

Business Paper

An Ordinary Council Meeting will be held on Tuesday 18 March 2025 in the Council Chambers located Corner Tozer and Elbow Streets, West Kempsey commencing at 9:00 AM



kempsey.nsw.gov.au



NOTICE OF MEETING

Dear Mayor and Councillors,

In accordance with section 367 of the *Local Government Act 1993* notice is hereby given that an Ordinary Council Meeting will be held on Tuesday 18 March 2025 in the Council Chambers located Corner Tozer and Elbow Streets, West Kempsey commencing at 9:00 am

Michael Jackson

General Manager

Date: 11 March 2025

ORDER OF BUSINESS

9.1. Local Traffic Committee Meeting Minutes - 25 February 2025

9.2. Australia Day Awards and Citizenship Ceremony 2025

10.1. Community Strategic Plan 2045: Your Future and Community Engagement and Participation Strategy

10.2. Draft Flood Policy

10.3. Planning Proposal - Macleay Valley Way

10.4. Disaster Ready Fund Round 3 - Proposed Projects for Grant Application

10.5. Statement of Cash and Investments - February 2025

11.1. Delegates Report - Bush Fire Management Committee

11.2. Notice of Motion - Dunghutti-Thunghutti Advisory Group

12.1. Legal Matters

12.2. Tender Evaluation for the Aquatic Engineering and Design Services TQE24/47

12.3. Management Lease and Operation of Kempsey and South West Rocks Swimming Pool/s TQE 24/56

12.4. Affordable Housing Project

REMINDER OF OATH OR AFFIRMATION

Under Clause 3.37, Statement of Ethical Obligations, in Kempsey Shire Council's Code of Meeting Practice, business papers for all ordinary and extraordinary meetings of the Council and Committees of the Council must contain a statement reminding Councillors of their oath or affirmation of office made under section 233A of the *Local Government Act 1993* and their obligations under the Council's Code of Conduct to disclose and appropriately manage conflicts of interest.

Councillors are therefore reminded of the oath or affirmation which was taken by each of them.

Oath of Councillor

I swear that I will undertake the duties of the office of Councillor in the best interests of the people of the Kempsey local government area and the Kempsey Shire Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1993* or any other Act to the best of my ability and judgment.

Affirmation of Councillor

I solemnly and sincerely declare and affirm that I will undertake the duties of the office of Councillor in the best interests of the people of Kempsey local government area and the Kempsey Shire Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1993* or any other Act to the best of my ability and judgment.

REMINDER OF REQUIREMENT TO DECLARE CONFLICTS OF INTEREST

Under Clause 3.37, Statement of Ethical Obligations, in Kempsey Shire Council's Code of Meeting Practice, business papers for all ordinary and extraordinary meetings of the Council and Committees of the Council must contain a statement reminding Councillors of their oath or affirmation of office made under section 233A of the *Local Government Act 1993* and their obligations under the Council's Code of Conduct to disclose and appropriately manage conflicts of interest.

Councillors are therefore reminded of their obligations to disclose and appropriately manage conflicts of interest.

Council's currently adopted Code of Conduct (the Code) may be found on Council's website.

The guidance below is intended for Councillors and only discusses their obligations. Members of Committees of Council, staff, advisers, and any other designated persons also have similar obligations.

This guidance is not a substitute for the full requirements of the Code, and in the event of any inconsistency between this guidance and the Code then the Code prevails. Councillors, staff, members of Committees of Council, advisers, and other designated persons must read and understand the Code.

A disclosure made at a meeting must be recorded in the minutes of the meeting. Disclosure must be made at briefing sessions, whether closed or open to the public, public forums, Council meetings, meetings of Committees or in any other forum in which the interest arises.

Pecuniary Interests

Part 4 of the Code relates to the identification, disclosure, and management of pecuniary interests.

A pecuniary interest is an interest that a Councillor has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to that Councillor or a person close to them.

There are a limited set of types of pecuniary interests that do not need to be disclosed, these are outlined in clause 4.6 of the Code.

Councillors must provide both written returns of interest in accordance with clause 4.21 of the Code and declare interests at each meeting where they arise in accordance with clause 4.28 of the Code.

Under clause 4.29 of the Code, a Councillor who declares a pecuniary interest must not be present, or in sight of, the meeting of Council at any time during which the matter is being considered or discussed by the Council or at any time during which the Council is voting on any question in relation to the matter.

The Minister for Local Government may, conditionally or unconditionally, allow a Councillor who has a pecuniary interest in a matter with which the Council is concerned to be present at a meeting of the Council, to take part in the consideration or discussion of the matter and to vote on the matter under certain circumstances.

Non-Pecuniary Interests

Part 5 of The Code relates to the identifications, disclosure, and management of non-pecuniary interests.

Non-pecuniary interests are a Councillor's private or personal interests that do not amount to a pecuniary interest (as previously defined). A non-pecuniary conflict of interest exists where a reasonable and informed person would perceive that a Councillor could be influenced by a private interest when carrying out their official functions in relation to a matter. The personal or political views of a Councillor do not constitute a private interest.

Non-pecuniary conflicts of interest must be identified and appropriately managed to uphold community confidence in the probity of Council decision-making. The onus is on Councillors to identify any non-pecuniary conflict of interest they may have in matters that they deal with, to disclose the interest fully and in writing, and to take appropriate action to manage the conflict in accordance with the Code.

When considering whether a Councillor has a non-pecuniary conflict of interest in a matter they are dealing with, it is always important to think about how others would view their situation.

Non-pecuniary conflicts of interest may be either significant or not significant. Clause 5.9 provides guidance on the types of conflict that may be regarded as significant.

A significant non-pecuniary interest that arises in relation to a matter under consideration at a Council meeting must be managed in the same manner as a pecuniary interest. That is, a Councillor who declares a significant non-pecuniary interest must not be present, or in sight of, the meeting of Council at any time during which the matter is being considered or discussed by the Council or at any time during which the Council is voting on any question in relation to the matter.

A non-pecuniary interest that is not significant does not require further action. A Councillor disclosing such an interest must explain in writing why they consider the interest not to be significant.

Political Donations

Councillors should be aware that matters before Council or committee meetings involving their political donors may also give rise to a non-pecuniary conflict of interest.

Councillors must ensure that they are familiar with clauses 5.15 to 5.19 of the Code if Council is to consider a matter concerning an entity that has made a political donation to them.

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1 OPENING PRAYER

“Dear Lord, help us in our deliberations today so that our decisions will be for the greater good for the whole of Kempsey Shire - Amen”

2 ACKNOWLEDGEMENT OF COUNTRY

“Kempsey Shire Council acknowledges the land of the Thunggutti/Dunghutti Nation. We pay respect to Elders past and present. We acknowledge the role of emerging leaders to continue to guide us in the future. We acknowledge the Stolen Generations and the need to change practices to be inclusive. This land always was and always will be Thunggutti/Dunghutti land.”

3 ACKNOWLEDGEMENT OF SERVICE MEN, WOMEN AND FAMILIES

“Council acknowledges the sacrifice made by Australian service men and women, and their families, in particular, those who gave their lives in defence of the freedom we enjoy today.”

4 APOLOGIES AND APPLICATIONS FOR A LEAVE OF ABSENCE OR ATTENDANCE BY AUDIO-VISUAL LINK BY COUNCILLORS

That any apologies submitted by Councillors for non-attendance at the meeting be accepted and leave of absence granted.

That any applications for attendance by audio-visual link submitted by Councillors be accepted and permission granted.

5 CONFIRMATION OF MINUTES

RECOMMENDATION:

That the minutes of the Ordinary Meeting of Kempsey Shire Council dated 18 February 2025 be confirmed.

Attachments:

1. Ordinary Council Meeting 18 February 2025 Draft Minutes for Adoption [5.1.1 - 12 pages]

6 DISCLOSURES OF INTEREST

That any declared interests be noted.

7 ITEMS PASSED BY EXCEPTION

The Council or a Committee of Council may, at any time, resolve to adopt multiple items of business on the agenda together by way of a single resolution.

Before the Council or Committee resolves to adopt multiple items of business on the agenda together, the Chairperson must list the items of business to be adopted and ask Councillors to identify any individual items of business listed by the Chairperson that they intend to vote against the recommendation made in the business paper or that they wish to speak on.

The Council must not resolve to adopt any item of business that a Councillor has identified as being one they intend to vote against the recommendation made in the business paper or to speak on.

RECOMMENDED:

That the recommendations contained in the following items be adopted:

10.3 Planning Proposal – Macleay Valley Way

10.4 Disaster Ready Fund Round 3 – Proposed Projects for Grant Application

10.5 Statement of Cash and Investments – February 2025

12.1 Legal Matters

12.2 Tender Evaluation for the Aquatic Engineering and Design Services TQE24/47

12.3 Management Lease and Operation of Kempsey and South West Rocks Swimming Pool/s TQE 24/56

8 MAYORAL MINUTES

Nil

9 REPORTS OF COMMITTEES

9.1 LOCAL TRAFFIC COMMITTEE MEETING MINUTES - 25 FEBRUARY 2025

Officer Maddison Cummins, Executive Officer - Operations & Planning

File Number F12/1958

PURPOSE

Adopt the minutes and recommendations of the Local Traffic Committee meeting held 25 February 2025.

RECOMMENDATION

That Council notes the minutes and adopts the recommendations of the Local Traffic Committee meeting held 25 February 2025.

BACKGROUND

A copy of the minutes of the meeting of the Local Traffic Committee held 25 February 2025.

KEY CONSIDERATIONS

Policy and Legislation

Local Traffic Committees operate in accordance with the Transport for NSW document 'A Guide to the Delegation to Councils for the Regulation of Traffic, including the Operation of Traffic Committees', the Roads Act 1993 and prevailing road rules.

Should Council not support the recommendations of a Local Traffic Committee it must inform Transport for NSW and the NSW Police of its intentions, with Transport for NSW and the NSW Police having an opportunity for appeal via the Regional Traffic Committee.

Strategic Alignment

The purpose of the Local Traffic Committee aligns with the road management and maintenance functions of Council reflected within the integrated planning & reporting suite of documents of Council.

Impact on Financial Sustainability

Works may be identified arising from the considerations of the Local Traffic Committee. These are either funded via the maintenance budget, capital projects where applicable or grant funding from external sources. Where no funding source exists, the proposed works must await the allocation of funding.

Stakeholder Engagement

Stakeholder engagement occurs for agenda items as appropriate and the details of this are outlined within the Committee's agenda to assist in consideration of the matters included.

The Committee also provides a good platform for collaboration in decision making between local and state levels of government on local traffic matters.

ATTACHMENTS

1. Local Traffic Committee Meeting Minutes 25 February 2025 [9.1.1 - 11 pages]

9.2 Australia Day Awards and Citizenship Ceremony 2025

Officer Josie Anderson, Executive Officer - Corporate and Commercial

File Number F22/2252

PURPOSE

This report presents a wrap-up of the Australia Day 2025 celebrations, focusing on the awards process, event execution, and stakeholder feedback. It outlines key successes, challenges, and recommendations to enhance future events.

RECOMMENDATION

That Council receives and notes the report.

BACKGROUND

The Australia Day Awards Committee undertakes the planning, conduct and review of Kempsey Shire's annual Australia Day Awards and Citizenship Ceremony. Additionally, this Committee serves a crucial role in determining the eligibility for awards, assessing the nominations, and determining the winners of each Australia Day award category. This Committee is formed under section 355 of the Local Government Act 1993.

The Committee met several times between July 2024 and February 2025 to fulfil the requirements of its charter and to ensure oversight of the planning and execution of a successful Australia Day awards and citizenship event, and to conduct a post-event review.

The 2025 Australia Day Awards Committee membership included: Chair, Mayor Kinne Ring, Councillor Annette Lawrence, Councillor Noel Selby, Liesa Davies (staff representative), Peter Chambers, Philip Harvey, Ross Foster, Anika Malcolm and Aden Harris, with support from the Mayor's EA, Wendy Brown. Councillor Dean Saul and former Councillor Kerri Riddington were the two Councillor representatives prior to the October 2024 Local Government election.

KEY CONSIDERATIONS

Each year the tireless efforts and outstanding contributions of Kempsey Shire citizens and community groups are recognised at Council's Australia Day Awards and Citizenship Ceremony.

2025 Australia Day Awards and Citizenship Ceremony

The 2025 Australia Day ceremony was held at the Slim Dusty Centre on Sunday 26th January 2025 with approximately 350 people attending.

Mayor Kinne Ring and the then, Acting General Manager, Stephen Mitchell, officiated with support from our Australia Day Ambassador, Mark Morrison, the Member for Oxley, Michael Kemp and Uncle Bob Smith. The event was jointly funded by Council and the National Australia Day Council Community Grants Program.

The Kempsey West Rotary Club supported a BBQ breakfast, local musicians entertained, and guests also had the opportunity to view the Tace Stevens 'We were just little boys' exhibition in the Nulla Nulla Gallery.

The overall feedback for the Australia Day Awards & Citizenship Ceremony was very positive, with attendees describing the event as classy, uplifting and well-organized.

Citizenship Ceremony

Along with our traditional Dunghutti people and Australian-born citizens, the Kempsey Shire has many residents with a variety of cultural backgrounds and customs to share.

On Australia Day 2025 Kempsey Shire welcomed fourteen new Australian citizens to become an integral part of our local community. They originated from eight different countries.

To become a citizen, people must make the Australian Citizenship Pledge at the citizenship ceremony. In doing so, candidates are making a public commitment to Australia and accepting the responsibilities and privileges of citizenship.

2025 Australia Day Awards

This year marked a special milestone with the introduction of the inaugural Reconciliation Award, reflecting a commitment to fostering understanding and unity. The new award highlighted the incredible efforts of individuals and groups championing reconciliation by building relationships, respect and trust.

Across the six potential categories, a total of 34 nominations were received from the community, showcasing a wide array of community contributions. The Kempsey Australia Day Awards Committee faced the tough task of selecting winners from such an outstanding group, with the awards being presented to:

Lifetime Contribution Winners:

- Mary Button - a Ngaku woman, for her dedicated support for Aboriginal people, including as an educator at South Kempsey Public School, tirelessly supporting all students, and creating a cohesive atmosphere between Aboriginal and non-Aboriginal people.
- Evelyn Jacobs - for her significant contributions to Kempsey sporting organisations, including the Kempsey Basketball Association and Crescent Head Surf Life Saving Club.

Category Winners:

- Citizen of the Year – Maree Tyne
- Young Citizen of the Year – Zailen Campbell-Cook
- Community Group of the Year – Dunghutti Stroke Group & Rotary Club of Kempsey West
- Volunteer of the Year – Geoff Clarke
- Reconciliation Award – Vicki Taylor

Local Hero Award Winners:

- Ian Bradshaw
- Tara Howard
- Debbie Swanson
- Krystal Smith
- Willie Thompson
- Jan Wilkins

A range of community feedback on the event, awards and ceremony was received and considered by the Committee at its recent meeting and event debrief (refer attached minutes). In particular,

concerns regarding the number of Local Hero Awards presented were noted and the Committee has agreed this category needs to be reviewed prior to the 2026 awards.

Also noted at the debrief, is that we are now due to conduct an expression of interest for a new Committee, with up to 7 new members from the community to be appointed. Staff are currently working to develop and release an Expression of Interest for new Committee community representatives, with appointments to be approved by Council at a future meeting.

Policy and Legislation

The Australia Day Awards Committee and the Australia Day Awards and Citizenship Ceremony 2024 operated in accordance with s355 *Local Government Act 1993* and the charter of the Australia Day Awards Committee.

Strategic Alignment

The 2025 Australia Day Awards and Citizenship Ceremony aligns with 2022-26 Delivery Program Action *CO.DP1 - Build capacity and support for cultural opportunities, sports, and events*

Impact on Financial Sustainability

The event was jointly funded by Council and the National Australia Day Council Community Event Grants Program.

Stakeholder Engagement

Community representatives on the Committee are appointed to enable decisions to reflect community sentiment. Community engagement with the event was largely positive.

Other Matters

Further information can be found in the attached committee minutes and via our website and media releases.

CONCLUSION

The Australia Day Awards Committee have reviewed the successful 2025 event and wish to continue to deliver and improve such a heart-warming event to the Kempsey Shire community.

ATTACHMENTS

1. Minutes Australia Day Awards Committee Debrief 14Feb25 2 [9.2.1 - 4 pages]
2. 20250110- MO Exec- Aus Day-25- Program- A 4-v Singles FINALS [9.2.2 - 24 pages]

10 REPORTS TO COUNCIL

10.1 COMMUNITY STRATEGIC PLAN 2045: YOUR FUTURE AND COMMUNITY ENGAGEMENT AND PARTICIPATION STRATEGY

Officer Carissa Graham, Integrated Planning and Reporting Manager

File Number F25/3802

PURPOSE

Provide council with an overview of the work undertaken to review and update the current adopted Community Strategic Plan 2042 and the Community Engagement Strategy and bring the newly drafted Community Strategic Plan 2045 and Community Engagement and Participation Strategy to council to be placed on public exhibition.

RECOMMENDATION

That Council:

- 1. note the community engagement undertaken to inform the updated draft Community Strategic Plan 2045 and the Community Engagement and Participation Strategy;**
- 2. place the draft Community Strategic Plan 2045 and draft Community Engagement and Participation Strategy on public exhibition for 28 days.**

BACKGROUND

Under the Integrated Planning and Reporting guidelines, at the beginning of a new council term, council is required to review and update key documents to support the strategic direction of the new term of council. This includes review of the current Community Strategic Plan and Community Engagement Strategy.

Community Strategic Plan

Significant community engagement was undertaken throughout 2021-22 which resulted in the current “Community Strategic Plan 2042: Your Future”, a 20-year plan which was adopted by council in April 2022. Given the amount of engagement and work undertaken to develop the existing plan, it was agreed to conduct a light touch review of the document.

Building on the extensive engagement conducted in 2021-22 and in preparation for development of the new suite of Integrated Planning and Reporting documents for the next 4-year term, council undertook a range of community engagement activities in October 2024 to check in with the community and councillors to understand if their priorities had changed.

The review highlighted that the existing adopted plan was still very relevant to our community, with current priorities focused on financial sustainability, investing in our young people, safer communities, supporting the local economy, protecting our environment, and prioritising quality engagement with the community.

These priorities have now been reflected in the updated draft “Community Strategic Plan 2045: Your Future”, which is proposed to be put on public exhibition.

Community Engagement Strategy

Currently council has two adopted guiding engagement documents, the Community Engagement Strategy 2022, and the Community Participation Plan 2022. As a part of the review of council's engagement approach, the decision has been made to combine these documents into one, which has resulted in the draft Community Engagement and Participation Strategy which is being presented to council for consideration.

The decision to have the Community Engagement Strategy 2022 and Community Participation Plan 2022 combined in one document is considered best practice, which is to avoid duplication, provide one central location for council and the community to outline our approach on how and when we will undertake community participation when exercising relevant planning functions, as well as our approach and key principles on engaging the community to gather views and feedback on a range of council priorities, policies and projects.

The draft Community Engagement and Participation Strategy meets council's obligations detailed in section 402 of the Local Government Act 1993 and section 2.23 of the Environmental Planning and Assessment Act 1979.

Ongoing engagement and feedback have been sought via council's website, Your Say Macleay page, social media, face-to-face community activities, Learning the Macleay survey, reference groups as well as the 2024 Micromex independent survey.

We used this information to define our approach to engagement and how we decide when and on what we engage about.

KEY CONSIDERATIONS

Community Strategic Plan

While council has a custodial role in initiating, preparing and maintaining our Community Strategic Plan, and is the only stakeholder required to report on the progress, council is not wholly responsible for its implementation. It is a plan which sets the direction for the whole of the Shire. Responsibility for achieving the long-term goals of our community rests with all levels of government, as well as individuals, organisations and industry groups.

Changes to the Community Strategic Plan

The below table provides an overview of the changes made to the document through the review process:

Section	Commentary
Change of document name	Change of name from "Community Strategic Plan 2042: Your Future" to "Community Strategic Plan 2045: Your Future" to reflect a 20-year plan, updated in 2025.
Disaster Risk Profile	Inclusion of a new page summarising our region's disaster profile, highlighting the challenges our community faces with natural disasters.

Section	Commentary
What the community wants sections	Updating the what the community wants pages to incorporate the October 2024 community engagement and ensure current priorities have been reflected.
Updated Vision	Minor wording changes to the vision: Changing the word 'build' with 'create' and 'welcoming' with 'inclusive'.
Updated Focus Area Wording	Updated focus area wording for the economy focus area, replacing 'boosting' and 'evolving' with 'growing and developing'. Revised wording for the Leadership Focus area to 'valued, knowledgeable and responsive leadership that engages and inspires the community'. Addition of numbering for the focus areas.
Updated Community Strategic Plan (CSP) Objectives	Updating of the Community Strategic Plan objectives under the focus areas environment, economy, community and leadership to reflect the feedback and priorities from community and including reference numbers.
Updated Supporting Statements and who can help	The 'How we will get there' statements and 'Who can help' section the Community Strategic Plan Objectives under the focus areas environment, economy, community and leadership have been updated to reflect the changes to the CSP objectives.
How we measure change	Performance measures for each of the four the focus areas have been reviewed and updated.
How does the CSP Fit	Additional information has been included around council's role in supporting the implementation of the Community Strategic Plan.
Strategies List	Strategies list has been updated to reflect known changes to global, state, regional or local strategies.

Community Engagement and Participation Strategy

Below table provides an overview of the changes made to develop the new combined document through the review process:

Section	Commentary
Combining two existing documents	The Community Engagement Strategy 2022 and Community Participation Plan 2022 combined into the one document
Change of document name	The combined document has been renamed to: Community Engagement and Participation Strategy

Section	Commentary
Feedback	Feedback received during engagement identified people wanted a clear approach and simplified information on our when and how we engage, and how to participate. The community has also provided feedback on how they wish to be engaged and communicated with.
Lessons learnt	Feedback on previous council engagements has been considered. This information was gathered through ongoing consultation and conversations with key community groups.
Method of engagement	We do this using the International Association for Public Participation (IAP2) Spectrum of public participation.
Updated Key Principles	That we are authentic, inclusive, timely, genuine and we will close the loop .
Expanded who we engage with	We are mindful we are engaging a diverse range of stakeholders. Reflecting this diversity is essential in shaping the decisions that affect our shire, its towns and villages.

Policy and Legislation

This report and the attached plans were prepared in accordance with the Local Government Act 1993 and its regulations and requirements for integrated planning and reporting.

Additionally, the Community Engagement and Participation Strategy meets council's obligations detailed in section 402 of the Local Government Act 1993 and section 2.23 of the Environmental Planning and Assessment Act 1979.

Strategic Alignment

As noted above, both the Community Strategic Plan and Community Engagement Strategy are legislated requirements under the Integrated Planning and Reporting Guidelines set out by the office of local government as noted under Policy and Legislation.

Impact on Financial Sustainability

Community Strategic Plan 2045

Financial Sustainability has been highlighted by councillors, council staff and the community as a key priority for council and has been reflected in this plan, and other integrated planning and reporting documents, with key objectives and actions focused on improving financial sustainability outcomes.

Community Engagement and Participation Strategy

With the level of resources dedicated to the Community Engagement and Participation Strategy it does not have a material impact on councils' financial sustainability position, however,

communicating and engaging with our community on our financial sustainability journey is an important part of the process.

Stakeholder Engagement

Community Engagement

Significant community engagement was undertaken to prepare and update the 20-year Community Strategic Plan 2042 which was adopted by council in 2022.

To build on this extensive engagement and in preparation for development of the new suite of Integrated Planning and Reporting documents for the next 4-year term, council undertook a range of community engagement activities in October 2024 to check in with the community to understand if their priorities had changed. These activities included:

- Face-to-face sessions in the community including visits to Willawarrin, Kempsey CBD, Crescent Head, South West Rocks and Stuarts Point
- Shaping our Future and Council Priorities online survey (council's online survey)
- Micromex Community Satisfaction Research Survey (Micromex telephone survey)
- Workshops with the senior leadership team and councillors.

Feedback was received from 516 community members, with 47 people attending the face-to-face sessions, 169 people completing council's online survey and 300 people participating in the Micromex Telephone survey. A copy of the Micromex and council survey reports are attached to this report.

Approach to Community Engagement for developing the new suite of Integrated Planning and Reporting documents

The below graphic outlines councils' approach to undertaking engagement for developing the new suite of Integrated Planning and Reporting documents including the review of the Community Strategic Plan 2045 and Community Engagement and Participation Strategy:



Councillor Engagement in developing the new suite of Integrated Planning and Reporting documents

The below graphic outlines how council staff have worked with councillors in developing the new suite of Integrated Planning and Reporting documents including the Community Strategic Plan 2045 and Community Engagement and Participation Strategy:



IP&R = Integrated Planning and Reporting

Upcoming Integrated Planning and Reporting council reports

Below outlines the upcoming council reports planned to bring key Integrated Planning and Reporting documents to council for consideration:



CSP = Community Strategic Plan

CEG = Community Engagement Strategy

Other Matters

Nil

CONCLUSION

Draft Community Strategic Plan 2045

The draft Community Strategic Plan 2045 reflects the opinions, values, and aspirational desires of our wide and diverse community. The plan is a key element of our Integrated Planning and Reporting suite of documents that drives council's 4-year delivery program and annual operational plans over the next term of council.

Draft Community Engagement and Participation Strategy

This new combined strategy sets out council's key principles and our commitment to community engagement using the International Association for Public Participation (IAP2) Spectrum of public participation. It also steps out opportunities where the community can participate in decision making.

Both documents are required by legislation and critical in providing strategic direction and outlining how we engage with our community to support the development and implementation of council's new suite of Integrated Planning and Reporting documents for the new term of council. The proposed public exhibition period is an important opportunity for the community to review these draft documents and have their say.

ATTACHMENTS

1. Draft Community Strategic Plan 2045 [10.1.1 - 42 pages]
2. Draft Community Engagement and Participation Plan [10.1.2 - 48 pages]
3. Report Kempsey Shire Council Community October 2024 [10.1.3 - 69 pages]

4. Your Say Macleay Shaping Our Future and Council Priorities Survey Results Summary [**10.1.4** - 13 pages]

10.2 Draft Flood Policy

Officer Caro Szary, Group Manager Strategic and Asset Planning

File Number F24/1725

PURPOSE

Seek adoption of the draft Flood Policy. This policy aligns with the NSW Government Flood Prone Land Policy and ensures compliance with the *Environmental Planning & Assessment Act 1979*. It provides a comprehensive framework for assessing and managing development on flood-prone lands, ensuring new developments are resilient to flood risks and climate change impacts.

RECOMMENDATION

That Council:

1. **endorses the draft Flood Policy for public exhibition for at least 28 days;**
2. **notes that feedback from the exhibition period, including community and state department input, will be incorporated into the final draft Flood Policy; and**
3. **receives a report following the exhibition period to a future ordinary meeting of Council.**

BACKGROUND

The draft Flood Policy is designed to provide clear guidelines on flood management and development controls. It integrates local flood studies and best practices to enhance safety, minimise risk, and promote sustainable development. The policy aligns with standard practices adopted by adjacent councils, such as Port Macquarie, and sets a foundation for long-term flood resilience in the shire.

KEY CONSIDERATIONS

Policy and Legislation

The policy aligns with the NSW Government Flood Prone Land Policy and ensures compliance with the *Environmental Planning & Assessment Act 1979*. It establishes development controls and planning measures based on state and national guidelines to:

- Protect communities and assets from the adverse impacts of flooding
- Reduce flood risks through informed planning decisions
- Ensure sustainable and resilient development practices in flood-affected areas
- Incorporate climate change considerations into flood management strategies.

Strategic Alignment

The policy supports objectives outlined in the Community Strategic Plan (CSP), particularly in:

- Enhancing environmental sustainability through responsible floodplain management.
- Strengthening community resilience by ensuring new developments adhere to flood risk mitigation measures.
- Integrating flood risk management with land-use planning to safeguard infrastructure and essential services.

By applying flood risk management principles to development assessment and planning, the policy ensures alignment with regional sustainability and emergency preparedness strategies.

Impact on Financial Sustainability

The policy promotes financial sustainability by reducing the long-term economic impact of flood events on Council and the community. By implementing flood risk mitigation measures, including minimum floor levels, floodproofing strategies, and development controls, the policy helps to minimise costly damage to infrastructure and private properties. It also ensures that new developments contribute to flood resilience rather than increasing future financial liabilities for Council. Proactive planning and investment in flood risk management will reduce the need for costly emergency responses and post-disaster recovery expenditures, leading to long-term financial stability.

Stakeholder Engagement

Internal consultation has been undertaken with Strategic and Asset Planning and other relevant departments. External consultation will occur during the exhibition period, with community feedback invited and relevant state departments consulted for input and review. The policy emphasises community engagement to ensure that stakeholders understand flood risks and contribute to the development of resilient planning strategies.

Other Matters

The policy ensures that new developments do not exacerbate existing flood risks and that they align with established Flood Planning Levels (FPLs) and hazard categories. Development controls outlined in the policy, including floodproofing measures and evacuation planning, ensure that both residential and commercial developments meet stringent safety and sustainability standards. The policy also emphasises the use of best-practice engineering and nature-based solutions where appropriate, reinforcing its role in achieving long-term resilience in flood-prone areas.

CONCLUSION

The draft Flood Policy provides a structured framework for managing flood risks in the shire. It ensures that new developments comply with best practices in flood resilience, aligns with state and national policies, and integrates climate change considerations into planning decisions. Adoption of this policy will enhance Council's ability to regulate flood-prone developments effectively while reducing financial liabilities associated with flood damage. By establishing clear guidelines for sustainable development in flood-prone areas, the policy strengthens public safety, environmental protection, and the overall resilience of the community.

ATTACHMENTS

1. Draft Flood Policy [10.2.1 - 20 pages]

10.3 PLANNING PROPOSAL - MACLEAY VALLEY WAY

Officer Simon Morrison, Strategic Planning Officer

File Number PP2400010

PURPOSE

Consider a planning proposal that seeks to amend the Kempsey Local Environmental Plan 2013 (KLEP 2013) by modifying the Land Zoning, Lot Size, and Floor Space Ratio (FSR) maps. The proposed amendments will facilitate the future subdivision of the subject land into three industrial lots.

- Proposal: To amend the KLEP 2013 Land Zone, Lot Size and Floor Space Ratio (FSR) Maps to enable a future 3 lot industrial subdivision.
- Location: Lot 3 DP1231274, 476 Macleay Valley Way, South Kempsey.
- Proponent: King & Campbell on behalf of David Griffin.

The next stage in the process is to submit the planning proposal to the Minister for Planning & Public Spaces for gateway consideration. The Minister or their delegate will assess if there is sufficient merit to proceed with the planning proposal and determine any condition for further consideration.

RECOMMENDATION

That Council:

1. submits the planning proposal to amend the *Land Zoning, Lot Size and Floor Space Ratio Maps* at Lot 3 DP1231274, South Kempsey, to the Minister for Planning & Public Spaces for gateway determination pursuant to section 3.34 of the Environmental Planning and Assessment Act 1979;
2. requests written authorisation from the Secretary of the Department of Planning, Housing and Infrastructure for Council to exercise plan-making delegations in relation to this proposal; and
3. undertakes community consultation for the planning proposal, subject to the gateway determination, as required.

BACKGROUND

Subject Land

The site is located at 476 Macleay Valley Way in South Kempsey, with a total area of approximately 7.48 hectares. The site consists of:

- A developed front section with a large commercial building, asphalt and concrete hardstand areas, and a lower elevation compared to the road. (Figure 1)
- A central portion with a small natural watercourse, unpaved yard, various outbuildings, and partial fencing.
- A rear section (approximately 3.6 hectares) cleared and levelled, which is the subject of the proposed zoning amendment. (Figure 2)

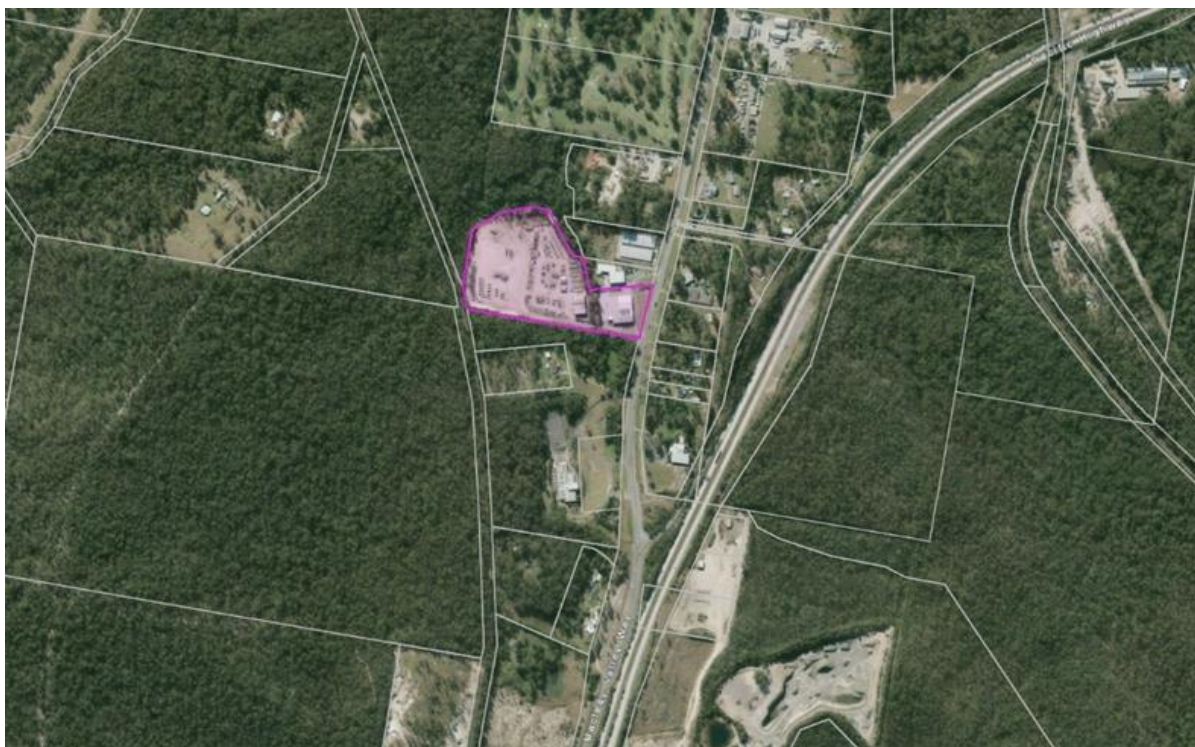
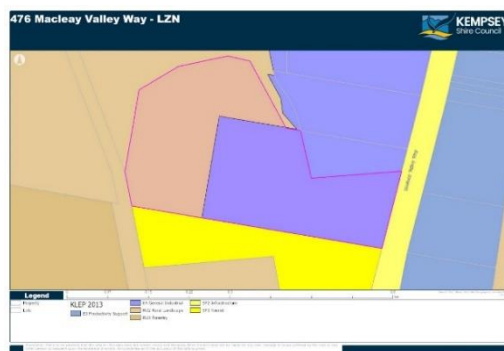


Figure 1: Subject site outline and context



Figures 2: Subject site - current site condition and land zoning

Objectives of the Planning Proposal

The planning proposal (refer attachments) aims to enable a future subdivision of three lots, by:

- Rezoning the western portion of the site from RU2 Rural Landscape to E4 General Industrial, to align with the existing zoning on the eastern portion;
- Removing the current forty hectares (40ha) minimum Lot Size Map requirement, to be consistent with industrial land provisions in South Kempsey;
- Applying a floor space ratio (FSR) of 0.5:1 across the whole site, consistent with the FSR for E4 General Industrial zoning in South Kempsey.



Figure 3: Existing and Proposed planning - Land Zone, Lot Size and Floor Space Ratio (FSR)

The proposed subdivision concept layout, zoning and plan amendments aim to:

- Facilitate logical and efficient development of industrial plots consistent with the surrounding area;
- Provide industrial development on flood-free land;
- Modify an existing road junction on Macleay Valley Way to improve access for future rear developments (Figure 4);
- Avoid additional vegetation clearing, as the site is already highly modified and level.

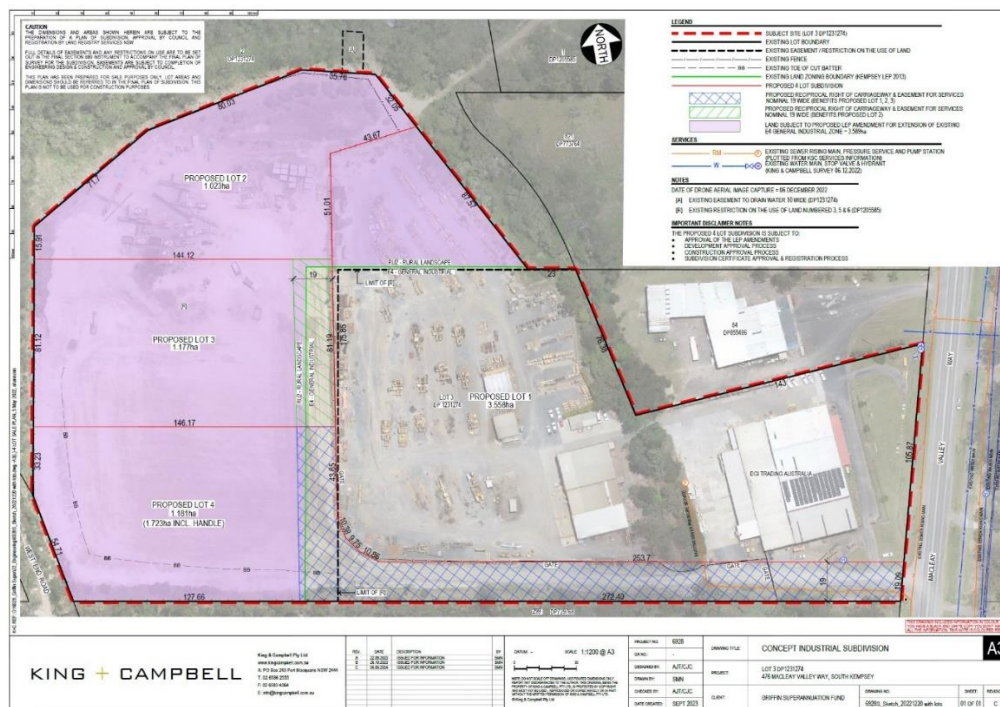


Figure 4: Proposed Subdivision Concept Plan

Site considerations

Flooding

The location of proposed future development ensures future industrial buildings would occur outside the 1% AEP (1-in-100 year) flood risk, and the Probable Maximum Flood (PMF) level.

Bushfire Risk

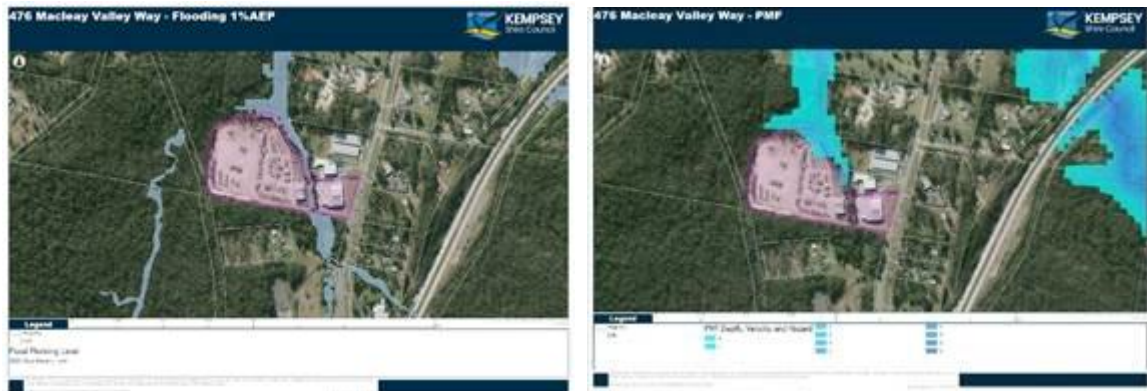
Part of the site is currently still identified as a bushfire risk zone (Figure 6), however that portion of the site has been cleared of all vegetation and excavated down to a level well below neighbouring vegetation.

Environmental and Cultural Heritage Considerations

As indicated in the subdivision concept (Figure 4), the proposed subdivision concept layout makes negligible impact on the site's already highly modified landform. There is no discernible native vegetation as the site has been used as storage and compound for some time.

The whole of the site appears clear of any disturbance of Class 5 and Class 2 Acid Sulfate Soils.

No Aboriginal cultural site or item was identified in the area or surroundings from an AHIMS (Aboriginal Heritage Information System) search. At this planning stage there is nothing indicated, nor any recommendation that hinders the progress of this planning proposal for rezoning or associated map changes.



Figures 5: Site environmental considerations – Flooding issue: 1% AEP and PMF scenario



Figures 6: Site environmental considerations – Bushfire previous risk mapping and current site vegetation status, cleared

Justification for the Planning Proposal

The subject site is located within an area identified for future growth, being in:

- The North Coast Regional Plan (NCRP) 2041, which designates the area as an “Investigation area - Employment land” (Figure 7)
- The Kempsey Shire Local Growth Management Strategy (LGMS 2023) and Local Employment Strategy 2023, which support industrial expansion in South Kempsey.



Figure 7: North Coast Regional Plan (NCRP) 2041 – Investigation area – employment land

Key strategic benefits of the proposal include:

- Alignment with Kempsey's Urban Growth Boundary and regional employment land planning
- Proximity to key infrastructure, including the Pacific Highway interchange
- Flood resilient industrial land, free of the 1-in-100-year flood risk and almost entirely beyond the PMF scenario, suitable for future development
- Previous onsite bushfire vegetation risk areas removed with previous clearance of site vegetation and excavations, (any detailed bush fire consideration and treatments would be dealt with in a future Development Application [DA])
- No disturbance of Class 5 and Class 2 Acid Sulfate Soils
- No sensitive biodiversity, habitat and indigenous vegetation are located within the site
- The proposed concept is consistent with the scale of surrounding industrial/commercial development
- Capacity to accommodate industrial growth without additional burden on existing infrastructure

KEY CONSIDERATIONS

Policy and Legislation

Under section 3.34 of the *Environmental Planning and Assessment Act 1979*, the planning proposal must be submitted to the Minister for Planning and Public Spaces for gateway determination. The gateway process will:

- Determine whether the proposal has sufficient merit to proceed;
- Identify any further information that may be required;
- Outline consultation requirement; and
- Establish a timeline for the plan-making process.

Strategic Alignment

The proposal supports the Kempsey Local Growth Management Strategy and aligns with regional and local employment land planning by facilitating industrial development in a designated growth area.

Impact on Financial Sustainability

The site and potential development scale are already recognised within existing infrastructure capacity planning. Any additional infrastructure demands arising from future development will be the responsibility of the developer.

Stakeholder Engagement

If the Minister for Planning & Public Spaces issues a gateway determination, community consultation will be undertaken in accordance with:

- Gateway determination requirements
- Council's Development Control Policy and Rezoning Procedure 1.1.9
- Consultation with the relevant government agencies

Once community consultation is complete, the matter will be reported back to council to consider any submissions received and whether to proceed with amendments to the KLEP2013.

Other Matters

Nil

CONCLUSION

The Planning Proposal aligns with Council's strategic planning objectives and employment land strategies for South Kempsey. The proposed zoning changes will support industrial growth, enhance land use efficiency, and leverage existing infrastructure without significant environmental impacts.

It is recommended that Council proceed with the proposal and submit it for gateway determination.

ATTACHMENTS

1. Planning Proposal [**10.3.1** - 62 pages]
2. APP A_6928 P Proposed Map Amendments rev B P P-2024-2316 [**10.3.2** - 1 page]
3. APP B_6928 P Concept Industrial Subdivision 1 P P-2024-2316 [**10.3.3** - 1 page]
4. APP C_ AHIMS Search Result P P-2024-2316 [**10.3.4** - 2 pages]
5. APP D_ handbook-for-the-strategic-guide-to-planning-for-natural-hazards P P-2024-2316 [**10.3.5** - 14 pages]
6. APP E_ STRATEGIC BUSHFIRE STUDY Rezoning (474 Macleay Valley Way, South Kempsey) [**10.3.6** - 65 pages]
7. APP F_ Traffic Impact Assessment - 476 Macleay Valley Way, South Kemspey P P-2024-2316 [**10.3.7** - 26 pages]
8. APP G_ Kempsey Local Growth Management Strategy 2041 – endorsed 23 August 2023 P P-2024-2316 [**10.3.8** - 2 pages]
9. APP H_ Pre Lodgement Planning Proposal Mtg Notes 20240517 P P-2024-2316 [**10.3.9** - 3 pages]
10. APP I_6928 Civil Engineering Report V 1 P P-2024-2316 [**10.3.10** - 32 pages]
11. BUSHFIRE HAZARD ASSESSMENT - Rezoning (474 Macleay Valley Way, South Kempsey) 4 lots P P-2024-2316 [**10.3.11** - 65 pages]

10.4 DISASTER READY FUND ROUND 3 - PROPOSED PROJECTS FOR GRANT APPLICATION

Officer Daniel Thoroughgood, A/Director Operations and Planning

File Number F24/3772

PURPOSE

Seek Council's endorsement of three projects for Disaster Ready Fund Round 3.

RECOMMENDATION

That Council:

1. **notes the opportunity to apply for the NSW Government Disaster Ready Fund, Round Three;**
2. **agrees Council apply for Disaster Ready Funding (Round 3) for the three projects detailed in the report; and**
3. **notes the potential implications for Council's financial position and future budgets, should Council be successful in applying for this funding.**

BACKGROUND

In accordance with Council's recently adopted grants policy, proposed projects that have no adopted budget and are proposed for a grant funding application are required to come to Council for approval.

The NSW Disaster Ready Fund, administered by NSW Reconstruction Authority, is for projects that build resilience to prepare for, or reduce the risk of, future natural hazard impacts.

Project applications for this round of funding close on 2 April 2025. The funding provided is 50%, with Council providing the other 50%. The Disaster Ready Fund allows for projects to be delivered over a period of 5 years for infrastructure projects, and over 3 years for all other projects.

KEY CONSIDERATIONS

Staff have considered a range of projects for a potential application, with three projects being deemed suitable for an application. Note that one identified project includes the betterment of existing assets which, if successful, would result in increased ongoing depreciation and eventual asset replacement obligations.

The total cost for the three identified projects is \$2.45M. Council's co-contribution would be \$1.225M from the general fund. The projects are as follows:

Project name	Cost type	Timing	Total project cost	Grant funded	Council funded
1. Integrated Climate Change Preparedness Strategy for better preparedness and resilience to climate change	OPEX	2026-27	\$200,000	\$100,000	\$100,000

2. Shingle Causeway Program	CAPEX	2026-27	\$2,000,000	\$1,000,000	\$1,000,000
		2027-28			
3. Significant Cuttings Program	CAPEX	2026-27	\$250,000	\$125,000	\$125,000
Total			\$2,450,000	\$1,225,000	\$1,225,000

Below provides detail on the three projects and the expected benefits to the community.

1. Development of an *Integrated Climate Change Preparedness Strategy* for better preparedness and resilience to climate change

- The Climate Adaptation Strategy is a financial risk management tool designed to protect Council's assets, reduce future costs, and align with strategic objectives. It addresses Kempsey Shire's climate risks while supporting financial sustainability.
- The Climate Adaptation Strategy is more than an environmental plan — it's a strategic investment in Kempsey Shire's infrastructure and financial stability. By proactively addressing climate risks, Council can extend asset life, reduce maintenance backlogs, and avoid costly reactive repairs.
- Integrating climate resilience into asset management ensures investments are targeted, cost-effective, and aligned with Council's broader financial sustainability goals. By developing this strategy, Kempsey Shire Council can better manage its asset base, reduce long-term costs, and strengthen its ability to access funding — ultimately protecting both infrastructure and community well-being.
- This strategy aims to ensure we are better equipped to manage the increasing risks associated with natural disasters, ensuring the safety, stability, and resilience of the community and our infrastructure assets.
- The strategy aligns with existing Council plans such as the Floodplain Risk Management Plan, Bushfire, Risk Management Plan, Coastal Management Program and Climate Action Plan ensuring consistency with broader disaster resilience efforts. It is also aligned with the Council's Community Strategic Plan (CSP), the Delivery Program (DP), the Operational Plan (OP), and the Strategic Asset Management Plan (SAMP), specifically focusing on climate change adaptation, land use, and risk mitigation.
- The strategy is also included in the current draft Delivery Program 2025-2029, which will be presented to Council for public exhibition in April, and proposed adoption at the June Council meeting.
- There is currently \$100,000 allocated to a Climate Risk Assessment in the adopted 2024-25 budget that is for part of this project. This work has been deferred, as reported in quarterly reports, with a view to utilising it as a co-contribution to secure further grant funding.
- The \$100,000 in this year's budget that is for this project, could be carried over to 2026-27 as an identified co-contribution, for part of the program looking at a couple of main priorities, if we applied and were successful.
- To develop and implement a comprehensive strategy, a further Council contribution of \$300,000 is required, part of which could potentially be sourced from the Environmental Levy fund. This would allow Council to apply for a matching \$400,000 from the grant funding program, with a \$400,000 co-contribution.

- If Council were to apply and be successful for the full-scale program, the \$400,000 co-contribution would add to the general fund deficit partly offsetting the \$1.5M savings made to date and therefore this option is not recommended.
- It is recommended that Council utilise the \$100,000 already allocated from the General Fund as a co-contribution for this grant application.

Expected benefits

- The Integrated Climate Change Preparedness Strategy directly contributes to disaster risk reduction by addressing climate-related hazards such as floods, bushfires, landslides, urban heat, and coastal erosion. It enhances resilience by incorporating predictive modelling, vulnerability mapping, and risk assessment into land use planning, infrastructure design, urban heat reduction plans and emergency preparedness. The strategy will use advanced techniques, like the R factor (Rainfall, Runoff, eRosion) model, to predict landslide-prone areas and develop tailored solutions.
- Additionally, the strategy aims to improve community awareness and engagement, ensuring that residents are well-informed and prepared for future climate-related disasters. The document also emphasizes long-term resilience through sustainable development and adaptive management practices.

2. Shingle Causeway Program

- The program will deliver the installation of concrete causeways or minor bridges over creeks that do not have a constructed crossing.
- Currently there are approximately twenty locations in the LGA that are impacted by flooding events as the access road crosses natural shingle beds. This program would reduce flooding and environmental impacts in future disasters.
- A total Council contribution of \$1,000,000 is required for this application.
- There is already \$500,000 allocated to this project in the draft 2025-26 budget, and it is intended that a further \$500,000 will be allocated in the 2026-27 budget when it is drafted. The budget is within the Unsealed Rural Roads allocation
- Note the Shingle causeway project will result in new assets resulting in ongoing depreciation and eventual replacement, however the depreciation cost is low with an estimated useful life of 80-100 years, the total additional depreciation will range from \$20,000-25,000 annually and be offset by a reduction in maintenance expenditure on the causeways. As this maintenance cost is not itemised it is difficult to estimate.

Expected benefits

- This project will identify and mitigate the risk of isolated communities during natural disasters, it will also allow emergency services better access to these communities during natural disasters.
- This project will also significantly reduce the existing maintenance cost on these causeways.
- This project will also eliminate the cost currently borne by Council to reconstruct the channel after flood events that do not reach the damage threshold to active natural disaster arrangements, as currently these costs are entirely borne by the general fund.

3. Significant Cuttings Program

- Identification of road cuttings that are vulnerable to upslope and downslope failures during flood events and design upgrades to improve the flow of stormwater and protect areas that receive concentrated flows that typically lead to scour.
- A Council contribution of \$125,000 is required. This work would save Natural Disaster Funding of EPARs after an event.
- Council's \$125,000 co-contribution can be met by forecast expenditure on unsealed roads in the long-term financial plan.

Expected benefits

- With the correct installation and maintenance programs, this will reduce the significance of our restoration works and risk of isolated communities, particularly those with 'one way in, one way out' roads. It will also allow emergency services better access to these communities during natural disasters.
- It will also significantly reduce the risk of slips that are below the threshold to invoke natural disaster arrangements and would be borne by the general fund. It is possible that a single such slip could exceed to cost of this project.

Timing Considerations

Projects must be completed within 5 years for infrastructure projects and up to 3 years for all other projects.

It is anticipated that these projects will be conducted throughout 2026-27 and 2027-28. If Council is successful it is not anticipated by the funding body that implementation plans will be agreed until early 2026.

Policy and Legislation

This paper adheres to the grants management policy which states:

Grant applications that must be reported to Council include grants:

- (a) with significant financial, strategic, or risk implications;*
- (b) with significant community impact;*
- (c) for items not delivering on adopted programs, plans or strategies of Council; or*
- (d) not provided within the adopted budget.*

All three projects align to some extent with the existing Delivery Program and Long-Term Financial Plan. However, the future Operational Plan and Budgets have not yet been adopted by Council and therefore trigger reporting to Council.

Strategic Alignment

These projects align with the following adopted delivery program and operational plan actions:

Delivery Program Action

EN.DP9 – Plan for and respond to emergencies by improving infrastructure and working with other agencies.

Operational Plan Action

EN.OP62 – Work alongside NSW Government agencies to provide resources and infrastructure to respond to emergencies such as floods and fires.

Impact on Financial Sustainability

Council must co-contribute up to 50% of the project cost, which is proposed as \$1.225M.

Stakeholder Engagement

The Disaster Ready Fund (Round 3) guidelines were reviewed, and the Executive and Senior Leadership Teams were consulted for input of potential projects that met the grant criteria.

CONCLUSION

There are three projects potentially suitable for an application under the Disaster Ready Fund (Round 3) program. Our new Grants Policy requires Council consider and agree that an application be made for the afore-mentioned projects, noting a successful application would commit funds which are not in an adopted budget and for one project (Integrated Climate Change Preparedness Strategy) which is not included in an adopted Council plan, although it is included in a draft plan. Further, it is prudent that Council considers the impacts of such an application on Council's future budgets and financial position in making this decision.

ATTACHMENTS

Nil

10.5 Statement of Cash and Investments - February 2025

Officer Stacey Milligan, Finance Manager

File No F22/3106

PURPOSE

In accordance with the *Local Government (General) Regulation 2021* (the Regulation), a report on investments is to be provided monthly to Council.

RECOMMENDATION

That Council receives and notes the report.

BACKGROUND

Section 212 of the Regulation states:

Local Government (General) Regulation 2021

Part 9 Division 5 Section 212

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.
 - (2) The report must be made up to the last day of the month immediately preceding the meeting.
- Note: Section 625 of the Act specifies the way in which a Council may invest its surplus funds.

KEY CONSIDERATIONS

Policy and Legislation

The *Local Government (General) Regulation 2021*, Part 9 Division 5 Section 212 requires the responsible accounting officer of a Council to 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. This report satisfies that requirement.

Council's investments are in accordance with the *Local Government Act (1993)* and Council's investment policy.

Strategic Alignment

Robust investment and cash management aligns with Council's objective to be financially sustainable.

Impact on Financial Sustainability

The effective management of cash and investments is a key contributor to Council's financial operating result and consequently, financial sustainability.

Stakeholder Engagement

Nil.

Other Matters

Council held \$112.5M of cash and investments on 28 February 2025, comprising \$16.0M of cash at bank and \$96.5M of investments.

The market valuation of Council's investments is reported in section 5 of the attached Investment Report Pack.

In January, the weighted average running investment yield was 4.60%. The weighted average running yield remained at 4.60% for February 2025. Our current return is remaining static at present due to the current interest rate environment.

Investment income for the financial year-to-date is \$3,283,979 which is slightly below the revised year-to-date budget of \$3,441,108. This is due to the December quarterly budget revision that increased the annual budget by \$300,000 due to the generally higher levels of cash than budgeted throughout the year.

As previously advised to Council, a review of the investment strategy in light of the current economic environment and cash holding of Council, is planned to be conducted. The intention is to ensure best practice management of cash and investments to optimise returns while maintaining an appropriate level of operational funds. A request for quotation for investment advisory services was advertised on 27 February 2025 and closes on the 18 March 2025.

CONCLUSION

Council held \$112.5M in cash and investments on 28 February 2025.

Details of investments, and investment performance are included in the attachment to this report.

ATTACHMENTS

1. Statement of Cash & Investments - February 2025 [10.5.1 - 27 pages]

11 REPORTS FROM COUNCILLORS

11.1 Delegates Report - Bush Fire Management Committee

Councillor Cr Bain, Councillor

File Number F18/1959

PURPOSE

Report on the meeting of the Bush Fire Management Committee held on 12 February 2025.

RECOMMENDATION

That Council receives and notes the report.

BACKGROUND

The Bush Fire Management Committee met on 12 February 2025 at the Kempsey Fire Control Centre.

KEY CONSIDERATIONS

Policy and Legislation

N/A

Strategic Alignment

N/A

Impact on Financial Sustainability

N/A

Stakeholder Engagement

N/A

Other Matters

N/A

CONCLUSION

It is recommended that Council receives and notes the report.

ATTACHMENTS

1. BFMC Report Feb 12 2025 [**11.1.1** - 2 pages]

11.2 Notice of Motion - Dunghutti-Thunghutti Advisory Group

Proposed by Cr Lawrence, Councillor

Authored by Cr Wyatt, Councillor

File Number F23/1930

PURPOSE

The purpose of this notice of motion is to establish a First Nations Advisory Group to Kempsey Shire Council. The intent of the Group is to:

- Provide non-binding advice and raise awareness on matters relating to First Nations communities in the Kempsey Shire, including (but not limited to) cultural heritage, land management, environmental protection, social impact, economic development and community development.
- Inform and provide advice into Council's corporate plans, strategic plans, policies; and initiatives for recognizing and respecting Aboriginal society, culture and history.
- Facilitate the rise of cultural competency across Kempsey Shire Council and promote mutual awareness and respect for the cultures of both Aboriginal and non-Aboriginal communities.
- Contribute local knowledge regarding community impacts, emerging trends, opportunities and service gaps; and work together towards well-informed decision-making processes that are cognisant to matters affecting First Nations people.
- Support the delivery of NAIDOC Week and Reconciliation Week activities/celebration and within the Kempsey Shire.
- Assist in matters related to services, programs and activities for First Nations people living in Kempsey Shire; and foster access and accessibility to services, programs and facilities in the Shire.
- Provide input, share knowledge and cultural advice on social matters such as youth crime, housing, education and capacity building.

RECOMMENDATION

That Council:

- 1. Establish a First Nations Advisory Group as a committee of Council under section 355 of the Local Government Act**
- 2. Prepare a draft Terms of Reference for consultation with local First Nations people and to be reviewed by Council**
- 3. Conduct an expressions of interest process to recruit First Nations people to the First Nations Advisory Group, with appointments to be made by Council**
- 4. Commence the expressions of interest process no later than September 2025**
- 5. Review the First Nations Advisory Group after 24 months, with a report on the review to be presented to Council.**

BACKGROUND

First Nations community members have raised concerns regarding the impact of development on cultural heritage values and the importance of embedding First Nations voices in decision-making processes within Kempsey Shire Council. They have emphasized the significance of cultural heritage

and the need for structured First Nations representation within the Council to help address key community issues, including youth crime, housing, education, employment and capacity building. Additionally, community members have identified a need for a clear and structured process to enhance awareness of cultural heritage, community engagement, and cultural protocols, ensuring these considerations are appropriately integrated into Councils planning, decisions and policies.

They have asked Councillor Lawrance to bring forward this Notice of Motion that Kempsey Shire Council:

1. Recognizes the significance of cultural heritage and the need for meaningful First Nations representation into decision-making processes.
2. Explores mechanisms to enhance First Nations representation within Council through the establishment of a dedicated advisory group or committee.
3. Develops a structured process to raise awareness of cultural heritage, community engagement, and cultural protocols, ensuring they are integrated into Council decision-making and planning processes.

Other Councils

Please refer to *Table of OLG Group 4 Councils that have Aboriginal engagement policies, committees and/or protocols*. There are 26 Councils in this group, and table indicates that:

- Kempsey Shire has the second highest Aboriginal and Torres Strait Islander population of 12.6%
- 23% have First Nations Advisory Groups / Committees
- 82% have specific policies, protocol or plans (in addition to a RAP)
- Kempsey Shire has neither First Nations Advisory Groups or specific policies, protocol or plans (in addition to a RAP).

It should be noted that Kempsey Shire had an Aboriginal Advisory Committee and an Aboriginal Working Party that were disbanded in the mid 2000s (TBC by Executive Leadership Team).

Those OLG 4 Local councils with existing policies, protocols, plans, or committees can serve as models for establishing the Kempsey Shire First Nations Advisory Group, guiding recruitment processes, drafting the Terms of Reference, defining the role and Group coordination.

Councillor workshop

Councillors attended a workshop and briefing in early February discuss the merits, complexities and barriers of establishing a First Nations Advisory Group.

These included, but not limited to:

- Funding to support the Group given the financial sustainability
- Staff resourcing to undertake administrative functions for the Group
- First Nations community led or Council led
- Positive step towards reconciliation, knowledge sharing and increase cultural awareness
- Recruitment process to ensure equity and appropriate representation
- Longevity, success measures and commitment of Group members and Council
- Roles/ tasks of the Group, in and out of scope, and managing expectations
- Reaching agreement and conflict resolution in Group decision making

- Increase social cohesion, inclusivity and trust building between Council and Dunghutti/Thunghutti community

Roles & Tasks

The following images are summaries from three local Council areas outlining the roles and tasks of their Aboriginal advisory committees:

ABORIGINAL STRATEGIC COMMITTEE – PORT STEPHENS

Section 355c committee of council

- Role of the [committee](#):
 - provide advice in relation to issues of concern between Council and the Aboriginal community;
 - promote a positive public image with respect to issues for Aboriginal people in Port Stephens;
 - provide a consultative mechanism with respect to development issues;
 - improve relations between the Aboriginal and non-Aboriginal community of Port Stephens;
 - exchange information between the Aboriginal community and Council on issues affecting Aboriginal people;
 - promote mutual awareness and respect for the cultures of both Aboriginal and non-Aboriginal communities; and
 - promote an increased awareness of the needs of Aboriginal communities and to assist with the development of programs to address those needs where possible and appropriate.
- Originated from [Yabang Gumba-Gu](#) (road to tomorrow 2020-2023)
 - Agreement b/n 4 LALCs
 - Signed 2018
 - living moving roadmap, outlines ongoing actions to achieve a shared vision for the future of Port Stephens

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04/03/2025

ABORIGINAL REFERENCE GROUP – MID COAST

Key Tasks

- Support, guide and advocate for a collaborative approach across the six key Aboriginal Action plan focus areas
- Advocate for and facilitate Aboriginal Working Parties collaboration to assist in breaking down barriers to see all people in the Mid Coast thrive,
- Provide an Aboriginal community voice and guidance to Council in strategic decisions that may affect the Aboriginal community,
- Recommending short-term and long-term strategies or goals that inform the Community Strategic Plan and other Council strategies and plans,
- Consult with community on a pathway to a establish a Mid Coast Treaty with the Aboriginal Traditional Owners
- Provide input on educational programs to understand the democratic process, supporting new pathways for Aboriginal representation on Council
- Consult with community, be active in community engagement, and provide feedback to community on meeting outcomes
- Provide advice on cultural and language protocols to Council.

S.355 Committee of Council

- Established by resolution of council 23/8/23
- Chaired by Councillor
- Quarterly meetings
- Terms of reference / meeting protocols
- Quorum ½ + 1 members
- Review process each Council term & included in annual report
- The membership up to two Councillors
 - 4 x LALCs - one from each
 - 4 x Aboriginal Working Parties – one from each
 - Up to 8 Aboriginal community member representatives
 - staff from Council's Community & Cultural Services team

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04/03/2025

ATSI ADVISORY COMMITTEE - CESSNOCK COUNCIL

Established in 2013.

The Committee is formed and meets in accordance with the Council term.

- The purpose of the Committee is to:
 - Consult with representatives from the Aboriginal and Torres Strait Islander communities.
 - Advocate on issues affecting Aboriginal and Torres Strait Islander communities.
 - Encourage understanding and recognition of Aboriginal and Torres Strait Islander histories, heritage and cultures within Cessnock City Council and the community.
 - Provide Council with strategic advice and improve Council decision making in relation to policy, plans, programs and service delivery that impact Aboriginal and Torres Strait Islander communities.
 - Oversee the development, endorsement, implementation and evaluation of Council's reconciliation action plan.

[Link to Charter](#)

KEY CONSIDERATIONS

Implementing this notice of motion will require:

- Recruitment of 9-11 members via an expressions of interest process
- Preparation of a draft terms of reference to be presented to the first meeting to be ratified by Group members, with / without amendment
- Preparation of a statement of intent (tasks/roles)
- Identification of objectives that are linked to the actions / goals of the Councils Strategic plan, especially the Reconciliation Action Plan.
- Confirmation of the staff resources required to service the First Nations Advisory Group.

Policy and Legislation

The establishment of the First Nations Advisory Group is perfectly aligned with the Kempsey Shire Council June 2022 – June 2023 Reconciliation Plan.

Strategic Alignment

The establishment of the First Nations Advisory Group aligns with the following actions from the Delivery Programs 2022-2026 and Operational Plan 2024 - 2025

- CO.OP 8 Continue to build strong relationships and support cross sector project delivery by working, with interagency networks, First Nations focused organizations, and other government agencies.
- CO.DP2 - Work with Indigenous communities and organizations to promote inclusion and connection through cultural opportunities and events.

Impact on Financial Sustainability

There will be staff costs and lost opportunity cost toward other work commitments as a result of redirecting staff to deliver this recommendation.

A project plan has been prepared for the establishment of the First Nations Advisory Group to be included in the 2025 Delivery Plan and Operational Plan, should to Council approve this NoM.

Parameters to determine an estimate of budget and staff resources include:

- 4 meetings per year

- Duration of 2 hours per meeting
- Local Government State Award 2023 salary bands.

The hours estimate is 180. The cost estimate is \$20,000 - \$30,000. This is an estimate and needs to be confirmed by Council staff.

Staff	Role	Task	Time/hours
CEO	Set expectations & determine intention	Meeting attendance Preparation. Follow up actions	12 (CEO or D) 8
Director Commercial & Corporate	Coordinate all of Council responses for business paper Laise with / report to Mayor/Councilors Set expectations	Meeting attendance Preparation. Follow up actions	12 (CEO or D) 12
Manager Community Partnerships	Coordination of Group Draft ToR Conduct EOI / Recruitment Liaise with ELT	Meeting attendance Preparation. Follow up actions	12 28 28
Community Development or Engagement	Management of business papers. Logistical / administrative support and communication with Group.	Meeting attendance Preparation. Follow up actions	12 28 28

It is acknowledged that staff resources will need to be diverted from other tasks, as has been advised by Council. Councilors do not have access to team/unit workplans in order to make that assessment in order to meet the requirements of the Code of Meeting Practice. It is anticipated that additional discussions will be required.

Stakeholder Engagement

Guidance and input have been sought from the following individuals and organisations:

- SWR Figtree Descendants Aboriginal Corporation – initiated proposal
- Chair of Durri AMS Board/President of Macleay Valley AECG - support
- CEO of Dunghutti Elders – Support
- CEO Durri AMS – Support
- Chair and CEO of Booroongen Djugun Limited – Support
- Chair and CEO of Kempsey Local Aboriginal Land Council – support
- Chair of Thunggutti Local Aboriginal Land Council – support
- Partnership Lead – Learning the Macleay – support
- Uncle Bob Smith (Elder) – Support
- Uncle John Kelly (Elder) Support
- Gerald Hoskins – Cultural Consultant

Other Matters

Nil

CONCLUSION

That Councilors endorse this Notice of Motion.

This is a vital step in the reconciliation process and a recognition of the enduring connection and deep cultural ties that my community, the Dunghutti/Thunghutti people, have to the Macleay Valley country. It is an opportunity for Council to demonstrate its commitment to reconciliation, acknowledging Stolen Generations upholding the authenticity of the Acknowledgement of Country statement adopted by Kempsey Shire Council.

I urge you to support this motion, honor our shared history, and take a leadership role in fostering a more inclusive and collaborative future for Kempsey Shire.

ATTACHMENTS

1. 1 FNAG OLG group 4 250116 [**11.2.1** - 1 page]
2. 2 Examples Roles FNAG [**11.2.2** - 4 pages]
3. 3 a CENTRALCOAST Advisory To R [**11.2.3** - 4 pages]
4. 3 b MIDCOAST Aboriginal Reference Group 230823 [**11.2.4** - 6 pages]
5. 3 b 1 MIDCOAST Yabang- Gu Agreement 2021 [**11.2.5** - 9 pages]
6. 3 c INNER WEST TOR AATSIAC 2022 [**11.2.6** - 6 pages]
7. 3 d CESSNOCK Advisory Committee Charter-240116 [**11.2.7** - 18 pages]
8. 3 e SHOALHAVEN Advisory To R [**11.2.8** - 7 pages]
9. 4a CESSNOCK APP Advisory 2024 [**11.2.9** - 4 pages]
10. 4 b SHOALHAVEN APPFORM 250305 pdf [**11.2.10** - 3 pages]

12 CONFIDENTIAL MATTERS

MOTION FOR CONFIDENTIAL SESSION

In accordance with the *Local Government Act 1993* (the Act) and the *Local Government (General) Regulation 2021*, in the opinion of the General Manager, the following business is of a kind as referred to in section 10A(2) of the Act and should be dealt with in a part of the meeting closed to the media and public.

Set out below is section 10A(2) of the Act in relation to matters which can be dealt with in the closed part of a meeting.

The matters and information are the following:

- (a) personnel matters concerning particular individuals (other than Councillors)
- (b) the personal hardship of any resident or ratepayer
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business
- (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
- (e) information that would, if disclosed, prejudice the maintenance of law
- (f) matters affecting the security of the Council, Councillors, Council staff or Council property
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege
- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.
- (i) alleged contraventions of any code of conduct requirements applicable under section 440.

Councillors are reminded of their statutory obligations in relation to the non-disclosure to any outside person of matters included in this section.

That Council form itself into the Confidential Session, and at this stage, the meeting be closed to the public to permit discussion of the confidential business items listed for the reasons as stated in the agenda.

12.1 Legal Matters

Officer Vicki Thomas, A/Group Manager Governance and Information Services

File Number F22/1960

Section 10A(2)(g) – Legal Proceedings

This report is submitted on a confidential basis as it involves advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege. (*Local Government Act 1993*, section 10A(2)(g))

On balance, the public interest in preserving the confidentiality of the advice, outweighs the public interest in openness and transparency in Council decision making by discussing the matter in open meeting.

12.2 Tender Evaluation for the Aquatic Engineering and Design Services TQE24/47

Officer Peter Allen, Group Manager Commercial Business

File Number 2024/TQE 24-47 Aquatic Engineering Consultation/Source

Section 10A(2)(c) – Commercial Advantage in Business Dealing

This report is submitted on a confidential basis as it involves information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. (*Local Government Act 1993*, section 10A(2)(c))

On balance, the public interest in preserving the confidentiality of the commercial information supplied, outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in an open meeting.

Section 10A(2)(d)(i) – Commercial Position

This report is submitted on a confidential basis as it involves commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. (*Local Government Act 1993*, section 10A(2)(d)(i))

On balance, the public interest in preserving the confidentiality of the commercial information supplied outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in an open meeting.

12.3 Management Lease and Operation of Kempsey and South West Rocks Swimming Pool/s TQE 24/56

Officer Fiona Newberry, Property Coordinator

File Number F23/1933

Section 10A(2)(c) – Commercial Advantage in Business Dealing

This report is submitted on a confidential basis as it involves information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. (*Local Government Act 1993*, section 10A(2)(c))

On balance, the public interest in preserving the confidentiality of the commercial information supplied, outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in an open meeting.

Section 10A(2)(d)(i) – Commercial Position

This report is submitted on a confidential basis as it involves commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it. (*Local Government Act 1993*, section 10A(2)(d)(i))

On balance, the public interest in preserving the confidentiality of the commercial information supplied outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in an open meeting.

12.4 Affordable Housing Project

Officer	Michael Jackson, A/ General Manager
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File Number	F22/1960
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Section 10A(2)(c) – Commercial Advantage in Business Dealing

This report is submitted on a confidential basis as it involves information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business. (*Local Government Act 1993*, section 10A(2)(c))

On balance, the public interest in preserving the confidentiality of the commercial information supplied, outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in an open meeting.

13 CONCLUSION OF THE MEETING