the funding gap.

4.8 Capacity building program

An important part of successfully implementing the recommendations in this paper relies upon a capacity building program. The Department of Local Government will continue to work with stakeholders to provide guidance that builds the capacity of local government to respond to its future planning and reporting obligations. Key stakeholder groups including the Institute of Public Works Engineering Australia, Local Government Managers Australia (NSW Division), Local Government and Shires Associations of NSW, Local Government Auditors Association, NSW Local Government Finance Professionals, Roads and Traffic Authority and the Department of Energy, Utilities and Sustainability are committed to working with the Department of Local Government to make this achievable.

4.9 Where to from here?

4.9.1 Consultation timetable

This position paper forms the next stage of consultation and review. Consultation will continue until **13 July 2007**, and will be conducted with the Integrated Planning and Reporting consultation process. The consultation process for the *Integrated Planning and Reporting* options paper can be accessed through the department's website <http://www.dlg.nsw.gov.au>.

4.9.2 Making a written submission

Councils, agencies, industry groups and other interested individuals are welcome to make written submissions on this position paper. A feedback form is provided below, or you may wish to prepare a more detailed response.

Written submissions should be directed to:

Asset Management Planning Position Paper
Department of Local Government
Locked Bag 3015
NOWRA NSW 2541

Or email to:

assetplanning@dlg.nsw.gov.au

The closing date for submissions is **13 July 2007**

APPENDIX 1 – Asset management practices in other jurisdictions

A1.1 Victoria

There are no current requirements within the *Local Government Act 1989* (Vic) for councils to complete long-term asset management planning across their entire range of assets. However road management plans are required under the *Road Management Act 2004* (Vic).

The Department for Victorian Communities (DVC) has worked jointly with the Municipal Association of Victoria (MAV), Vic Roads, the Victorian Audit Office on a range of asset management projects directed at developing the capacity and expertise of local government over a three to five year period.

In 2002 the MAV launched the *Step Asset Management Program* to provide councils with a whole of organisation perspective and a best practice framework aimed at integrating continuous improvement into councils' asset management practices. The program involved visits by asset management experts to each council. In its early stages, the *Step Program* focused on assisting councils with road asset management practices, including the introduction of road management plans to comply with new legislation introduced by the Victorian Government (*Road Management Act 2004* (Vic)). All 79 Victorian councils have been ongoing participants in the *Step Program*.

In 2005 the Renewal Gap project (a *Step Program* initiative) provided councils with comprehensive data on their capital funding liability for all asset classes. Victorian councils are now completing detailed asset management plans that will provide input into future council annual budget processes.

In 2006 an *Advanced Step Program* was introduced by the MAV. This program is designed to incorporate an assessment of council practices by external experts, who will report back to each council in confidence. This will enable councils to continually assess and improve their asset management capacity and capabilities. Representatives from local, state and federal government will be appointed to the board.

The Victorian Office of Local Government has assisted in building the capacity of local government to undertake asset management through development of the following guidelines:

- Reporting and measuring the condition of road assets
- Developing an asset management policy, strategy and plan
- Fair value asset valuation methodologies
- Local government asset investment guidelines
- Good governance guide.

A1.2 South Australia

An independent inquiry into the financial sustainability of local government in South Australia was commissioned by the Local Government Association of SA (LGA) in February 2005. In August 2005, the Inquiry Board released its final report entitled "*Rising To The Challenge: Towards Financially Sustainable Local Government in South Australia*". In general terms the inquiry found that councils in South Australia have in recent years, put community needs and demands for services ahead of maintaining their financial sustainability. The inquiry identified that the sector has low levels of debt, but is carrying almost \$10billion of community infrastructure that is deteriorating due to a shortfall in maintenance and renewal works. The

inquiry's final report includes sixty-two recommendations, which the LGA Executive Committee resolved to support in full or in principle.

Following the inquiry, the LGA established the Financial Sustainability Advisory Committee (FSAC) and the *Financial Sustainability Program*, to assist with the implementation of the inquiry recommendations. The FSAC includes state and local government representatives, and provides advice to the LGA on the implementation of the *Financial Sustainability Program*. The *Financial Sustainability Program* involves the provision of a range of materials including information papers, standards, codes, manuals and guidelines incorporating more technical detail, which will assist councils to respond to the challenges presented in the inquiry findings.

An Asset Management Working Group (reporting to the FSAC) was formed to drive the *Financial Sustainability Program "Sustainable Asset Management"* project. The project work focuses on building councils capability to achieve sustainable service delivery, and to meet the requirements of the *Local Government (Financial Management and Rating) Amendment Act 2005 (SA)*.

The Local Government (Financial Management and Rating) Bill was passed by the South Australian Parliament in November 2005. The *Local Government (Financial Management and Rating) Amendment Act 2005 (SA)* requires all councils to incorporate long term financial plans and asset management plans in their strategic plans, establish audit committees, and to consult with their communities on annual programs and budgets.

The *Sustainable Asset Management* project has involved:

- A pilot test with a small number of councils to identify improvements needed
- The development of a training and support program (delivery to commence in 2007)
- An early starters program to give guidance and support to those councils that have already commenced, or wish to commence, the preparation of their infrastructure and asset management plans (currently underway).

Through the *Sustainable Asset Management* project, the LGA has been working with the Institute of Public Works Engineering Australia on the development of models, templates and guidelines. These will assist councils with the preparation of their asset management policy and plans, in accordance with the International Infrastructure Management Manual.

The tools developed to date are as follows:

- Sustainable service delivery capability gap analysis model
- Asset management policy
- Infrastructure and asset management plan templates and guidelines
- New assets from growth model
- Asset renewal model
- Financial cash flow model
- Assessment of asset condition and economic life template
- Infrastructure risk management plan template and guidelines
- Infrastructure risk register template.

A1.3 Queensland

There is no current requirement within the *Local Government Act 1993* (Qld) for councils to complete long-term asset management planning across their entire range of assets.

In June 2005 the local government sector³ signed a memorandum of agreement, which gave rise to a coordinated program known as *From the Backroom to the Boardroom*. A key feature of this initiative is an asset management mentoring and improvement program titled *LG Asset*. The key aim of *LG Asset* is to raise awareness of the need for a whole of organisation approach to asset management, provide the tools and a best practice framework to enable continuous improvement of councils' asset management practices and processes.

LG Asset is a two-year program which involves one or more pre-qualified and trained consultants visiting council on four separate occasions, as well as conducting two regional workshops for all councils undertaking the program. At these council and regional visits the consultant works through the five step *LG Asset Framework*, providing tools and expertise, with the aim of improving councils asset management practices over time.

A1.4 Tasmania

In Tasmania, State and local government have worked together to develop a high level strategic infrastructure policy framework to guide the management of existing infrastructure, and the priority and delivery of new infrastructure to achieve the best economic development outcomes for the state. In 2004/05 the Local Government Association of Tasmania launched the *Tasmanian Asset Management Improvement Program* (TAMI). Based largely on the Victorian *Step Program*, TAMI seeks to provide councils with a better understanding of their asset base, its characteristics and ongoing maintenance requirements. Whole of life considerations, priorities of spending and service level agreements with the community form part of the tool set available under TAMI. To date nine councils have participated in the program.

A1.5 Western Australia

There is no specific legislative requirement in Western Australia for councils to develop asset management or long term financial plans. However, in May 2006 the Department of Local Government & Regional Development promoted a new program to improve asset management practices across the sector.

The *Western Australian Asset Management Improvement Program* is based on the programs implemented in Victoria, Tasmania and Queensland. The program aims to improve asset management knowledge and skills of both council staff and elected members. A steering group with representatives from the Department of Local Government and Regional Development, the Local Government Association of Western Australia, Local Government Managers Australia (WA) and the Institute of Public Works Engineering Australia (WA Division) has been convened to drive the implementation of the program. The four organisations have signed a memorandum of understanding that establishes the role and responsibilities of the parties in implementing the program for local government in Western

³ Local Government Association of Queensland, Department of Local Government, Planning and Sport and Recreation and Local Government professional bodies.

Australia. To assist with the implementation of the program in rural local governments, the Department of Local Government and Regional Development sponsored an initial visit and workshop.

Recent amendments to the *Local Government Act 1995* (WA) replaced a previous requirement to prepare a plan of principal activities with a provision that councils develop a plan for the future. The provisions are broad with respect to the content of the plan (*Local Government Act 1995* (WA), section 5.56). Regulations require that the future plan cover a minimum period of two years and be reviewed every two years, and that the electors and ratepayers be consulted during the development and review of the plan. The council is to have regard to the contents of the future plan where preparing and adopting its annual budget.

A1.6 New Zealand

The driver for legislation in New Zealand was a Government commitment to establish management practices across the local government sector. The mandatory requirement for asset management has had a range of positive impacts, including definition of and consultation on service levels; a better understanding of demand and asset constraints; the building of asset registers and a better understanding of asset life cycles; and a structured approach to funding asset maintenance, renewal, enhancement and acquisition. The *Local Government Amendment Act 1996* (NZ) also requires the preparation of a long-term (ten year) financial strategy that is reviewed every three years.

The asset management provisions prescribed under schedule 10 of the New Zealand *Local Government Act 2002* (NZ) requires local government to develop a long term community plan which incorporates asset management planning outputs. This involves the identification of:

- Assets required to support the activities undertaken by the council
- How the local authority will assess and manage the asset management implications of changes to:
 - demand for, or consumption of relevant services
 - service provision levels and standards
- What additional asset capacity is required
- How the provision of additional asset capacity will be undertaken
- The estimated costs of additional asset capacity
- How the costs of the provision of additional asset capacity will be met
- How the maintenance, renewal, and replacement of assets will be undertaken
- How the costs of the maintenance, renewal, and replacement of assets will be met.

FEEDBACK FORM



Asset Management Planning for NSW Local Government Position Paper

Organisation _____

Contact Person _____

Contact No. _____

Comments:

TOWN CENTRES DEVELOPMENT CONTROL PLAN - REFERENCES TO LAND NOT COVERED BY THE DRAFT DEVELOPMENT CONTROL PLAN

EXECUTIVE SUMMARY

PURPOSE OF REPORT:

For Council to consider amendments to Draft Ku-ring-gai Town Centres Development Control Plan document in response to the Department of Planning's letter dated 8 February 2007 and following further communication from the Department.

BACKGROUND:

Council lodged the final 6 Town Centre plans with the Department of Planning in December 2006. On 8 February 2007, the Department of Planning wrote to Council regarding a potential issue with the Draft Town Centres DCP where there are a number of sites in the DCP that are not included in the Town Centres LEP.

COMMENTS:

This matter has been further reviewed and this report sets out how the documents should be amended.

RECOMMENDATION:

That the Ku-ring-gai Town Centres Development Control Plan be amended as set out in this report.

PURPOSE OF REPORT

For Council to consider amendments to Draft Ku-ring-gai Town Centres Development Control Plan document in response to the Department of Planning's letter dated 8 February 2007 and following further communication from the Department.

BACKGROUND

Council lodged the final 6 Town Centre plans with the Department of Planning in December 2006. On 8 February 2007, the Department of Planning wrote to Council regarding a potential issue with the Draft Town Centres DCP where there are a number of sites in the DCP that are not included in the Town Centres LEP. The Department advised Council that to avoid public concern Council should remove any land from the DCP which is not included in the LEP.

COMMENTS

The town centres DCP was specifically prepared in accordance with Section 74C (1)(a) of the Environmental Planning and Assessment Act (EP&AA) to apply to land covered by the Town Centre LEP. Section 1.3 of the DCP clearly states that the town centres DCP does not apply to any land not included in the town centre DCP and therefore complies with the requirements of the Act. This is acknowledged by the Department of Planning in their letter of 8 February 2007.

The town centres DCP has included some strategies and concept future development scenarios on land not covered by the town centre LEP and DCP. The purpose of this was to establish good planning practise by providing "context" for future development and assists in the interpretation of the DCP for parties involved in using the DCP eg development assessment staff applying the DCP or in the general public making a submission on matters relating to the DCP.

This is a standard approach to planning and urban design documentation at both the local and state planning level and is generally regarded as a best practice approach. The Department of Planning in preparing the controls for the 6 Minister's Targeted sites adopted a publication "Development Controls and Design Guidelines for 6 SEPP No 53 sites in Ku-ring-gai" which included a series of local analysis diagrams which provide a context and setting for future planning.

The feedback from the Department notes there is a potential to create some confusion and such diagrams should be removed from the DCP. The specific sites raised in the Department's letter were the majority of the block bounded by Mona Vale Road, Memorial Avenue and Link Road, St Ives. In addition they have also relayed concern about the proposal for potential open space at 3, 5, 7, 7a Bushlands Avenue and 22 St Johns Avenue, Gordon.

This matter was also raised at a recent meeting with the Minister and Department of Planning representatives.

Item 6

S04151
18 June 2007

Development controls and standards for all land outside the town centre LEP remain under the KPSO and DCPs created (in accordance with Section 74C (1)(a) of the Act) for the Ku-ring-gai Planning Scheme Ordinance. In the case of the sites in the St Ives triangle, DCP 55 will remain the principal DCP (for sites other than 206-214 Mona Vale Road and 3-9 Memorial Ave, St Ives, that now have controls under the town centres DCP) and in the case of Bushlands Avenue, Development Control Plan 38 is the Principal DCP. Accordingly it is recommended that the documentation be amended to make this clear.

There is a demand for a local park in the Bushlands Avenue precinct and the concept of a park should be supported and it should be further considered as potential open space within Council's adopted open space acquisition strategy.

Whilst the inclusion of future possibilities for land within Bushlands Avenue is entirely appropriate within the strategy section of the Draft DCP to provide context and transparency of comprehensive integrated planning by Council its removal will not alter any existing controls on lands in the DCP. In this context, should it aid the progress of Council's LEP and DCP towards gazettal Council can consider its removal.

Should Council determine to resolve in this manner its course of action will involve the removal of all controls applying to land outside the Ku-ring-gai Town Centres Draft Local Environmental Plan within Part 4 of the Ku-ring-gai Town Centres Development Control Plan and remove all references to potential open space from the strategy diagrams in Part 2 and Part 3 of the Ku-ring-gai Town Centres Development Control Plan for sites outside of the Ku-ring-gai Town Centres Draft Local Environmental Plan area.

As the proposed amendments will only affect sites not covered by the town centres Draft LEP or DCP there is no requirement to formally exhibit these amendments as they are technically not part of the LEP and DCP and will not affect the application of the DCP. However, Council should provide advice on the website to advise of the changes to the documentation.

CONSULTATION

A letter dated 15 June 2007 was sent to affected land owners in the Bushlands Avenue /St Johns Avenue, Gordon precinct advising of this report being prepared and that it will be presented to Council on 19 June 2007.

FINANCIAL CONSIDERATIONS

The amendments are relatively minor and the cost of amending the Town Centres documentation is covered by the Strategy – Urban Planning budget.

CONSULTATION WITH OTHER COUNCIL DEPARTMENTS

The matter has been discussed with Officers from the Development and Regulation Department.

SUMMARY

Council lodged the final 6 Town Centre plans with the Department of Planning in December 2006. To date the Town Centre plans are still draft and have not been formally gazetted. On 8 February 2007, the Department of Planning wrote to Council regarding a potential issue with the Draft Town Centres DCP where there are a number of sites in the DCP that are not included in the Town Centres LEP. Whilst the removal of building envelopes that are specifically included in DCP 55 is recommended Council can also in the Town Centres Draft DCP consider the removal of strategies for potential future open space acquisitions from the Town Centres DCP in response to requests from the Department of Planning.

RECOMMENDATION

- A. That Council remove all controls applying to land outside the Ku-ring-gai Town Centres Draft Local Environmental Plan for Part 4 of the Ku-ring-gai Town Centres Development Control Plan.
- B. That Council remove all references to potential open space from the strategy diagrams in Part 2 and Part 3 in the Ku-ring-gai Town Centres Development Control Plan for sites outside of the Ku-ring-gai Town Centres Draft Local Environmental Plan area.
- C. That the Development Control Plan documents on Council's website be updated.
- D. That affected residents be notified of Council's decision and a general update be provided on Council's website.

Antony Fabbro
Manager
Urban Planning

Steven Head
Director Strategy

Attachments: Letter from Department of Planning dated 8 February 2007 - 742648



NSW GOVERNMENT

Department of Planning

Mr Steven Head
Director, Open Space and Planning
Ku-ring-gai Council
Locked Bag 1056
PYMBLE NSW 2073

Our ref: D06/6677

File: 9043170

Dear Mr Head

- 8 FEB 2007

Subject: Town Centres LEP and DCP

I refer to Council's draft Local Environmental Plan (dLEP) and Development Control Plan (dDCP) for the six town centres. The Department recognises that a number of inconsistencies have arisen through the various updated versions of these documents.

While it is acknowledged that clause 1.3 of the DCP states it applies to all land to which the LEP applies, there are a number of sites in the DCP that are not included in the LEP. Examples in St Ives include the majority of the block enclosed by Mona Vale Road, Memorial Avenue and Link Road although 206-214 Mona Vale Rd and 3-9 Memorial Ave are now the only sites in the LEP from this block.

As the sites are not included in the dLEP, the provision of a DCP does not appear to have any effect to the extent that it is inconsistent with a provision of the LEP in accordance with s74C(5)(b) of the *Environmental Planning and Assessment Act*. However, in order to avoid public concern, Council should ensure it removes any land from the DCP which is not included in the Town Centres LEP.

I trust Council will undertake these revisions prior to the completion of the DCP.

Yours sincerely

Peter Goth
Regional Director, Sydney North West Region

