

Mayor: Cr K Milne

Councillors: P Allsop
R Byrnes (Deputy Mayor)
C Cherry
R Cooper
J Owen
W Polglase

Supplementary Agenda

**Ordinary Council Meeting
Wednesday 13 December 2017**

held at
**Council Chambers, Murwillumbah Civic & Cultural Centre,
Tumbulgum Road, Murwillumbah**
commencing at 5.30pm

Principles for Local Government

The object of the principles for Tweed Shire Council, as set out in Section 8 of the Local Government Amendment (Governance and Planning) Bill 2016, is to provide guidance to enable council to carry out its functions in a way that facilitates a local community that is strong, healthy and prosperous.

Guiding Principles for Tweed Shire Council

(1) Exercise of functions generally

The following general principles apply to the exercise of functions by Tweed Shire Council:

- (a) Provide strong and effective representation, leadership, planning and decision-making.
- (b) Carry out functions in a way that provides the best possible value for residents and ratepayers.
- (c) Plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- (d) Apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- (e) Work co-operatively with other councils and the State government to achieve desired outcomes for the local community.
- (f) Manage lands and other assets so that current and future local community needs can be met in an affordable way.
- (g) Work with others to secure appropriate services for local community needs.
- (h) Act fairly, ethically and without bias in the interests of the local community.
- (i) Be responsible employers and provide a consultative and supportive working environment for staff.

(2) Decision-making

The following principles apply to decision-making by Tweed Shire Council (subject to any other applicable law):

- (a) Recognise diverse local community needs and interests.
- (b) Consider social justice principles.
- (c) Consider the long term and cumulative effects of actions on future generations.
- (d) Consider the principles of ecologically sustainable development.
- (e) Decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

(3) Community participation

Council should actively engage with the local community, through the use of the integrated planning and reporting framework and other measures.

Items for Consideration of Council:

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REPORTS THROUGH THE GENERAL MANAGER

ADDENDUM ITEMS:

CONFIRMATION OF MINUTES

- 41 **ADDENDUM [CONMIN-CM] Confirmation of Minutes of Ordinary and Confidential Council Meeting held Thursday 7 December 2017**

SUBMITTED BY: Corporate Governance

mhm



Making decisions with you
We're in this together

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- | | |
|-------|---|
| 2 | Making decisions with you |
| 2.2 | Engagement |
| 2.2.4 | Councillor and Civic Business - To provide assistance to Councillors and support for Council to operate within its legal framework. |

ROLE: **Leader**

The Minutes of the Ordinary and Confidential Council Meeting held Thursday 7 December 2017 are attached for information and adoption by Council.

RECOMMENDATION:

That:

- 1. The Minutes of the Ordinary and Confidential Council Meetings held Thursday 7 December 2017 be adopted as a true and accurate record of proceedings of that meeting.**
- 2. ATTACHMENT 2 is CONFIDENTIAL in accordance with Section 10A(2) of the Local Government Act 1993, because it contains:-**
 - (f) matters affecting the security of the council, councillors, council staff or council property.**

REPORT:

As per Summary.

COUNCIL IMPLICATIONS:

a. Policy:

Code of Meeting Practice.

b. Budget/Long Term Financial Plan:

Not applicable.

c. Legal:

Not Applicable.

d. Communication/Engagement:

Inform - We will keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

*To view any "**non confidential**" attachments listed below, access the meetings link on Council's website www.tweed.nsw.gov.au or visit Council's offices at Tweed Heads or Murwillumbah (from Friday the week before the meeting) or Council's libraries (from Monday the week of the meeting).*

Attachment 1

Minutes of the Ordinary Council Meeting held Thursday 7 December 2017 (ECM 4956300).

(Confidential) Attachment 2

Minutes of the Confidential Council Meeting held Thursday 7 December 2017 (ECM 4956182).

REPORTS FROM THE DIRECTOR ENGINEERING

42 ADDENDUM [E-CM] RFO2017082 Package 3 - Road Flood Damage Restoration

SUBMITTED BY: Infrastructure Delivery

Valid



People, places and moving around
Who we are and how we live

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- 3 People, places and moving around
- 3.3 Moving around
- 3.3.4 Roads, Traffic, Footpaths and Cycleways - To provide and maintain a network of roads and bridges, footpaths and cycleways that is safe, efficient and accessible.

ROLE: **Provider**

SUMMARY OF REPORT:

Request for Offer RFO2017082 Package 3 Road Flood Damage Restoration was called from a pre-selected panel of six suitably qualified and experienced contractors to provide road, bridge and culvert repairs of 85 assets damaged during the March 2017 flood event on the Tweed River following Cyclone Debbie.

At the time of closing 5 Offers were received.

The evaluation of the offers against the Selection Criteria is contained in the Offer Evaluation Report included in **CONFIDENTIAL ATTACHMENTS 1 and 2**. The recommendations are based on the evaluation.

RECOMMENDATION:

That in respect to Contract RFO2017082 Package 3 Road Flood Damage Restoration:

- 1. Council awards the offer to Hazell Bros Group Pty Ltd, ABN 46 145 228 986, for the amount of \$1,225,000 (exclusive of GST).**
- 2. The General Manager be granted delegated authority to approve appropriately deemed variations to the contract and those variations be reported to Council six monthly and at finalisation of the contract.**

3. **ATTACHMENTS 1 and 2 are CONFIDENTIAL in accordance with Section 10A(2) of the Local Government Act 1993, because it contains:-**
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret.

REPORT:

Offer Background

An Expressions of Interest (EOI) for Road Flood Damage Restoration Contractors was called in June 2017 and six suitably qualified and experienced contractors were chosen to form a panel of providers to undertake road, bridge and culvert repairs of assets damaged during the March 2017 flood event on the Tweed River following Cyclone Debbie. The repairs relate to a total of approximately 1,500 damage items.

In November, this Request for Offer RFO2017082 Package 3 Road Flood Damage Restoration was called to select a Contractor from the panel to provide road, bridge and culvert repairs for some 85 assets.

Repairs to be performed in this package include:

- Abutment damage of bridge including scoured rock armouring, loss of timber sheeting, scouring around piles
- Causeway buried under soil or debris
- Causeway support scoured or undermined
- Causeway surface damage including concrete surface cracked / broken sections
- Culvert blocked by silts, vegetation or other washed debris
- Culvert pipe or headwall damaged
- Culvert washout or displacement within road
- Debris washed against bridge in watercourse or on deck/barriers/kerbs
- Embankment or formation damage including bottom side slips
- Bridge embankment damage including scoured wingwall batters
- Traffic guardrail damaged requiring replacement or repairs
- Guide posts or delineator markers damaged or lost
- Kerb and gutter damaged including washed away, displaced, or broken
- Scour damage to infill area between kerb and gutter and road cutting or verge
- Land slip / rock fall in roadside corridor (but not onto road or drainage - refer to Land Slip on Roadway for this)
- Land slip / rock fall onto road or in table drain area, including top side slips & fallen rocks
- Pavement failure of sealed road as a result of saturation by inundation
- Damage to formation and pavement of sealed road including scouring and washouts of sections (excludes slips or surface damages or pavement failures)
- Silt, shingle and other deposits on roadway (excludes top side slip removals)
- Damage to wearing surface seal including delaminations, cracking, erosion
- Shoulder failures including scouring, washouts, subsidence outside travel lanes
- Table drain scour or other damage requiring restoration
- Table drain silted up or blocked by debris
- Trees on roadway
- Damage to formation of unsealed road including washouts of sections (excludes slips or surface damages)

It should be noted that further RFO packages will follow in order for Contractors to repair all of the damage items. These will be brought to Council in future reports.

Request for Offer Advertising

Offers were officially invited in accordance with the provisions of the Local Government Act 1993 and the NSW Local Government (General) Regulation 2005. The Request for Offers was sent to six pre-qualified contractors via Council's e-tendering website on 6 November 2017.

Offer submissions closed at 4.00pm (local time) on 29 November 2017 in the Tender Box located in the foyer at the Tweed Shire Council Civic and Cultural Centre, Murwillumbah NSW 2484.

Offer Addendums

There were 4 Notice to Bidders issued before close of Offer.

Addendum No.1 was issued to Bidders to correct conflicting closing dates within the offer document.

Addendum No. 2 was issued to Bidders to provide clarification of scope and technical details for one damage item.

Addendum No. 3 was issued to Bidders to provide an assumed grout quantity for one damage item.

Addendum No. 4 was issued to Bidders to provide clarification of scope and technical details for two damage items.

Offer Submissions

At the closing time for Offer Submissions, the Tender Box was opened and 5 Offers were recorded as below:

Bidder	ABN
Coastal Works	79 126 214 487
G & R Brown & Sons Pty Ltd	33 154 911 609
Hazell Bros Group Pty Ltd	46 145 228 986
SEE Civil Pty Ltd	88 115 963 427
Skeen Constructions	42 122 970 978

Offer Evaluation

An Offer Evaluation Plan was developed based on the premise that competitive Offers were to be received and then offers were scored against the specific evaluation criteria in order to select the best value Offer.

Council's Offer Evaluation Panel was made up as follows:

Position
Senior Engineer – Construction (Coordinator Flood Restoration)
Flood Restoration Engineer
Engineer - Assets & Maintenance

Offers were evaluated based on the criteria noted in the table below which were also listed in the Conditions of Offering.

Criterion	Document Reference	Weighting (%)
Value for Money (Normalised Offer Price)	Schedule 3	70%
Relevant Experience and Capability, Management Systems (WH&S, Quality and Environmental)	EOI-RFO2017082 as previously submitted	10%
Time Schedule (Methodology and Proposed Work Program)	Schedules 5, 6 & 14	10%
Local Content	Schedule 11	10%
	Total	100%

The details of the price and non-price evaluation are shown on the Offer Evaluation Report and Offer Evaluation Scoring Sheet. A copy of the Offer Evaluation Report and Offer Evaluation Scoring Sheet are included as ATTACHMENTS 1 and 2 which are CONFIDENTIAL in accordance with Section 10A(2):

- (d) commercial information of a confidential nature that would, if disclosed:
- (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret

The information identifies the Bidder in relation to the Offer price and the evaluation of the products offered by the Bidder. If disclosed, the information would be likely to prejudice the commercial position of the Bidder in terms of market competitiveness by giving their competitors an advantage. Accordingly, disclosure of the information is not in the public interest. Recommendations appear below for the Offer.

OPTIONS:

That Council:

1. Awards the offer to Hazell Bros Group Pty Ltd, ABN 46 145 228 986, for the amount of \$1,225,000 (exclusive of GST).
2. Awards the Contract to a different Bidder, including reasons for this course of action.
3. Declines to accept any of the Offers, including reasons for this course of action.

CONCLUSION:

It is concluded, in regards to RFO2017082 Package 3 Road Flood Damage Restoration, that the offer from Hazell Bros Group Pty Ltd provides the best value in repairing the designated road, bridge and culvert assets damaged during the March 2017 flood event on the Tweed River following Cyclone Debbie.

COUNCIL IMPLICATIONS:

a. Policy:

The Offer invitation and evaluation have been conducted in accordance with the provisions of:

- The Local Government Act 1993 and the NSW Local Government (General) Regulation 2005
- Council's Procurement Policy

b. Budget/Long Term Financial Plan:

The majority of flood damage items designated in RFO2017082 Package 3 Road Flood Damage Restoration are eligible for funding claims through NDRRA. The exact amount of NDRRA funding is unknown as it is subject to assessment by Roads and Maritime Services and Public Works Advisory. The continuation of flood restoration works is necessary and using contractors procured through this RFO process maximises the available NDRRA funding opportunity and minimises the impact on the financial position of Council. Any funding shortfall between the contract value and the available NDRRA funding will be met by the Infrastructure Asset Management Reserve or by delaying some items on the capital works program.

c. Legal:

Not Applicable.

d. Communication/Engagement:

Inform - We will keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

(Confidential) Attachment 1. RFO2017082 - Offer Evaluation Report (ECM4950513).

(Confidential) Attachment 2. RFO2017082 - Offer Evaluation Scoring Sheet (ECM4950526).

REPORTS FROM THE DIRECTOR CORPORATE SERVICES

43 ADDENDUM [CS-CM] Monthly Investment and Section 94 Development Contribution Report for Period ending 30 November 2017

SUBMITTED BY: Financial Services

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Making decisions with you
We're in this together

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

2	Making decisions with you
2.2	Engagement
2.2.5	Financial Services - To collect and manage Council funds and provide information and advice to support sound financial decision-making.

ROLE: **Leader**

SUMMARY OF REPORT:

The "Responsible Accounting Officer" must report monthly to Council, setting out details of all the funds Council has invested. The Manager Financial Services, being the Responsible Accounting Officer, certifies that investments have been made in accordance with Section 625 of the Local Government Act (1993), Clause 212 of the Local Government (General) Regulations and Council policies. Council had **\$299,518,296** invested as at **30 November 2017** and the accrued net return on these funds was **\$682,680** or **2.73%** annualised for the month.

RECOMMENDATION:

That in accordance with Section 625 of the Local Government Act 1993 the monthly investment report as at period ending 30 November 2017 totalling \$299,518,296 be received and noted.

REPORT:

1. Restricted Funds as at 1 September 2017

Description	(\$'000)			
	General Fund	Water Fund	Sewer Fund	Total
Externally Restricted (Other)	4,871	52,870	80,785	138,526
Crown Caravan Parks	17,330			17,330
Developer Contributions	36,111			36,111
Domestic Waste Management	15,354			15,354
Grants	3,255			3,255
Internally Restricted (Other)	64,574			64,574
Employee Leave Entitlements	12,903			12,903
Grants	3,760			3,760
Unexpended Loans	3,779			3,779
Total	161,937	52,870	80,785	295,592

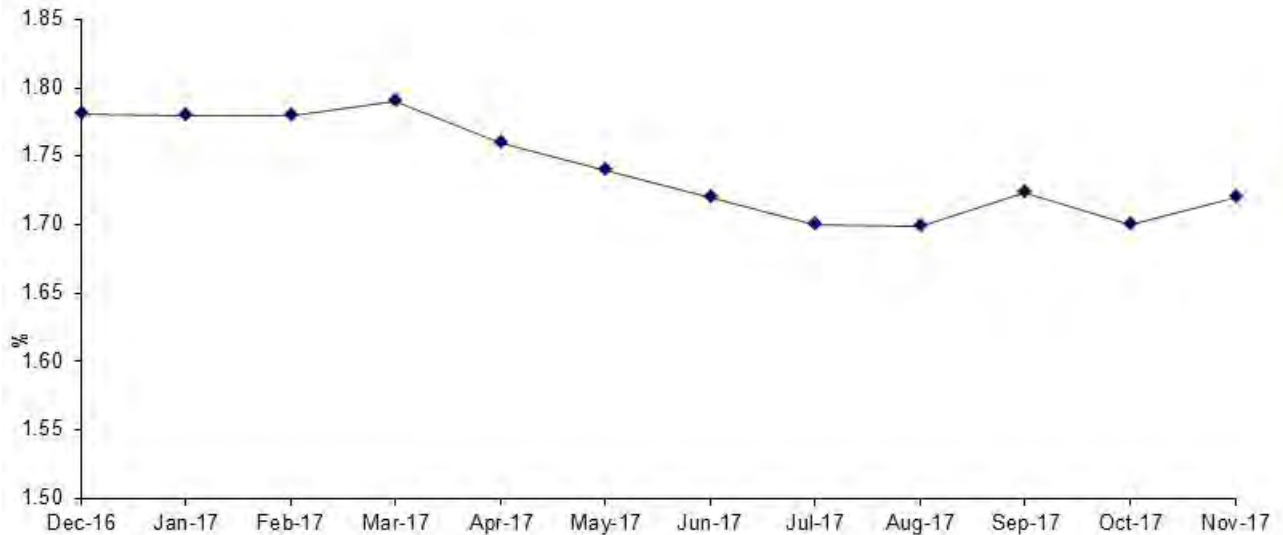
Note: Restricted Funds Summary updated September 2017, corresponding with the Annual Financial Statements as at 30 June 2017

Note: Detailed information regarding all Tweed Shire Council investments is contained in the attachment to this report.

2. Investment Portfolio by Category



3. Investment Rates - 90 Day Bank Bill Rate



4. Bond and Floating Rate Note Securities

	Counterparty	Face Value	Market Value	% Return on Face Value	Investment Type	Maturity Date
*	CUA (12/17) ANZ	1,000,000.00	1,005,960.00	2.92	FRN	22-Dec-17
*	CBA/Merrill Lynch Zero Coupon Bond (01/18)	4,000,000.00	3,979,200.00	7.17	Fixed Rate Bond	22-Jan-18
*	NPBS (Morgans) (02/18)	1,000,000.00	1,001,180.00	2.83	FRN	27-Feb-18
*	ME Bank (04/18)	1,000,000.00	1,005,300.00	3.00	FRN	17-Apr-18
*	Heritage (Morgans) (05/18)	3,000,000.00	3,009,780.00	2.85	FRN	07-May-18
	AMP (Morgans) (6/18)	1,000,000.00	1,008,660.00	2.60	FRN	06-Jun-18
*	BOQ (06/18)	1,000,000.00	1,027,990.00	4.00	Fixed Rate Bond	12-Jun-18
*	BOQ (06/18)	1,000,000.00	1,009,090.00	2.74	FRN	12-Jun-18
*	Macquarie (ANZ) (10/18)	1,000,000.00	1,008,840.00	2.74	FRN	26-Oct-18
*	Bendigo (RBS) (11/18)	1,000,000.00	1,008,850.00	2.98	FRN	14-Nov-18
*	CUA (04/19)	1,900,000.00	1,974,862.50	3.31	FRN	01-Apr-19
*	CUA (04/19)	2,000,000.00	1,974,862.50	3.31	FRN	01-Apr-19
	CBA (04/19)	1,000,000.00	1,010,060.00	2.58	FRN	24-Apr-19
	CBA Bond (04/19)	1,000,000.00	1,033,070.00	4.25	Fixed Rate Bond	24-Apr-19
*	ME Bank (ANZ) (07/19)	1,000,000.00	1,010,410.00	3.15	FRN	18-Jul-19

	Counterparty	Face Value	Market Value	% Return on Face Value	Investment Type	Maturity Date
*	Suncorp (CBA) (08/19)	1,000,000.00	1,007,110.00	2.66	FRN	20-Aug-19
	CBA (10/19)	2,000,000.00	2,021,860.00	2.55	FRN	18-Oct-19
*	TMB (NAB) (10/19)	1,250,000.00	1,255,562.50	3.09	FRN	28-Oct-19
*	Rabo (Morgans) (02/20)	2,000,000.00	2,025,220.00	2.76	FRN	11-Feb-20
*	Bendigo Bank FRN (CBA) (02/20)	1,000,000.00	1,007,130.00	2.82	FRN	21-Feb-20
	Macquarie (RIMSEC) (03/20)	2,000,000.00	2,035,040.00	2.85	FRN	03-Mar-20
*	NPBS (Westpac) (04/20)	2,000,000.00	2,015,500.00	3.05	FRN	07-Apr-20
*	ANZ (04/20)	1,600,000.00	1,617,440.00	2.52	FRN	17-Apr-20
*	ANZ Green Bond (06/20)	2,000,000.00	2,072,820.00	3.25	Fixed Rate Bond	03-Jun-20
*	Bendigo (Westpac) (08/20)	1,000,000.00	1,007,550.00	2.82	FRN	18-Aug-20
*	Suncorp (NAB) (10/20)	3,000,000.00	3,057,480.00	2.95	FRN	20-Oct-20
*	BOQ (10/20)	2,500,000.00	2,526,325.00	2.86	FRN	20-Oct-20
*	Westpac (WBC) (10/20)	1,000,000.00	1,016,910.00	2.77	FRN	28-Oct-20
*	ME Bank	2,000,000.00	2,005,040.00	2.96	FRN	09-Nov-20
*	ME Bank	2,000,000.00	2,005,040.00	2.96	FRN	09-Nov-20
	CBA (01/21)	1,000,000.00	1,019,270.00	2.85	FRN	18-Jan-21
*	Rabo (ANZ) (03/21)	2,000,000.00	2,068,360.00	3.25	FRN	04-Mar-21
*	Suncorp (04/21)	2,000,000.00	2,049,340.00	3.09	FRN	12-Apr-21
*	Bendigo Bank (04/21)	3,000,000.00	3,062,820.00	3.16	FRN	20-Apr-21
*	BOQ (11/21)	1,250,000.00	1,252,225.00	2.74	FRN	16-Nov-21
*	NPBS (WBC) (01/22)	2,000,000.00	2,022,140.00	3.35	FRN	24-Jan-22
		59,500,000.00	60,218,297.50	3.10		
LEGEND			ABS = Asset Backed Security			
Investment Type			Bond = Fixed Rate Bond			
			FRN = Floating Rate Note			
Counterparty			Bendigo = Bendigo & Adelaide Bank		NPBS - Newcastle Permanent Building Society	
AMP = AMP Bank			Heritage = Heritage Bank		ME = Members Equity Bank	
ANZ = ANZ Bank			ING = ING Bank		RaboDirect = Rabo Bank	
BOQ = Bank of Queensland			Investec = Investec Bank		Rural = Rural Bank (previously Elders Bank)	
CBA = Commonwealth Bank			Macquarie = Macquarie Bank		Suncorp = Suncorp Metway Bank	
CUA = Credit Union Australia			NAB = National Australia Bank		WBC = WBC Banking Corporation	

5. Term Deposits

	Counterparty	Lodged or Rolled	Interest Due	Maturity Date	Principal	% Yield
*	Defence Bank (Curve) (Nov 2018)	23-Nov-16	23-Nov-17	27-Nov-18	2,000,000.00	3.00
	Westpac Bank (May 2021)	23-Aug-17	23-Nov-17	24-May-21	3,000,000.00	2.75
*	Rabo (Curve) (Jul 2018)	26-Nov-16	26-Nov-17	03-Jul-18	3,000,000.00	3.10
	CBA (Aug 2021)	31-Aug-17	30-Nov-17	31-Aug-21	6,000,000.00	2.77
	ING (RIMSEC) (Dec 2018)	05-Jun-17	05-Dec-17	05-Dec-18	3,000,000.00	2.65
*	Bendigo Bank (Curve) (Dec 2017)	07-Dec-16	12-Dec-17	12-Dec-17	2,000,000.00	2.85
*	Bendigo Bank (Dec 2017)	15-Dec-15	18-Dec-17	18-Dec-17	2,000,000.00	3.15
*	IMB (Mar 2020)	18-Sep-17	18-Dec-17	17-Mar-20	2,000,000.00	2.77
*	Police SA (Curve)	21-Mar-17	19-Dec-17	19-Dec-17	2,000,000.00	2.85
*	Suncorp (March 2017)	28-Mar-17	19-Dec-17	19-Dec-17	1,000,000.00	2.60
	NAB (Dec 2019)	19-Sep-17	19-Dec-17	17-Dec-19	2,000,000.00	2.77
*	IMB (Jan 2020)	06-Oct-17	08-Jan-18	06-Jan-20	1,000,000.00	2.70
	Westpac (Apr 2021) quarterly interest	09-Oct-17	08-Jan-18	07-Apr-21	1,000,000.00	3.00
*	Suncorp (May 2017)	14-Nov-17	09-Jan-18	09-Jan-18	2,000,000.00	2.37
	Westpac (Jan 2021)	11-Oct-17	11-Jan-18	12-Jan-21	6,000,000.00	2.81
*	BOQ (Jan 2019)	17-Jan-17	15-Jan-18	15-Jan-19	2,000,000.00	3.05
*	RaboDirect (Curve) (Jan 2019)	15-Jan-17	15-Jan-18	15-Jan-19	1,000,000.00	4.00
*	CUA (Curve) (Feb 2017)	14-Feb-17	16-Jan-18	16-Jan-18	2,000,000.00	2.80
*	MyState (Curve) (July 2017)	04-Jul-17	16-Jan-18	16-Jan-18	2,000,000.00	2.70
*	Suncorp Bank (Jan 2018)	01-Aug-17	16-Jan-18	16-Jan-18	2,000,000.00	2.40
	NAB (Jan 2020)	16-Oct-17	16-Jan-18	21-Jan-20	2,000,000.00	2.83
	Westpac (Oct 2022)	18-Oct-17	18-Jan-18	18-Oct-22	2,000,000.00	2.98
*	Rural (Curve)	28-Mar-17	23-Jan-18	23-Jan-18	1,000,000.00	2.70

	Counterparty	Lodged or Rolled	Interest Due	Maturity Date	Principal	% Yield
*	ME Bank (Curve) (Jan 2020)	24-Jan-17	24-Jan-18	28-Jan-20	2,000,000.00	3.26
*	ING (RIMSEC) (Jan 2019)	30-Oct-17	29-Jan-18	29-Jan-19	2,000,000.00	2.54
	Bankwest (Jan 2017)	29-Aug-17	30-Jan-18	30-Jan-18	4,000,000.00	2.45
	Westpac (July 2018)	31-Oct-17	31-Jan-18	31-Jul-18	4,000,000.00	2.57
	NAB (Feb 2020)	03-Nov-17	05-Feb-18	03-Feb-20	1,000,000.00	2.72
*	IMB (May 2021)	06-Nov-17	06-Feb-18	06-May-21	1,000,000.00	2.55
*	ING (RIMSEC) (Feb 2020)	13-Nov-17	12-Feb-18	11-Feb-20	1,000,000.00	2.66
	NAB (Feb 2020) annual interest	13-Nov-17	12-Feb-18	12-Feb-20	2,000,000.00	2.86
	AMP (RIMSEC) (May 2017)	09-May-17	13-Feb-18	13-Feb-18	3,000,000.00	2.70
	Auswide Bank (Curve) (Feb 2017)	07-Feb-17	13-Feb-18	13-Feb-18	1,000,000.00	2.80
*	Bendigo (Curve) (Feb 2017)	14-Feb-17	13-Feb-18	13-Feb-18	2,000,000.00	2.70
*	Bendigo Bank (Feb 2018)	16-Feb-17	13-Feb-18	13-Feb-18	3,000,000.00	3.10
*	Suncorp Bank (Feb 2018)	13-Jun-17	13-Feb-18	13-Feb-18	5,000,000.00	2.60
	CBA (Feb 2020)	13-Nov-17	13-Feb-18	13-Feb-20	1,000,000.00	2.61
	Westpac (Feb 2022)	15-Nov-17	15-Feb-18	15-Feb-22	3,000,000.00	3.00
	Westpac (Curve) (Feb 2021)	17-Nov-17	17-Feb-18	17-Nov-21	1,000,000.00	2.90
	Westpac (Feb 2021)	17-Nov-17	17-Feb-18	17-Nov-21	1,000,000.00	3.00
	CBA (May 2020)	20-Nov-17	19-Feb-18	19-May-20	1,000,000.00	2.44
	CBA (May 2020)	19-Nov-17	19-Feb-18	19-May-20	2,000,000.00	2.59
	Westpac (Feb 2021)	20-Nov-17	19-Feb-18	18-Feb-21	2,000,000.00	2.95
*	Rabo (RIMSEC) (Feb 2018)	21-Nov-17	20-Feb-18	20-Feb-18	3,000,000.00	3.00
	NAB (May 2018)	22-Nov-17	22-Feb-18	22-May-18	2,000,000.00	2.69
	Westpac (Aug 2020)	27-Nov-17	26-Feb-18	25-Aug-20	2,000,000.00	2.44

	Counterparty	Lodged or Rolled	Interest Due	Maturity Date	Principal	% Yield
*	BOQ (Feb 2018)	28-Feb-17	27-Feb-18	27-Feb-18	2,000,000.00	2.70
*	Defence Bank (Curve) (Mar 2019)	28-Feb-17	28-Feb-18	05-Mar-19	1,000,000.00	3.00
*	Bendigo Bank (Curve) (Mar 2018)	31-Aug-17	06-Mar-18	06-Mar-18	2,000,000.00	2.70
	CBA (Mar 2018)	07-Mar-17	06-Mar-18	06-Mar-18	4,000,000.00	2.71
*	MEB (Curve) (Mar 2018)	01-Mar-17	06-Mar-18	06-Mar-18	2,000,000.00	3.13
*	Rural Bank (Curve) (Mar 2018)	28-Feb-17	06-Mar-18	06-Mar-18	4,000,000.00	2.70
*	BCU (Curve) (Mar 2018)	07-Mar-17	07-Mar-18	13-Mar-18	1,000,000.00	2.85
*	Rural Bank (Curve) (Dec 2018)	07-Mar-17	07-Mar-18	13-Mar-18	1,000,000.00	2.70
*	RaboBank (RIMSEC)	07-Mar-17	07-Mar-18	10-Mar-20	2,000,000.00	3.00
*	BOQ (Mar 2017) quarterly interest	28-Mar-17	20-Mar-18	20-Mar-18	2,000,000.00	2.65
	Westpac (Curve) (Mar 2018)	14-Mar-17	20-Mar-18	20-Mar-18	4,000,000.00	2.65
*	BOQ (Mar 2018)	22-Aug-17	27-Mar-18	27-Mar-18	4,000,000.00	2.60
*	Suncorp (Mar 2017)	19-Sep-17	17-Apr-18	17-Apr-18	4,000,000.00	2.52
	AMP (Curve) (Aug 2017)	09-Aug-17	08-May-18	08-May-18	2,000,000.00	2.60
*	Rabo Bank (Curve) (May 2020)	20-May-16	19-May-18	19-May-20	2,000,000.00	3.20
*	Bendigo Bank (Curve) (May 2018)	22-May-17	22-May-18	22-May-18	2,000,000.00	3.05
*	QLD PCU (Curve) May 2018)	17-May-17	22-May-18	22-May-18	2,000,000.00	3.15
*	Police SA (Curve) (May 2019)	23-May-17	23-May-18	28-May-19	2,000,000.00	3.00
*	Defence Bank (Curve) (June 2019)	23-May-17	23-May-18	04-Jun-19	2,000,000.00	3.00
*	Defence Bank (Curve) (May 2018)	28-May-17	28-May-18	28-May-18	1,000,000.00	3.05
*	Rabobank (Curve) (June 2021)	30-May-17	30-May-18	01-Jun-21	3,000,000.00	3.10

	Counterparty	Lodged or Rolled	Interest Due	Maturity Date	Principal	% Yield
*	Bendigo Bank (Curve) (June 2019)	01-Jun-17	01-Jun-18	04-Jun-19	2,000,000.00	3.15
*	Defence Bank (Curve) (June 2018)	01-Jun-17	05-Jun-18	05-Jun-18	1,000,000.00	3.05
*	Australian Military Bank (Curve) (July 2017)	11-Jul-17	10-Jul-18	10-Jul-18	1,000,000.00	2.70
*	RaboDirect (Curve) (Jul 2021)	27-Jul-17	27-Jul-18	27-Jul-21	1,000,000.00	3.30
*	BOQ (Aug 2018)	08-Aug-17	07-Aug-18	07-Aug-18	1,000,000.00	2.65
*	BOQ (Aug 2018)	08-Aug-17	07-Aug-18	07-Aug-18	5,000,000.00	2.65
*	RaboDirect (Curve) (Aug 2019)	07-Aug-17	07-Aug-18	13-Aug-19	2,000,000.00	4.30
*	BOQ (Aug 2020)	11-Aug-17	13-Aug-18	11-Aug-20	5,000,000.00	3.20
*	BOQ (Aug 2018)	16-Aug-17	14-Aug-18	14-Aug-18	5,000,000.00	2.65
*	MMBS (Curve) (Aug 2018)	16-Aug-17	16-Aug-18	21-Aug-18	2,000,000.00	3.00
*	Rabo Bank (Curve) (Aug 2018)	21-Aug-17	21-Aug-18	21-Aug-18	2,000,000.00	4.10
*	Bendigo Bank (Aug 2019)	23-Aug-17	23-Aug-18	27-Aug-19	5,000,000.00	2.90
	CBA (Oct 2019)	23-Aug-17	23-Aug-18	23-Oct-19	1,999,999.00	3.20
	Westpac (Aug 2022)	24-Aug-17	24-Aug-18	23-Aug-22	5,000,000.00	3.00
	CBA (Aug 2019)	23-Aug-17	27-Aug-18	27-Aug-19	3,000,000.00	2.73
*	Rabo (Curve) (Aug 2018)	26-Aug-17	28-Aug-18	28-Aug-18	3,000,000.00	3.10
*	Rabo Bank (Curve) (Sept 2019)	01-Sep-17	01-Sep-18	03-Sep-19	1,000,000.00	4.05
*	Bendigo Bank (Sept 2019)	03-Sep-17	03-Sep-18	03-Sep-19	1,000,000.00	4.15
*	QLD PCU (RIMSEC) (Sept 2018)	00-Jan-00	04-Sep-18	04-Sep-18	1,000,000.00	3.05
	NAB (Sept 2019)	12-Sep-17	12-Sep-18	10-Sep-19	3,000,000.00	2.73
*	ING (Curve) (Sept 2019)	12-Sep-17	12-Sep-18	17-Sep-19	4,000,000.00	2.75
*	Mystate (Curve) (Sept 2018)	12-Sep-17	25-Sep-18	25-Sep-18	3,000,000.00	2.67
*	Rabobank (Curve) (Sept 2022)	26-Sep-17	26-Sep-18	20-Sep-22	3,000,000.00	2.70

Counterparty	Lodged or Rolled	Interest Due	Maturity Date	Principal	% Yield
NAB (Oct 2017)	17-Oct-17	17-Oct-18	16-Oct-20	4,000,000.00	3.05
* Defence Bank (Curve) (Oct 2018)	24-Oct-17	30-Oct-18	24-Oct-18	1,000,000.00	2.70
* ING Bank (Curve) (Sept 2017)	26-Sep-17	18-Dec-18	18-Dec-18	1,000,000.00	2.70
* ING (Curve) (Aug 2017)	29-Aug-17	03-Sep-19	03-Sep-19	4,000,000.00	2.75
* Bendigo (Oct 2017)	17-Oct-17	20-Oct-20	20-Oct-20	4,000,000.00	3.15
	Total			224,999,999.00	2.89
LEGEND	Counterparties				
AMP = AMP Bank	Macquarie = Macquarie Bank				
ANZ = ANZ Bank	NAB = National Australia Bank				
Auswide = Auswide Bank	ME = Members Equity Bank				
BOQ = Bank of Queensland	NPBS = Newcastle Permanent Building Society				
CBA = Commonwealth Bank	P&N = P&N Bank				
Heritage = Heritage Bank	RaboDirect = Rabo Bank				
ING = ING Bank	Rural = Rural Bank				
Investec = Investec Bank	Suncorp = Suncorp Metway Bank				

6. Ethical Investments

- * Ethical Financial Institutions highlighted **\$197,857,389** which represents **66.06%** of the total portfolio
Source: Laminar Capital Non Fossil Fuel Lending ADIs

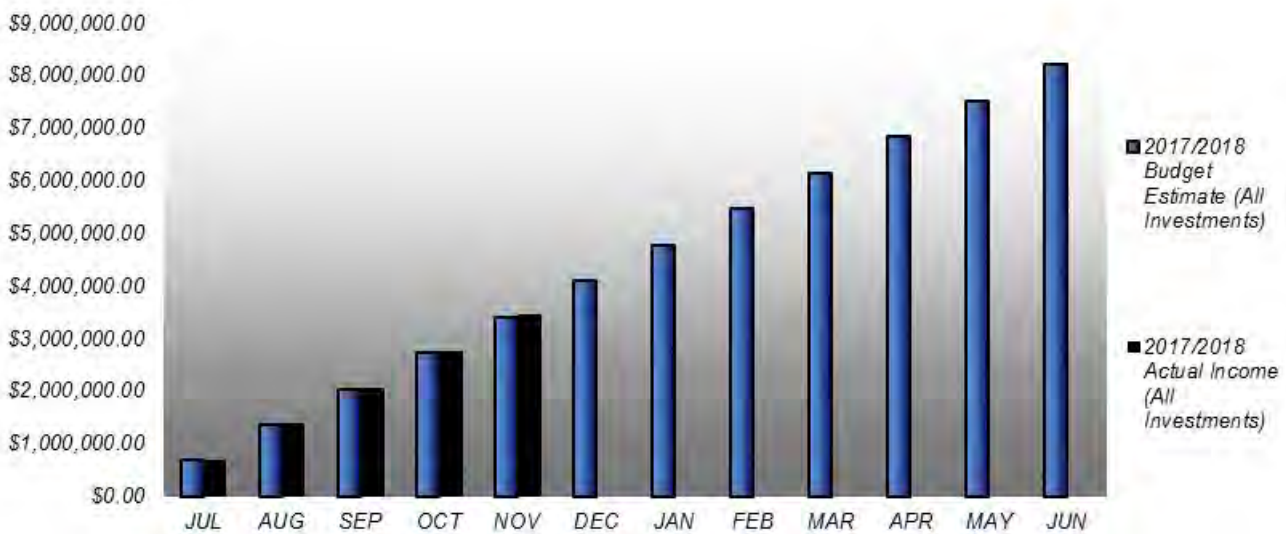
7. Performance by Category

Category	Face Value	Market Value	Weighted Average Return by Investment Category	Above or (Below) 90 day BBSW Benchmark
Benchmark 90 Day UBS Bank Bill Index			1.72%	
Overnight Money Market	14,300,000.00	14,300,000.00	1.69%	-0.03%
Bonds & FRNs	59,500,000.00	60,218,297.50	3.10%	1.38%
Term Deposits	224,999,999.00	224,999,999.00	2.89%	1.17%
			Weighted Average Total Portfolio	
	298,799,999.00	299,518,296.50	2.88%	1.16%

Performance by Category Compared with Benchmark



8. Total Portfolio Income v Budget



9. Investment Policy Diversification and Credit Risk

Total Portfolio Credit Limits Compared to Policy Limits					
Long-Term Credit Ratings	Investment Policy Limit	Actual Portfolio	Short-Term Credit Ratings	Investment Policy Limit	Actual Portfolio
AAA Category	100%	0.00%	A-1+	100%	22.80%
AA Category	100%	9.27%	A-1	100%	19.03%
A Category	60%	9.32%	A-2	60%	27.38%
BBB Category	20%	7.86%	A-3	20%	1.00%
Unrated	10%	0.00%	Unrated	10%	3.34%

Market Value by Security Rating Group (Long Term)



Market Value by Security Rating Group (Short Term)



10. Term to Maturity

Maturity Profile	Actual % Portfolio	Policy Limits
Less than 365 days	46.53%	Minimum 40%
More than 365 days and less than 3 years	36.95%	Maximum 60%
3 years and less than 5 years	16.52%	Maximum 35%
Total	100.00%	

Market Value by Term Remaining

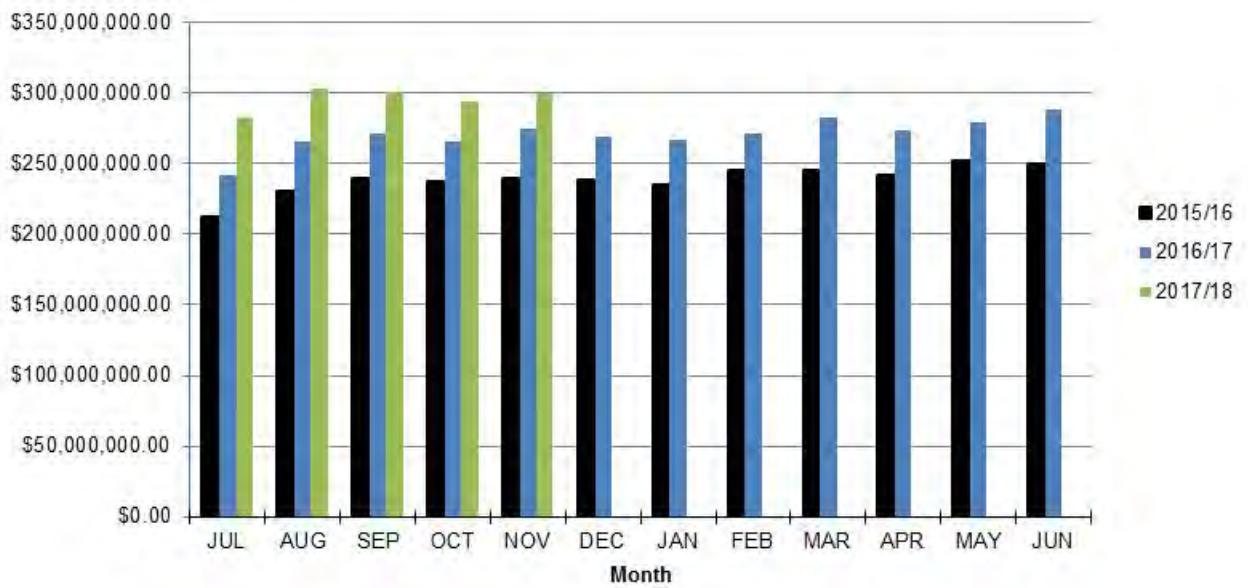


11. Investment Alternatives Explained

Investment Product	Maturity Range	Usual term to maturity	Major Benefits	Major risks
At Call Cash	At Call	Immediate to a few months	Highly liquid - same day access to funds with no impact on capital	Not a capital growth asset
			Highly secure as a bank deposit	Underperforms other asset classes in the long term
Bank Bill	1 - 180 days	Less than 1 year	Medium liquidity - generally some notice to access funds, usually with no or minimal impact on capital	Not a growth asset
			Highly secure (bank risk)	Underperforms other asset classes in the long term
				May incur a small loss for early redemption
Term Deposit	Up to 5 years	Less than 2 years	Not liquid - generally 31 days to access to funds	Will incur a significant capital loss for early termination
			Highly secure as a bank deposit	Underperforms growth assets in the longer term
Floating Rate Note Bond	1 - 5 years	Greater than 2 years	Increased yield over bank bills	Not a growth asset
			Can accrue capital gain if sold ahead of maturity and market interest rates have fallen	Can incur capital losses if sold ahead of maturity and market interest rates have risen
			Coupon interest rate resets quarterly based on 90 day bank bill swap rate	Credit exposure to company issuing the paper
			Relatively liquid	May not be bank guaranteed
			Less administration than bank bills	Underperforms other asset classes in the long term
Fixed Rate/Bond	1 - 5 years	Greater than 3 years	Can accrue capital gain if sold before maturity and market interest rates have fallen	Can incur capital losses if sold before maturity and market interest rates have risen

Investment Product	Maturity Range	Usual term to maturity	Major Benefits	Major risks
			Fixed return - semi annual coupons	Credit exposure to company issuing paper
			Generally liquid	
			Can be government or corporate issuer	

12. Monthly Comparison of Total Funds Invested



13. Section 94 Developer Contributions - Monthly Balances & Receipts

Contribution Plan	Plan Description	End of Month Balance	Contributions Received for Month
1	DCP3 Open Space	4,846,872	
2	Western Drainage	652,913	
3	DCP3 Community Facilities	1,767	
4	TRCP Road Contributions	17,219,902	403,239
5	Open Space	586,287	3,123
6	Street Trees	233,795	
7	West Kingscliff	922,123	
10	Cobaki Lakes	-1,462	
11	Libraries	1,367,522	28,054
12	Bus Shelters	137,044	2,064
13	Cemeteries	151,359	4,099

Contribution Plan	Plan Description	End of Month Balance	Contributions Received for Month
14	Mebbin Springs	97,723	
15	Community Facilities	1,829,164	45,985
16	Surf Lifesaving	112,994	
18	Council Administration/Technical Support	1,669,396	61,362
19	Kings Beach	938,124	
20	Seabreeze Estate	815	
21	Terranora Village	36,472	
22	Cycleways Shirewide	307,989	15,139
23	Carparking Shirewide	1,708,556	
25	SALT	1,154,565	
26	Open Space Shirewide	2,933,328	159,345
27	Tweed Heads Masterplan	365,703	
28	Seaside City	781,704	
91	DCP14	116,949	
92	Public Reserve Contributions	146,498	
95	Bilambil Heights	571,888	
Total		38,889,992	722,410

14. Economic Commentary

Australian and World Economy and Cash Rate

At its 5 December, 2017 meeting the Reserve Bank of Australia (RBA) is expected to leave the cash rate unchanged at 1.50 per cent.

Conditions in the global economy have improved over 2017. Labour markets have tightened and further above-trend growth is expected in a number of advanced economies, although uncertainties remain. Growth in the Chinese economy continues to be supported by increased spending on infrastructure and property construction, although financial conditions have tightened somewhat as the authorities address the medium-term risks from high debt levels. Australia's terms of trade are expected to decline in the period ahead but remain at relatively high levels.

Wage growth remains low in most countries, as does core inflation. In a number of economies there has been some withdrawal of monetary stimulus, although financial conditions remain quite expansionary. Equity markets have been strong, credit spreads have narrowed over the course of the year and volatility in financial markets is low. Long-term bond yields remain low, notwithstanding the improvement in the global economy.

Recent data suggest that the Australian economy grew at around its trend rate over the year to the September quarter. The central forecast is for GDP growth to average around 3%

over the next few years. Business conditions are positive and capacity utilisation has increased. The outlook for non-mining business investment has improved further, with the forward-looking indicators being more positive than they have been for some time. Increased public infrastructure investment is also supporting the economy. One continuing source of uncertainty is the outlook for household consumption. Household incomes are growing slowly and debt levels are high.

Employment growth has been strong over 2017 and the unemployment rate has declined. Employment has been rising in all states and has been accompanied by a rise in labour force participation. The various forward-looking indicators continue to point to solid growth in employment over the period ahead. There are reports that some employers are finding it more difficult to hire workers with the necessary skills. However, wage growth remains low. This is likely to continue for a while yet, although the stronger conditions in the labour market should see some lift in wage growth over time.

Inflation remains low, with both CPI and underlying inflation running a little below 2%. The Bank's central forecast remains for inflation to pick up gradually as the economy strengthens.

The Australian dollar remains within the range that it has been in over the past two years. An appreciating exchange rate would be expected to result in a slower pick-up in economic activity and inflation than currently forecast.

Growth in housing debt has been outpacing the slow growth in household income for some time. To address the medium-term risks associated with high and rising household indebtedness, APRA has introduced a number of supervisory measures. Credit standards have been tightened in a way that has reduced the risk profile of borrowers. Nationwide measures of housing prices are little changed over the past six months, with conditions having eased in Sydney. In the eastern capital cities, a considerable additional supply of apartments is scheduled to come on stream over the next couple of years. Rent increases remain low in most cities.

The low level of interest rates is continuing to support the Australian economy. Taking account of the available information, the Board judged that holding the stance of monetary policy unchanged at this meeting would be consistent with sustainable growth in the economy and achieving the inflation target over time.

Council's Investment Portfolio

Council's investment portfolio is conservatively structured in accordance with NSW Office of Local Government guidelines with approximately 80.23% of the portfolio held in cash and term deposits. Term deposits and bonds are paying average margins over the 90 day bank bill rate.

Bank demand for term deposit funds continue to wane as investors seek alternatives with higher returns due to an uncertain interest rate outlook. The imposition of mortgage lending restrictions is also crimping bank demand for depositors' funds.

Conversely, new Australian Prudential Regulation Authority regulations increasing the amount of capital required to be held by banks is marginally increasing bank demand for depositors funds.

Many "cash at call" rates remain at levels below the RBA cash rate. The historic low cash rate is still translating to lower total investment yields. This continues to present difficulties obtaining reasonable investment income without risking capital.

All investment categories except Cash at Call out-performed the UBS 90 day bank bill benchmark this month. The investment portfolio again benefited this month from some longer-dated, higher yielding bonds and term deposits purchased before interest rate margins began contracting, however these securities are maturing. As these longer-dated bonds and term deposits mature and are replaced with lower yielding investments the total portfolio return will decrease. Overall, the investment portfolio has returned a **weighted average 1.16% pa** above the 90 day UBS bank bill index for the last month.

Source: RBA Monetary Policy Decision

15. Investment Summary

GENERAL FUND

CORPORATE FIXED RATE BONDS	8,113,080.00	
FLOATING RATE NOTES	52,105,217.50	
ASSET BACKED SECURITIES	0.00	
FUND MANAGERS	0.00	
TERM DEPOSITS	87,999,999.00	
CALL ACCOUNT	14,300,000.00	162,518,296.50

WATER FUND

TERM DEPOSITS	52,000,000.00	
FUND MANAGERS	0.00	52,000,000.00

SEWERAGE FUND

TERM DEPOSITS	85,000,000.00	
FUND MANAGERS	0.00	85,000,000.00

TOTAL INVESTMENTS		299,518,296.50
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It should be noted that the General Fund investments of \$162 million are not available to be used for general purpose expenditure. It is virtually all restricted by legislation and council resolution for such purposes as unexpended loans, developer contributions, unexpended grants and various specific purpose reserves such as domestic waste, land development and employee leave entitlements.

All Water and Sewerage Fund investments can only be expended in accordance with Government regulation and Council resolution.

Statutory Statement - Local Government (General) Regulation 2005 Clause 212

I certify that Council's investments have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulations and Council's investment policies.



Responsible Accounting Officer
Manager Financial Services
Tweed Shire Council

OPTIONS:

Not Applicable.

CONCLUSION:

Not Applicable.

COUNCIL IMPLICATIONS:

a. Policy:

Corporate Policy Not Applicable.

b. Budget/Long Term Financial Plan:

Not Applicable.

c. Legal:

Local Government (General) Regulations 2005 - Section 212 - Reports on council investments

"(1) The responsible accounting officer of a council:

(a) must provide the council with a written report (setting out details of all money that the council has invested under section 625 of the Act) to be presented:

(i) if only one ordinary meeting of the council is held in a month, at that meeting, or

(ii) if more than one such meeting is held in a month, at whichever of those meetings the council by resolution determines, and

(b) must include in the report a certificate as to whether or not the investment has been made in accordance with the Act, the regulations and the council's investment policies.⁷

(2) The report must be made up to the last day of the month immediately preceding the meeting."

d. Communication/Engagement:

Inform - We will keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

Nil.

LATE ITEMS

REPORTS FROM THE DIRECTOR PLANNING AND REGULATION

44 DEFERRED [PR-CM] Draft Primary Production and Rural Development SEPP EXPLANATION OF INTENDED EFFECT - SUBMISSION

SUBMITTED BY: Strategic Planning and Urban Design

mhm



Leaving a Legacy
Looking out for future generations

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

- 1 Leaving a Legacy
- 1.4 Managing Community Growth
- 1.4.1 Strategic Land-Use Planning - To plan for sustainable development which balances economic environmental and social considerations. Promote good design in the built environment.

ROLE: **Advocate**

SUMMARY OF REPORT:

Update

This report went to the Planning Committee meeting held Thursday 7 December 2017 where it was resolved:

"that [PR-PC] Draft Primary Production and Rural Development SEPP EXPLANATION OF INTENDED EFFECT - SUBMISSION be deferred and a report be brought back to Council Meeting of 13 December 2017 including:

- a) *Information relating to which industry groups were consulted; and*
- b) *How compatible the submission is with the Rural Land Strategy."*

The *Explanation of Intended Effect* for the proposed *State Environmental Planning Policy - Primary Production and Rural Development* is now on public exhibition, with the exhibition period advertised to close on 18 December 2017.

A draft submission is attached to this report for endorsement by Council prior to sending to the Department of Planning and Environment.

The proposed new SEPP intends to merge 4 existing SEPPs and one Sydney Regional Environmental Plan (REP) and to relocate various planning provisions into more appropriate locations such as Ministerial 117 Directions, another SEPP, or the Standard or non-Standard Local Environmental Plan.

This report provides additional information as requested by Council.

RECOMMENDATION:

That Council endorses the attached submission on the Explanation of Intended Effect for the proposed State Environmental Planning Policy - Primary Production and Rural Development and that the submission is forwarded to the Department of Planning and Environment.

REPORT:

This report presents a draft submission in response to the public exhibition of the *Primary Production and Rural Development - Explanation of Intended Effect (EIE)* for the proposed *State Environmental Planning Policy (Primary Production and Rural Development)*.

The EIE is now on exhibition with the deadline for submissions to the Department of Planning and Environment (DPE) due no later than 15 January 2018.

The DPE is seeking feedback on a package of reforms to update and improve the planning framework for primary production and rural development. Changes proposed are discussed in the EIE.

The DPE website notes that the proposals outlined in the EIE are designed to help industry and the community responds to existing challenges. Simpler and more streamlined processes will allow adaption to emerging economic opportunities as they arise. They also support commitments in the NSW Right to Farm Policy.

Changes proposed include consolidating the following four existing State Environmental Planning Policies (SEPPs) and one Regional Environmental Plan (REP):

- SEPP (Rural Lands) 2008 (Rural Lands SEPP)
- SEPP 30 - Intensive Agriculture (SEPP 30)
- SEPP 52 - Farm Dams and Other Works in Land and Water Management Plan Areas (SEPP 52)
- SEPP 62 - Sustainable Aquaculture (SEPP 62)
- Sydney Regional Environmental Plan 8 - Central Coast Plateau Areas (SREP 8)

The new SEPP supports the objective of locating planning provisions in the part of the NSW planning framework where they will be most effective, and forms part of the broader review of the land use planning framework in NSW.

Of most significance to the Tweed will be the Rural Land SEPP which currently makes provision for State and Regionally Significant Agricultural Land and contains the rural planning and subdivision principles which help to guide assessment of development proposals.

The attached draft submission provides an opportunity to highlight the unique features of rural Tweed, discuss initiatives of Council through endorsed strategies such as the Sustainable Agriculture Strategy, Villages Strategy, and Economic Development Strategy, and makes special mention of proposed actions in the Draft Rural Land Strategy now on exhibition.

Specific responses are provided in the submission in relation to the following matters:

- The ability of state-wide legislation to adequately cater for all scales of rural production from broadacre farming in the western division to small coastal catchments such as the Tweed;
- The mapping and future status of State and Regionally Significant Farmland;
- Routine maintenance of farm dams and works which might include or impact drainage systems in sugar cane land;
- The future of Schedule 1 Rural Land Sharing Communities in the Integration and Repeals SEPP 2016, and
- Subdivision for agricultural purposes and the ability to retain dwelling entitlements for existing legal dwellings on undersized allotments created by the subdivision.

These matters have been discussed in more detail in the attached submission.

Additional advice

In response to the resolution of Council seeking further clarification on the two matters listed in the Summary of Report, the following advice is provided.

What is the intent of the new SEPP?

While the new SEPP is yet to be viewed the EIE notes that the policies and proposed reforms outlined in the EIE include:

- transferring and amending provisions currently located in existing SEPPs to a new Primary Production and Rural Development SEPP;
- transferring some provisions from existing SEPPs to the Standard Instrument LEP;
- updating various definitions in the Standard Instrument LEP and EP&A Regulation to ensure consistency and reflect contemporary practices and understanding, and
- repealing some existing SEPP provisions where they are no longer relevant or needed to support planning objectives related to sustainable agriculture and rural.

Five existing SEPPs (listed in the report to Council of 7 December 2017) will be repealed and relevant provisions relocated into one of the following:

- Transferred to the new SEPP;
- Transferred to another SEPP or EP&A Regulation, or
- Transferred to standard or non-standard LEP, or
- Not transferred (deleted).

The process is predominantly focused on rationalisation of planning provisions with few new initiatives proposed.

Which industry groups were consulted?

The Department of Planning and Environment has advised that pre-exhibition consultation occurred with the following organisations:

- The Primary Industry Ministerial Council;
- The Intensive Agriculture Advisory Committee, and
- The NSW Farmers' Association.

The Primary Industry Ministerial Council and the Intensive Agriculture Advisory Committee are Department of Primary Industry groups representing a broad range of rural landowners and interest groups.

Now that the EIE is on public exhibition, the department has been conducting a 'roadshow' which has presented the EIE to more than 70 regional councils including officers from Tweed Shire during a joint meeting in Ballina.

How compatible the submission is with the Rural Land Strategy?

Draft Tweed Rural Land Strategy – Policy Direction 1

The Draft Tweed Rural Land Strategy presents 142 actions which seek to fulfil the intent of the nine policy directions previously endorsed by Council.

Policy Direction 1 Encourage sustainable agricultural production and protect agricultural land is the most relevant to the EIE now on exhibition.

20 actions are currently listed under this policy direction which proposes a range of locally relevant initiatives to support the retention of agricultural land and encourage its use for agricultural purposes.

Because the intent of the new SEPP is to reinforce the Right to Farm Policy and see agricultural land protected regardless of its current use, the 20 actions proposed in the Draft Tweed Rural Land Strategy are broadly consistent with the intended effect of the new SEPP.

Subdivision of rural land for agricultural purposes

Perhaps the most controversial provision proposed in the EIE is the introduction of a provision which seeks to ensure that where agricultural land is subdivided for agricultural purposes under clause 4.2 of Tweed LEP 2014, the homestead block could be less than the minimum lot size.

Currently, the agricultural portion of the property can be subdivided for agricultural purposes creating a new allotment less than the minimum lot size so long as there is no house on the allotment and no house can be constructed on it. Under clause 4.2, the homestead block must be at least the minimum lot size.

Rural Tweed is relatively unique in respect to the size of its rural allotments and land ownership, with nearly 90% of its RU1 Primary Production, and RU2 Rural Landscape lots less than the minimum lot size of 40 hectares. In addition, the overwhelming majority of properties consist of just one allotment.

The consequence is that while the draft strategy seeks to encourage use of rural land for agricultural purposes, the productive portion of these properties cannot be subdivided under current provisions because it would result in a homestead lot less than the minimum lot size.

While the main focus has been on the ability to facilitate consolidation and productive use of agricultural land, the impact on the remnant allotment created containing the dwelling also needs consideration.

Submissions received during earlier stages of the strategy talked about landowners wishing to stay on the farm after retirement; however, ultimately, any remnant lot created will be sold, and assuming that the allotment's sole purpose is to contain a house, new purchasers will most likely expect a residential lifestyle.

One of the principle issues confronting the ongoing use of agricultural land is landuse conflict. Should residential allotments be created scattered throughout rural Tweed, similar to the former concessional allotment provisions of earlier LEPs, the potential for an escalation in complaints and conflict relating to legitimate use of rural land for agricultural purposes can be expected.

Draft Tweed Rural Land Strategy seeks to support the creation of undersized allotments containing existing legal dwellings resulting from subdivision for agricultural purposes. However, in parallel with this provision will need to be well considered supporting controls and guidelines to ensure that adjoining agricultural activities will not be adversely impacted by new residents who may have no understanding of the nature of rural landuse activities.

While it is possible that controls and guidelines would include consideration of setbacks from adjoining land, caveats on renovation of the existing dwelling and other development to ensure consistency with the local rural character, until such time as the controls and guidelines are finalised the likely impact of this proposed action cannot be fully assessed.

Likewise, the EIE also seeks to clarify the status of allotments created less than the minimum lot size where subdivision is for agricultural purposes and the homestead block is less than the minimum lot size. This is consistent with the propose action of the Draft Rural Land Strategy.

For rural Tweed, with its rather unique allotment and ownership characteristics, the ability to support productive agricultural production and allow the homestead to be located on an undersized allotment in certain circumstances is considered appropriate; however, there is concern more generally across rural and peri-urban councils that the provision proposed in the EIE is a re-introduction of concessional lot provisions which had previously led to fragmentation of agricultural land and were for this and other reasons prohibited under the former Rural Land SEPP.

At this time, with both the EIE for the proposed Primary Production and Rural Development SEPP and Draft Tweed Rural Land Strategy now on exhibition, it is proposed that this matter be further considered once exhibition has concluded and further discussion with the Department of Planning and Environment is held early in 2018, with a further report to Council on submissions received during public exhibition.

OPTIONS:

1. Forward the attached submission to the Department of Planning and Environment, or
2. Defer for further consideration.

CONCLUSION:

The *Explanation of Intended Effect* for the proposed *State Environmental Planning Policy - Primary Production and Rural Development* is now on public exhibition, with the exhibition period advertised to end on 15 January 2018.

Rural land plays an important role in both the economy and landscape character of the Tweed. The proposed new SEPP aligns well with the Draft Tweed Rural Land Strategy also now on exhibition.

A draft submission is attached to this report for the endorsement of Council prior to sending to the Department of Planning and Environment.

COUNCIL IMPLICATIONS:

a. Policy:

Corporate Policy Not Applicable

b. Budget/Long Term Financial Plan:

Not Applicable

c. Legal:

Not Applicable.

d. Communication/Engagement:

Inform - We will keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

Attachment 1.

Draft submission (ECM 4913822)

45 DEFERRED [PR-CM] Dwelling at Lot 7 DP 1234914 No. 2629 Kyogle Road, Kunghur

SUBMITTED BY: Development Assessment and Compliance

mhm



People, places and moving around
Who we are and how we live

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK:

3	People, places and moving around
3.1	People
3.1.4	Compliance Services - To support a safe and healthy built and natural environment through the enforcement of local government rules and regulations.

ROLE: Provider

SUMMARY OF REPORT:

Update

This report went to the Planning Committee meeting held Thursday 7 December 2017 where it was resolved:

"that [PR-PC] Dwelling at Lot 7 DP 1234914 No. 2629 Kyogle Road, Kunghur be deferred to the Council meeting of 13 December 2017."

Council requested at the above Planning Committee meeting a copy of the 1977 air photograph referred to in the report. A copy of the air photograph is provided in the report.

Council has received a complaint regarding the status of the dwelling house located on Lot 7 DP 1234914. It is claimed that the dwelling house is unauthorised. The purpose of this report is to seek direction from Council regarding actioning the complaint. The information at hand indicates that the dwelling was either constructed during the 1950's or during the 1970's or 1980's. It is considered that an investigation into the status of the dwelling should not be prioritised.

RECOMMENDATION:

That:

- 1. The General Manager or delegate advises the complainant in writing that Council does not currently have the resources to undertake further investigations into the status of the dwelling house located at Lot 7 DP 1234914 No. 2629 Kyogle Road, Kunghur other than request information as set out in Recommendation 2.**

2. **The General Manager or delegate writes to the current owners requesting that they provide any information they may have in relation to when the dwelling was constructed and any known history of its occupation. Invite the owners to submit a development application and building certificate for the dwelling house if they wish to regularise the existing dwelling house depending on the information supplied about the dwelling house history.**

3. **ATTACHMENT 1 is CONFIDENTIAL in accordance with Section 10A(2) of the Local Government Act 1993, because it contains:-**
 - (a) **personnel matters concerning particular individuals (other than councillors).**

REPORT:

Council has received a complaint regarding the status of the dwelling house located on Lot 7 DP 1234914. It is claimed that the dwelling house is unauthorised. The purpose of this report is to seek direction from Council regarding actioning the complaint. The information at hand indicates that the dwelling was either constructed during the 1950's or during the 1970's or 1980's. It is considered that an investigation into the status of the dwelling should not be prioritised. It is understood a dispute between the adjoining land owners unrelated to town planning instigated the complaint to Council regarding the status of the dwelling.

A preliminary search indicates that the allotment may have a dwelling entitlement. No development or building approval could be found on Council's register. A former long term resident has indicated that the house was lived in during the 1950's. The complainant is disputing this. Council's air photograph from 1977 indicates that a structure existed at the location of the current dwelling. A structure is clearly evident on the 1996 air photograph.

The first planning instrument, Interim Development Order No. 1 came into effect in the Tweed on 29 May 1964. Dwelling houses required development consent in the rural areas under the Order. Prior to this the rural areas were an unregulated building area (standard in NSW) and it has been Council's long standing practice to accept dwellings constructed prior to 29 May 1964 and that have been continuously occupied as lawful under the existing use or continuing use right provisions of the NSW Environmental Planning and Assessment Act 1979.

The current provisions of the Tweed Local Environmental Plan retain an entitlement where the lot originally enjoyed an entitlement but was later affected by a boundary adjustment. In this case Lot 3 DP 868372 (25.32 Ha) was registered in 1997 as a Council approved subdivision under the Tweed LEP 1987 and therefore enjoyed a dwelling entitlement. Lot 3 was then affected by two boundary adjustments in 2010 (25.22 Ha) and in 2017 (26.24 Ha) and is now described as Lot 7 DP 1234914. The land area changed in size by less than 1 hectare therefore the boundary adjustment is considered minor.

Clause 4.2B of the Tweed LEP 2014 says (relevant parts highlighted):

4.2B Erection of dwelling houses and dual occupancies on land in certain rural and residential zones

(1) *The objectives of this clause are as follows:*

- (a) *to minimise unplanned rural residential development,*
- (b) *to enable the replacement of lawfully erected dwelling houses and dual occupancies in rural and residential zones.*

(2) *This clause applies to land in the following zones:*

- (a) *Zone RU1 Primary Production,*
- (b) ***Zone RU2 Rural Landscape,***
- (c) *Zone R5 Large Lot Residential.*

(3) Development consent must not be granted for the erection of a dwelling house or a dual occupancy on land to which this clause applies unless the land:

- (a) is a lot that is at least the minimum lot size shown on the [Lot Size Map](#) in relation to that land, or
- (b) is a lot created under this Plan (other than under clause 4.2 (3)), or
- (c) is a lot created before this Plan commenced and on which the erection of a dwelling house or a dual occupancy was permissible immediately before that commencement, or**
- (d) is a lot resulting from a subdivision for which development consent (or equivalent) was granted before this Plan commenced and on which the erection of a dwelling house or a dual occupancy would have been permissible if the plan of subdivision had been registered before that commencement, or
- (e) would have been a lot referred to in paragraph (a), (b), (c) or (d) had it not been affected by:**
 - (i) a minor realignment of its boundaries that did not create an additional lot, or**
 - (ii) a subdivision creating or widening a public road or public reserve or for another public purpose, or
 - (iii) a consolidation with an adjoining public road or public reserve or for another public purpose.

Note.

A dwelling cannot be erected on a lot created under clause 4.2.

- (4) Development consent must not be granted under subclause (3) unless:
- (a) no dwelling house or dual occupancy has been erected on the land, and
 - (b) if a development application has been made for development for the purpose of a dwelling house or a dual occupancy on the land—the application has been refused or it was withdrawn before it was determined, and
 - (c) if development consent has been granted in relation to such an application—the consent has been surrendered or it has lapsed.
- (5) Development consent may be granted for the erection of a dwelling house or a dual occupancy on land to which this clause applies if there is a lawfully erected dwelling house or a dual occupancy on the land and the dwelling house or the dual occupancy to be erected is intended only to replace the existing dwelling house or dual occupancy.

It is considered a dwelling entitlement exists however this is not an approval in itself it is only the gateway to being able to lodge a development application for a dwelling house.

If it was deemed that the dwelling was constructed unlawfully a development application and building certificate could be submitted for Council's consideration to regularise the dwelling house.

The septic tank for the dwelling house was inspected in 2013 and was functioning appropriately.

AERIAL PHOTOGRAPH:



1:4,000 @ A4 Portrait
0 40 80 m
GDA
Map Projection: Universal Transverse Mercator
Horizontal Datum: Geoidetic Datum of Australia 1994
Grid: Map Grid of Australia, Zone 56

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Aerial Photography 2015
Lot 7 DP 1234914
2629 Kyogle Road
KUNGHUR

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and Tweed Shire Council
© Tweed Shire Council
Boundaries shown should be considered approximate only.

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Author: S. Scott - GIS

Date Printed: 08 November 2017

1977 AERIAL PHOTOGRAPH:



1:4,000 @ A4 Portrait
 0 20 40 60 80 100 M
 DO NOT SCALE
 COPY ONLY - NOT CERTIFIED
 Map Projection: Universal Transverse Mercator
 Horizontal Datum: Geodetic Datum of Australia 1994
 Grid: Map Grid of Australia, Zone 56

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Aerial Photo (1977)
 Source: Historic Aerial Imagery was captured 1977.

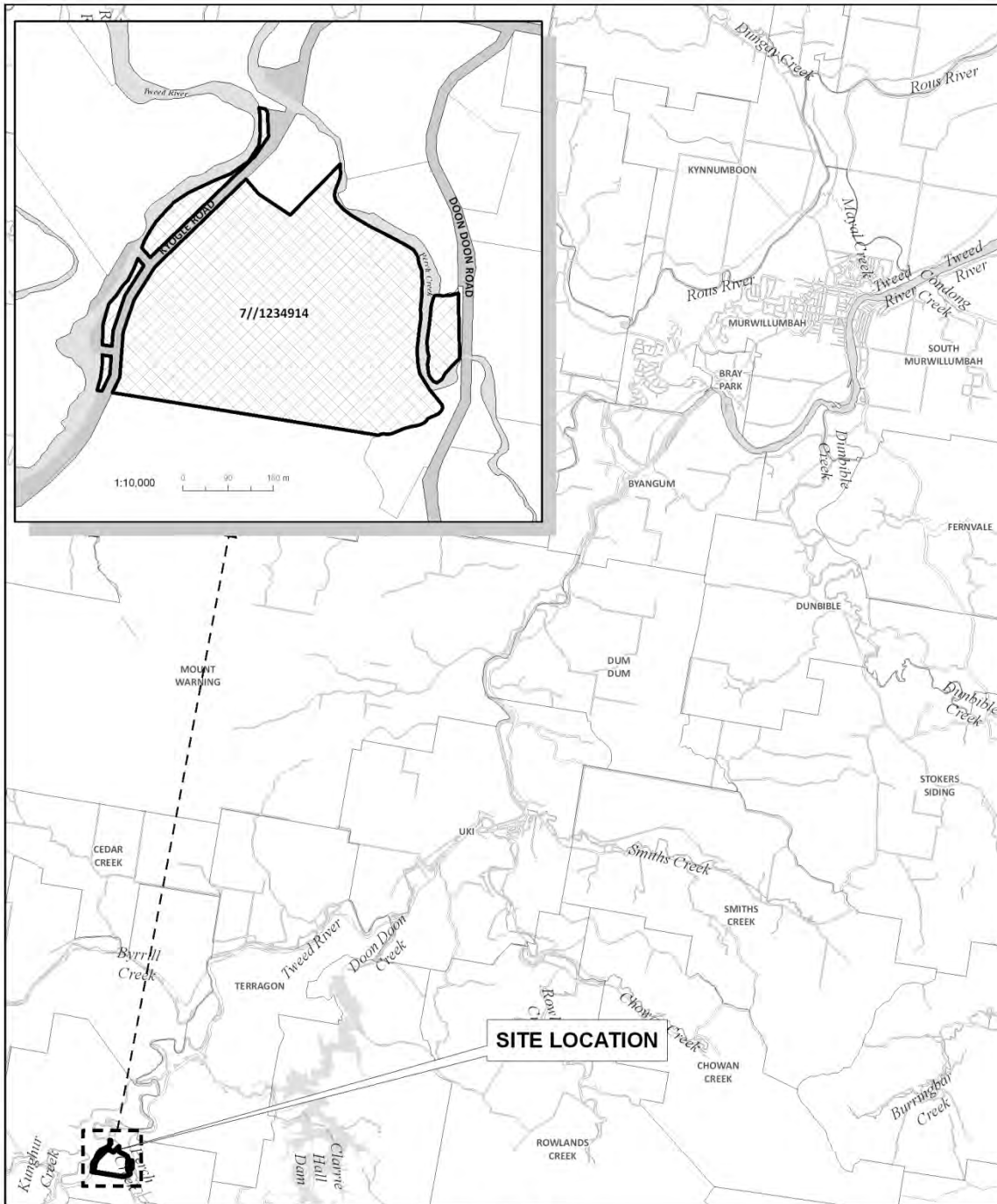
Affected Properties:
 Lot 7 DP 1234914
 2629 Kyogle Road, Kungthur

Council File |
 revised | 11/12/2017

Base Data 04/11/2017
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 Filepath: Z:\ESR\FRUI\PROJECTS\Lot 7 DP1234914.mxd
 Author: J Batchelor - Strategic Planning & Urban Design Unit
 Date Printed: 11 December, 2017

LOCALITY PLAN:



Site Plan

Lot 7 DP 1234914
2629 Kyogle Road
KUNGHUR

0 1 2 Km
1:90,000



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  Cadastre: 03/11/2017
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Coordinate System - MGA Zone 55
Datum - GDA 94
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TWEED
SHIRE COUNCIL

Date Printed: 03 November, 2017

OPTIONS:

1. The General Manager or delegate advises the complainant in writing that Council does not currently have the resources to undertake further investigations into the status of the dwelling house located at Lot 7 DP 1234914 No. 2629 Kyogle Road, Kunghur other than request information as set out in Recommendation 2.
2. The General Manager or delegate writes to the current owners requesting that they provide any information they may have in relation to when the dwelling was constructed and any known history of its occupation. Additionally advise the owners they may lodge a development application and building certificate for the dwelling house if they wish to regularise the existing dwelling house depending on the information supplied about the dwelling house history.
3. Take no further action and advise the complainant accordingly.
4. Council issue notices to the current owners requiring a development application and building certificate to be submitted to Council for the dwelling house.

Options 1 and 2 are recommended.

CONCLUSION:

Given the passage of time it would be difficult for Council to take any enforcement action accordingly it is recommended to seek information and/or encourage lodgement of an application to remedy the situation if necessary.

COUNCIL IMPLICATIONS:

a. Policy:

Corporate Policy Not Applicable

b. Budget/Long Term Financial Plan:

Not Applicable

c. Legal:

Not Applicable.

d. Communication/Engagement:

Consult-We will listen to you, consider your ideas and concerns and keep you informed.

UNDER SEPARATE COVER/FURTHER INFORMATION:

(Confidential) Attachment 1. Complaint letters (ECM 4873726)

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