

Ordinary Council Meeting

Tuesday 23 May 2023

Seating Plan for Council meetings



Statement of ethical obligations

Obligations	
Oath [Affirmation] of Office by Councillors	I swear [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 Randwick City and the Randwick City 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.
Code of Conduct conflict of interests	
Pecuniary interests	<p>A Councillor who has a pecuniary interest in any matter with which the council is concerned, and who is present at a meeting of the council at which the matter is being considered, must disclose the nature of the interest to the meeting.</p> <p>The Councillor must not be present at, or in sight of, the meeting:</p> <ol style="list-style-type: none">at any time during which the matter is being considered or discussed, orat any time during which the council is voting on any question in relation to the matter.
Non-pecuniary conflict of interests	A Councillor who has a non-pecuniary conflict of interest in a matter, must disclose the relevant private interest in relation to the matter fully and on each occasion on which the non-pecuniary conflict of interest arises in relation to the matter.
Significant non-pecuniary interests	A Councillor who has a significant non-pecuniary conflict of interest in relation to a matter under consideration at a council meeting, must manage the conflict of interest as if they had a pecuniary interest in the matter.
Non-significant non-pecuniary interests	A Councillor who determines that they have a non-pecuniary conflict of interest in a matter that is not significant and does not require further action, when disclosing the interest must also explain why conflict of interest is not significant and does not require further action in the circumstances.



Notice is hereby given that an Ordinary Council meeting of Randwick City Council will be held in the Council Chamber, 1st Floor, Randwick Town Hall, 90 Avoca St, Randwick on Tuesday, 23 May 2023 at 7pm

Acknowledgement of the Local Indigenous People

Acknowledgement of Country

"I would like to acknowledge that we are meeting on the land of the Bidjigal and the Gadigal peoples who occupied the Sydney Coast, being the traditional owners. On behalf of Randwick City Council, I acknowledge and pay my respects to the Elders past and present, and to Aboriginal people in attendance today."

Prayer

*"Almighty God,
We humbly beseech you to bestow your blessings upon this Council and to direct and prosper our deliberations to the advancement of your glory and the true welfare of the people of Randwick and Australia.
Amen"*

Apologies/Granting of Leave of Absences

Requests to attend meeting by audio-visual link

Confirmation of the Minutes

Ordinary Council - 18 April 2023

Declarations of Pecuniary and Non-Pecuniary Interests

Address of Council by Members of the Public

Privacy warning:

In respect to Privacy & Personal Information Protection Act, members of the public are advised that the proceedings of this meeting will be recorded for the purposes of clause 5.20-5.23 of Council's Code of Meeting Practice.

Audio/video recording of meetings prohibited without permission;

A person may be expelled from a meeting for using, or having used, an audio/video recorder without the express authority of the Council.

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CO24/23	T2023-10 Asset Management Solution - not progressing with contract or project (record of voting required) <i>This matter is considered to be confidential under Section 10A(2) (d) Of the Local Government Act, as it deals with 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.</i>	

CO25/23 Council Property - Licence Agreements - Foyer Coffee Cart Lionel Bowen Library and Day Care Centre, 23 Munda Street Randwick

This matter is considered to be confidential under Section 10A(2) (d) Of the Local Government Act, as it deals with 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.

Petitions

Notice of Rescission Motions

Nil.

Ray Brownlee, PSM
GENERAL MANAGER

Mayoral Minute No. MM14/23

Subject: NSW Public Libraries Association's Early Literacy Campaign - Birth to Five - Read and Thrive

Motion:

That Council support the NSWPLA's Early Literacy Campaign – Birth to Five – Read and Thrive, to increase NSW State funding for public libraries' early literacy programmes to counter declining childhood literacy levels.

Background:

The NSW Public Libraries' Association commissioned a report by The Insight Centre, "Learning Starts at the Local Library: The Role of NSW Public Libraries in Solving the State's Early Literacy Crisis," published March 2023.

New South Wales (NSW) is facing significant and concerning declines in childhood literacy levels, falling behind both national and OECD (Organisation for Economic Cooperation and Development) benchmarks. NSW now ranks 6th in Australia in reading literacy, behind the ACT, Western Australia, Victoria, Queensland, and South Australia.

New South Wales has fallen below Australia's national reading average, and over 20% of preschool-aged children in NSW are now developmentally vulnerable. Most vulnerable are those of low socio-economic status, Aboriginal and Torres Strait Islanders and members of our diverse multicultural community.

Birth to 5 years is the optimal window to build a lifelong foundation for language and literacy, according to the report. Providing high-quality early literacy activities to NSW children through public libraries – local, free, accessible, and welcoming spaces – is seen as the most cost-effective means to address this decline in literacy.

Further, library literacy activities are multigenerational and support the relationship between children and parents or caregivers. Libraries and library staff have the skills, infrastructure, and community connections to build effective literacy strategies and programs within and beyond the library. Other states have had success with this approach and have shown that funding enhanced library early literacy programs is likely to yield a high return on the investment.

Not all children in the 0-5 age group participate in formal education or childcare, and parents and caregivers are central to children's early brain and learning development. The report shows that "with the right strategies and resourcing, the public library system is ideally placed to develop and embed enhanced early literacy initiatives in NSW to solve the state's literacy crisis."



Low literacy levels impact on adults' ability to cope in a knowledge-based economy with rapid technological development, where advanced literacy and communication skills are needed to ensure greater employment, quality of life and well-being.

The report concludes that - "States with robust library literacy initiatives such as Western Australia (Better Beginnings) and Queensland (First 5 Forever) are well ahead of NSW in key benchmark literacy outcomes like PISA reading rankings. NSW needs strategic investment in library early literacy programs alongside other literacy initiatives to avoid falling further behind other states and territories."

In an effort to stem the decline of literacy in the state, NSWPLA has launched a new campaign, **Birth to Five – Read and Thrive**, to convince the NSW Government that they must address the

crisis in early childhood literacy by providing additional funding to public libraries to enhance their early literacy efforts for their communities.

Attachment/s:

1.   Report by The Insight Centre - Learning Starts at the Local Library, March 2023

Responsible officer: The Mayor, Cr Dylan Parker

File Reference: **F2009/00099** F2009/00099

MM14/23



Prepared by The Insight Centre
for NSW Public Libraries



MM14/23

Learning Starts at the Local Library:

The Role of NSW Public Libraries in Solving
the State's Early Literacy Crisis

"Public library storytimes are so much more than just the reading of books. They are the planting of seeds for lifelong learning, the awakening of imagination, and the widening of mind and spirit."¹

March 2023



¹ Maclean, J. (2008). Library preschool storytimes: Developing early literacy skills in children. Penn State University.



Executive summary

New South Wales (NSW) is facing significant and concerning declines in childhood literacy levels, falling behind both national and OECD (Organisation for Economic Cooperation and Development) benchmarks. These declines put the state at risk of significant and long-term negative social and economic consequences.

An adult population with advanced literacy skills is essential to NSW in 2023 and beyond. Our knowledge-based economy, rapid technological development and complex social environment all demand strong communication and information synthesis capabilities in the workforce and in the community. These skills support economic growth and address social and political challenges.

The lion's share of the solution to NSW's looming literacy crisis lies in early childhood literacy interventions with pre-school aged children. Children who start school without foundational early years language and literacy skills continue to struggle academically and socially into adulthood. Both neurological and educational research makes it clear that birth to age five is the optimal window to build a lifelong foundation for language and literacy.

There is a wealth of national and international research evidence that public libraries play a key role in developing these early literacy skills.

Providing high-quality early literacy activities to NSW children through public libraries – community spaces that are free, welcoming and accessible – is a critical and cost-effective strategy to redressing the state's literacy declines.

This report analyses the most up-to-date data on childhood and adult literacy to show the extent of the looming literacy crisis facing NSW, and to outline the consequences for the state of not urgently addressing declining literacy standards.

The report also synthesises research into early literacy library programs, including internal evaluations and feedback from library workers from across NSW, to outline the central role that NSW libraries should play in an early literacy strategy for the state.

The evidence presented in the report demonstrates that with the right strategies and resourcing, the public library system is ideally placed to develop and embed enhanced early literacy initiatives in NSW to solve the state's literacy crisis.

EXECUTIVE SUMMARY

The report presents several key findings on NSW's declining literacy and child development outcomes:

- Over 20% of pre-school aged children in NSW (19,067 children in 2021) are developmentally vulnerable on one or more key skills domain.
- 6.2% of pre-school aged children in NSW are specifically vulnerable on language skills (with a further 9% considered 'at risk') and 8.4% on communication skills (with a further 15.6% considered 'at risk').
- The Programme for International Student Assessment reading mean score in NSW dropped 46 points between 2000 and 2018. Since 2015, NSW has also fallen below the national reading average for Australia.
- NSW ranks 6th of the states and territories in mean reading literacy performance, lagging behind the Australian Capital Territory, Western Australia, Victoria, Queensland and South Australia.
- The proportion of NSW Year 9 students who are below the National Proficient Reading Standard has increased from 27% in 2000 to 44% in 2018.
- 13.4% of adults aged 15–74 in NSW are at or below Level 1 (very low) literacy skills, while 29.6% are at Level 2 (low).
- The ongoing impact of educational disruptions between 2019 and 2021 due to COVID-19 is likely to produce further declines in literacy outcomes over the coming years.

There are also five core findings around why NSW public libraries should be a priority for early literacy program resourcing:

1. Libraries are local, accessible and free, and are welcoming environments for all families.
2. Library literacy activities are multi-generational and address the literacy gap by supporting the critical relationship between children and parents or caregivers.
3. Libraries and library staff have the existing skills, infrastructure and community connections to build effective literacy strategies and programs within and beyond the library.
4. Other states in Australia have had significant success with investment into consolidated library early literacy efforts, putting NSW children at risk of falling further behind their peers nationally.
5. Enhanced funding of library early literacy programs is likely to yield a high return on the investment.

NSW children are falling behind literacy standards

NSW is facing concerning declines in childhood literacy levels, with NSW children falling behind both national and OECD benchmarks. Children who start school with literacy vulnerabilities often face social and academic challenges into adulthood.² Declining childhood literacy indicators and a lack of investment into pre-school literacy put the state at risk of significant, and long-term, social and economic consequences.

Data from the 2021 Australian Early Development Census shows that the percentage of NSW children who attend a pre-school program and whose language or communication skills make them 'vulnerable' or 'at risk' has been growing over the past seven years.³

Over 21% (19,067 children) are developmentally vulnerable on one or more of five key skills domains (physical, social, emotional, language and communication).

In relation to the skills important for literacy development, 6.2% of pre-school aged children in NSW are vulnerable on language skills (with a further 9% considered 'at risk') and 8.4% are developmentally vulnerable on communication skills (with a further 15.6% considered 'at risk').⁴ The table below compares the percentage and number of children in NSW and Australia who fall into 'developmentally at risk' and 'developmentally vulnerable' categories in terms of language and communication skills. Without early intervention, these numbers are likely to increase into the future.

Skills Domain	Developmentally At Risk		Developmentally Vulnerable	
	Language	Communication	Language	Communication
	<i>Child is interested in reading or writing, can count or recognise numbers and shapes</i>	<i>Child can tell a story, communicate with adults and children, articulate themselves</i>	<i>Child is interested in reading or writing, can count or recognise numbers and shapes</i>	<i>Child can tell a story, communicate with adults and children, articulate themselves</i>
NSW	8,092 (9.0%)	14,068 (15.6%)	5,576 (6.2%)	7,618 (8.4%)
Australia	29,091 (10.1%)	41,882 (14.5%)	21,107 (7.3%)	24,064 (8.4%)

Figure 1. Percentage and number of children developmentally at risk and vulnerable in language and communication skills domains in 2021, NSW and Australia, Australian Early Development Census.

² World Literacy Foundation (2021). Submission to inquiry into adult literacy and its importance. https://www.aph.gov.au/Parliamentary_Business/Committees/House/Employment_Education_and_Training/AdultLiteracy/Submissions.

³ Australian Early Development Census (2021). Data explorer. <https://www.aedc.gov.au/data-explorer/>.

⁴ Australian Early Development Census (2021). Data explorer. <https://www.aedc.gov.au/data-explorer/>.

NSW CHILDREN ARE FALLING BEHIND LITERACY STANDARDS

This negative trend in literacy skills is also evident in primary and secondary school children in NSW. The most recent data from the Progress in International Reading Literacy Study (PIRLS) shows that nearly one in five Year 4 students in the state has reading skills at the Low or Below Low benchmark.⁵ The PIRLS scoring ranks Australia at 21 out of 50 in mean reading performance of the countries surveyed; this is the second-lowest ranking for an English-speaking country, trailing behind Singapore, Hong Kong, Ireland, Northern Ireland and England.

The OECD’s Programme for International Student Assessment (PISA) – which measures 15-year-olds’ ability to use their reading, mathematics and science knowledge and skills to meet real-life challenges – also shows dire declines in the reading skills of NSW students over the last two decades. The PISA reading mean score dropped 46 points in NSW between 2000 and 2018.⁶ Since 2015, NSW has also fallen below the national reading average for Australia.⁷



Figure 2. The PISA reading mean scores, NSW and Australia, 2000–2018, Australian Council for Educational Research⁸

5 Thomson, S., Hillman, K., Schmid, M., Rodrigues, S. & Fullarton, J. (2016). PIRLS 2016: Highlights from Australia’s perspective. Australian Council for Educational Research, p. 12. <https://research.acer.edu.au/cgi/viewcontent.cgi?article=1001&context=pirls>.
 6 NSW Parliamentary Research Service (2020). NSW school education: PISA 2018: Socioeconomic background and proposals for reform, p. 4. <https://www.parliament.nsw.gov.au/researchpapers/Pages/NSW-school-education-PISA-2018.aspx>.
 7 Thomson, S., De Bortoli, L., Underwood, C., & Schmid, M. (2019). PISA 2018: Reporting Australia’s results: Volume 1 student performance. Australian Council for Educational Research. p. 40 (table 3.1) and 51 (figure 3.6). <https://research.acer.edu.au/cgi/viewcontent.cgi?article=1035&context=ozpisa>.
 8 Ibid.

NSW CHILDREN ARE FALLING BEHIND LITERACY STANDARDS

As the following table shows, NSW now ranks sixth of the states and territories in mean reading literacy performance, lagging behind the Australian Capital Territory, Western Australia, Victoria, Queensland and South Australia.

State	Ranking	PISA 2018 Mean reading literacy performance
ACT	1	535
WA	2	512
Vic.	3	511
Qld	4	503
SA	5	496
NSW	6	493
NT	7	481
Tas.	8	479

Figure 3. Ranking of Australian states and territories, PISA 2018: mean reading scores, PISA data on Australian student performance in reading literacy, Australian Council for Educational Research⁹

PISA data further shows that the proportion of NSW Year 9 students who are below the National Proficient Reading Standard has been increasing steadily, from 27% in 2000 to 44% in 2018.¹⁰

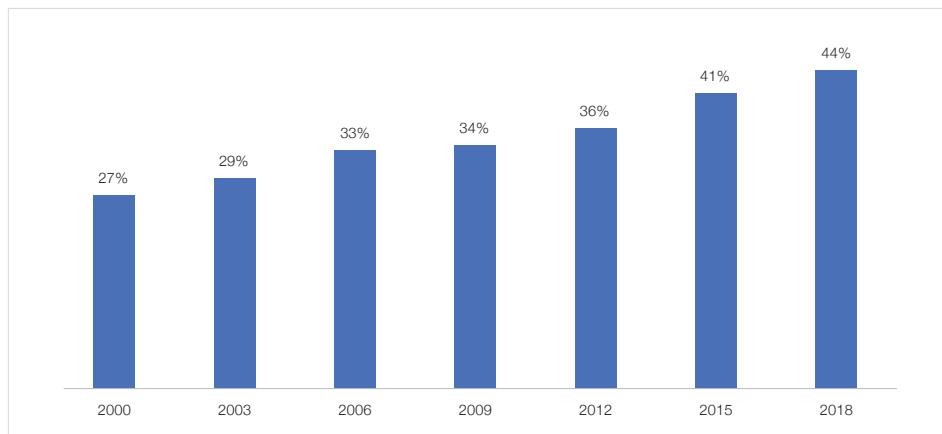


Figure 4. Proportion (%) of NSW students below the National Proficient Reading Standard, 2000–2018, Australia Council for Educational Research¹¹

⁹ Thomson et al. (2019), p. 48 (table 3.4).

¹⁰ Thomson et al. (2019), p. 54 (table 3.5).

¹¹ Ibid.

Low literacy is impacting adults

Low literacy is also apparent in the adult population of NSW. 13.4% of adults aged 15–74 in NSW are at or below Level 1 (very low) literacy skills, while 29.6% are at Level 2 (low) according to the Programme for the International Assessment of Adult Competencies (PIAAC).¹² NSW adults who score at these literacy levels can experience significant problems comprehending written information in everyday life, including online information, news media, job advertisements, and health information like medication labels.¹³

Scoring at Level 3 and above in this assessment is strongly correlated with higher rates of labour force participation and higher salaries and wages. PIAAC results show that poorer literacy skills place individuals at risk of limited participation in the labour market but also in everyday social and civic life.¹⁴

An adult population with advanced literacy skills is essential to NSW in 2023 and beyond. Our knowledge-based economy, rapid technological development and complex social environment all demand strong communication, cognition and information synthesis capabilities in the workforce and in the community to support economic growth and to address social and political challenges.

LITERACY IS A SOCIAL EQUITY ISSUE

NSW faces the same two-pronged twenty-first century literacy challenge identified by researchers in the United States: the universal need to better prepare children for the twenty-first century literacy demands and the need to reduce the disparities in literacy attainment across different social groups.¹⁵

Ensuring equity in literacy attainment is particularly important for NSW. One-third of Australia's children live in NSW. This includes significant numbers of children who are disproportionately negatively impacted by literacy and education inequalities.

NSW is home to over 34% of Australia's Aboriginal and Torres Strait Islander people and has the highest number of Aboriginal and Torres Strait Islander children of any state.¹⁶ This is a growing community, increasing from 2.8% of the state's population in 2016 to 3.2% in 2021.¹⁷ There is a significant development gap between Aboriginal and Torres Strait Islander children and other children nationally – 41% of Aboriginal and Torres Strait Islander children are developmentally vulnerable (compared to 20% of non-Aboriginal and Torres Strait Islander children – and the gap is especially notable in the language and cognitive skills domain: 21% vulnerable compared with 5.7%.¹⁸

¹² Australian Bureau of Statistics (2013). Programme for the International Assessment of Adult Competencies, Australia, 2011–12, table 3. <https://www.abs.gov.au/statistics/people/education/programme-international-assessment-adult-competencies-australia/latest-release#methodology>.

¹³ Quach, J., Elek, C., Beatson, R., Birdie, J., & Goldfeld, S. (2017). Reviewing the evidence for supporting children's early language and literacy development. Centre for Community Child Health, p. 4.

¹⁴ Australian Bureau of Statistics (2013). Programme for the International Assessment of Adult Competencies, Australia. <https://www.abs.gov.au/statistics/people/education/programme-international-assessment-adult-competencies-australia/latest-release>.

¹⁵ Murnane, R., Sawhill, I. & Snow, C. (2012). 'Literacy challenges for the twenty-first century: Introducing the issue'. *The Future of Children* 22, no. 2, 3–15.

¹⁶ Australian Institute of Health and Welfare (2023). Australia's children: Australian children and their families. <https://www.aihw.gov.au/reports/children-youth/australias-children/contents/background/australian-children-and-their-families>.

¹⁷ Australian Bureau of Statistics (2022). Census of population and housing: counts of Aboriginal and Torres Strait Islander Australians. <https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/census-population-and-housing-counts-aboriginal-and-torres-strait-islander-australians/latest-release>.

¹⁸ Australian Institute of Health and Welfare (2021). Indigenous education and skills. <https://www.aihw.gov.au/reports/australias-welfare/indigenous-education-and-skills>.

This literacy gap is also evident in school. While the difference in reading and numeracy at all year levels has narrowed to 3–11 percentage points between Indigenous and non-Indigenous students in Australia, 20–25% of Indigenous students are still below the national minimum standards in reading.¹⁹

Children with diverse language backgrounds also have a higher risk of poorer literacy outcomes. Over one-quarter (26.6%) of people living in NSW speak a language other than English at home,²⁰ and the proportion of school students with English as an additional language is increasing, from 20.3% in 2015 to 23.7% in 2019.²¹ NSW also (equal with Victoria) receives the largest proportion of refugee arrival children, with 31% of refugee children who arrived in Australia in 2017–18 living in NSW.²² Research shows that children in a non-English speaking household were less likely to be read to or told a story on a regular basis (62%) compared to households in which English was the main language (81%).²³

Across the developmental domains Australian Early Development Census, the proportion of children who are developmentally vulnerable is 2.3 times higher for children with a language background other than English (LBOTE) than for children who speak English only.²⁴ Nine in ten children (from either LBOTE or English-only backgrounds) who are not proficient in English are developmentally vulnerable on one or more domains.²⁵

Another group at-risk of falling behind in literacy attainment are children from lower socioeconomic areas and families. Only 70% of parents in lower socioeconomic areas tell or read stories to their children on a regular basis.²⁶ 25% of the children who are never read to or told stories live in marginalised communities.²⁷ The Australian Early Development Census found that children living in the most socioeconomically disadvantaged areas had rates of developmental vulnerability in relation to language and cognitive skills that were 4.4 times greater than their peers from the least disadvantaged areas.²⁸

While robust data on the impact of COVID-19 on Australian childhood literacy and development is not yet available, it is likely that NSW childhood literacy rates have declined further as a result of the pandemic. Globally, pandemic-related disruption to education has had a negative impact on all forms of learning acquisition, with younger and more marginalised children facing the most acute learning loss.²⁹

Providing high-quality early literacy activities to NSW children in the community in spaces that are free, welcoming and accessible is a critical component to redressing the state's literacy declines. This report outlines the central role that NSW libraries should play in an early literacy strategy for the state.

19 Australian Government (2020). Closing the gap report 2020: Literacy and numeracy. <https://ctgreport.niaa.gov.au/literacy-and-numeracy>.

20 Australian Bureau of Statistics (2021). Language used at home (LANP) by State/Territory (STE).

21 Hanrahan, C. & Masige, S. (2021). 'Report shows thousands of school students in NSW speak English as a second language'. ABC News. <https://www.abc.net.au/news/2021-06-16/nsw-schools-support-students-with-english-as-second-language/100206024>.

22 Australian Institute of Health and Welfare (2022). Australia's children: Australian children and their families. <https://www.aihw.gov.au/reports/children-youth/australias-children/contents/background/australian-children-and-their-families>.

23 Ibid.

24 Department of Education, Skills and Employment (2022). Australian Early Development Census national report 2021, p. 34. <https://www.aedc.gov.au/resources/detail/2021-aedc-national-report>.

25 Ibid., pp. 92-3.

26 Australian Institute of Health and Welfare (2022). Australia's children: Australian children and their families, p. 186.

27 Ibid.

28 Department of Education, Skills and Employment (2022). Australian Early Development Census national report 2021: Early childhood development in Australia. <https://www.aedc.gov.au/resources/detail/2021-aedc-national-report>.

29 UNICEF (2022). COVID-19: Scale of education loss 'nearly insurmountable', warns UNICEF. <https://www.unicef.org/eap/press-releases/covid19-scale-education-loss-nearly-insurmountable-warns-unicef>.

Early years matter – brains are built from age 0–5

The lion's share of the solution to NSW's looming literacy crisis lies in early childhood interventions with pre-school age children. Both neurological and educational research clearly shows that birth to age five is the optimal window to build a lifelong language and literacy foundation.

There is a wealth of national and international research evidence that libraries play a key role in developing these early literacy skills.³⁰

Public libraries are particularly important because not all children in the 0–5 age group participate in formal education or childcare, and parents and caregivers are central to children's early brain and learning development. Libraries provide literacy interventions in accessible community spaces that centre families, ensuring more under 5s in NSW are given the opportunity to thrive.

Reading difficulties form at a very young age, and children who enter school without a strong literacy foundation quickly fall, and remain, behind their peers.³¹ Language and literacy difficulties in early childhood are associated with long-term impacts on children's academic success throughout their schooling.³²

However, impacts go far beyond educational performance. Children with literacy difficulties experience associated social and health issues, including increased risk of mental health conditions like anxiety and depression, low self-esteem and self-confidence, and difficulties in relationships with their peers, such as bullying.³³

The consequences of starting school behind in early literacy skills often continue into adulthood. Low levels of adult literacy impact individuals' wellbeing, quality of life and mental health. There are social and financial costs to both individuals and the community, with higher levels of unemployment and welfare dependence for adults with lower levels of literacy.³⁴

"Health, mental health, housing, educational outcomes, employment opportunities, income levels, involvement with crime and civic participation for individuals in our society can all be affected by an ability to read, with negative outcomes for those who are unable to read."³⁵

Strong starts in early childhood can prevent these negative outcomes.

30 Lucas, F. (2013). 'Many spokes, same hub: Facilitating collaboration among library and early-childhood services to improve outcomes for children'. *The Australian Library Journal*, 62(3), 196–203.

31 Campbell-Hicks, R. (2016). 'Early literacy programmes in public libraries: Best practice'. *The Australian Library Journal*, 65(2), 121–9.

32 O'Hare, A. (2010). 'Dyslexia: What do paediatricians need to know?'. *Paediatrics and Child Health* 20(7), 338–43.

33 Quach, J., Elk, C., Beatson, R., Bridle, J. & Goldfield, S. (2017). *Reviewing the evidence for supporting children's early language and literacy development*. Centre for Community Child Health.

34 *Ibid.*, p. 9.

35 Campbell-Hicks (2016), p. 121.

Reading aloud to children aged 0–5 and exploring language through talking, playing and singing helps to develop the pre-literacy skills critical to learning to read and write.

These activities also help children's brains to strengthen the neural connections and pathways that govern their overall learning ability and determine their academic performance once they start school. Children who are not read to or encouraged to explore language can likewise experience drastically inhibited brain development as brain plasticity reduces and the critical window of opportunity for learning development closes.³⁶

The concept of the 'Word Gap' is used to describe the enormous differences in heard vocabulary during the first five years for disadvantaged compared to advantaged children and is linked to brain development and subsequent school performance.³⁷

Children from low-income households, families with limited English proficiency and otherwise marginalised communities are negatively impacted by the Word Gap. Research from the *American Journal of Speech-Language Pathology* suggests that children from high socioeconomic status families are exposed to four million more words by age four than those from low socioeconomic status families.³⁸

Book reading sessions like library storytimes can remedy the Word Gap. Reading to children provides a high level of vocabulary exposure and introduces a much wider range of words than other interactions between children and caregivers.

Research from the *Journal of Developmental and Behavioural Paediatrics* finds that children who are regularly read to hear 1.4 million more words than children who are not read to by the time they turn five.³⁹ And, children who are read to six or seven times a week have a literacy level almost a year ahead of those who are not read to.⁴⁰

36 Hawley, T. (2000). *Starting smart: How early experiences affect brain development* [second edition]. Ounce of Prevention Fund. <https://www.startearly.org/app/uploads/pdf/StartingSmart.pdf>.

37 Hart, B., Risley, T.R. (1995). *Meaningful differences in the everyday experience of young American children*. Baltimore: Paul H. Brookes Publishing Co.; Brushe, M.E., Lynch, J., Reilly, S. et al. (2021). 'The education word gap emerges by 18 months: Findings from an Australian prospective study'. *BMC Pediatrics* 21(247).

38 Galkerson, J., Richards, J. A., Warren, S. F., Montgomery, J. K., Greenwood, C. R., Kimbrough, O. D., Hansen, J. H. L. & Paul, T. D. (2017). 'Mapping the early language environment using all-day recordings and automated analysis'. *American Journal of Speech-Language Pathology*, 26(2), 248–65.

39 Logan, J. A. R., Justice, L. M., Yumus, M. & Chaparro-Moreno, L. J. (2019). 'When children are not read to at home: The million word gap'. *Journal of Developmental & Behavioral Pediatrics*, 40(5), 383.

40 State Library of Victoria (2015). *Reading and literacy for all: A strategic framework for Victorian public libraries, 2015–2018*. <https://www.slv.vic.gov.au/sites/default/files/Reading-and-literacy-for-all-industry-report.pdf>.

NSW public libraries are the right spaces for early literacy solutions

"Far too many people still hold the archaic view of libraries as twentieth-century book depositories, rather than the twenty-first century conduits of culture, learning and social connection that they have become. Public libraries play an important role in their respective communities, and are fundamentally important informational, educational, cultural, and social institutions."⁴¹

NSW public libraries are already working at the coalface of early childhood literacy across the community. Highly popular library activities like 'storytime', 'baby rhyme time' and 'toddler time' are often under-recognised in policy and funding; these activities are professionally designed early literacy sessions that promote and develop literacy acquisition for young children and provide caregivers with the opportunities, training and tools critical to their children's development.⁴²

NSW libraries also run various other early literacy programs, including information events for families and the distribution of resources and materials to the community. Library early literacy outreach programs and partnerships work with childcare educators, parenting groups, health providers and other community groups to have the widest possible community impact.

Surveys of NSW library users conducted by the State Library of NSW show that many users see literacy and education benefits for children as a key outcome of their library usage, with 32% nominating 'supported my children's education' as an outcome and 24.4% nominating 'supported my children's early (0–5 years) development'.⁴³

The potential of these existing programs to expand in scope and depth to reach more children state-wide is hampered by a lack of resourcing, coordination and state-level support. Many local councils have yet to recognise early literacy programming as essential to library services, and therefore do not prioritise these initiatives for funding and allocation of staff.⁴⁴ State government support is critical to maximise the potential of these programs to address the looming literacy crisis.

Libraries are already well-known to many in the community as safe, non-threatening and enjoyable spaces where all are welcome.⁴⁵ Australian public library services were accessed by more than nine million registered library members from 2019–20, which is 36.3% of Australia's population.⁴⁶

In NSW, there were three million library members and 17.1 million in-person visits to the state's 363 public libraries in 2021.⁴⁷ These libraries are easily accessible to community members, with more public libraries in NSW than shopping centres.

⁴¹ Twomey, K. (2017). 'Libraries building communities: The need for local government to acknowledge the role of public libraries in community building and engagement'. The State Library of NSW. <https://www.sl.nsw.gov.au/stories/libraries-building-communities>.

⁴² Stempel, G. (2009). 'Children, early reading and a literate Australia'. The Australian Library Journal, 58(4), 362–8.

⁴³ Library Council of New South Wales (2008). Enriching communities: The value of public libraries in New South Wales. <https://www.sl.nsw.gov.au/public-library-services/enriching-communities-value-public-libraries-nsw>.

⁴⁴ Djonov, E., Torr, M. & Pham, L. (2017). Early literacy in NSW public libraries: A survey of library staff involved in early literacy initiatives. State Library of NSW. https://www.sl.nsw.gov.au/sites/default/files/early_literacy_survey_summary.pdf.

⁴⁵ Stempel (2009), p. 363.

⁴⁶ State Library of Queensland (2021). Australian public libraries statistical report 2019–20. <https://www.nsla.org.au/sites/default/files/documents/nsla-publibstats-2019-20.pdf>.

⁴⁷ State Library of NSW (2021). NSW public library statistics 2020–21. www.sl.nsw.gov.au/public-library-services/advice-best-practice/public-library-statistics.

Surveys conducted by the State Library of NSW found that over 98% of those surveyed valued public libraries for 'being a safe and pleasant place to visit' and over 93% for 'facilitating lifelong learning'. The library users surveyed also recognised the key role libraries played in education, with the top five outcomes from public library use identified as enhanced quality of life; enhanced enjoyment from hobbies; ability to obtain information not available elsewhere; facilitation of lifelong learning; and support for children's education.⁴⁸

Public libraries are uniquely placed to reach children not in formal early childcare and at the 'babies and toddlers' formative ages. This is especially critical in Australia, where formal early learning participation is among the lowest in the developed world, with less than one-in-five children aged three taking part in early childhood education, compared to an OECD average of 70%.⁴⁹

Libraries can be especially effective when resourced to offer outreach and develop partnerships in the community, such as through parent groups, play groups and other community events.⁵⁰

Library literacy sessions are designed to be enjoyable and fun for both children and caregivers, which increases a 'ripple effect': these sessions encourage further family engagement with the library (such as book borrowing or bringing older siblings to other events) as well as enabling 'word-of-mouth' marketing that builds trust in the library in the wider community through participants' positive experiences.⁵¹

Surveys of library staff show they have high awareness of the need to draw in and build trust with 'hard-to-reach' families who have not visited the library previously, especially for libraries serving Aboriginal and Torres Strait Islander communities, refugee communities, and families experiencing intergenerational illiteracy.⁵²

Learning for the 0–5 age group is deeply dependent on children's relationships and interactions with their parents and caregivers. Early literacy interventions are most effective when they draw upon this critical bond. As Campbell-Hicks notes, given that early literacy development is 'a social skill that requires effective and positive relationships between adults and small children'⁵³ public libraries provide a unique space, quite different from formal childcare or the home, where those relationships can be supported and nurtured in beneficial ways.

Results from evaluations of public library early literacy programs globally uphold their key value in engaging parents and other caregivers in activities that promote literacy.⁵⁴

Library-based literacy programs in Australia use established evidence on how literacy skills develop in early childhood. Yet libraries also have the unique capacity to tailor their initiatives to respond directly to local needs in the specific communities they serve.⁵⁵ They can act as 'active connectors', connecting families to other early literacy resources, programs and service providers.⁵⁶

48 Library Council of New South Wales (2008). *Enriching communities: The value of public libraries in New South Wales*.

49 State Library of Victoria (2018). *Reading and literacy for all: A strategic framework for Victorian public libraries*.

50 Djonov et al. (2017), p. 19.

51 Barber, P. & Wallace, L. (2010). 'Building a buzz: Libraries and word-of-mouth marketing'. ALA Store. <https://www.alastore.ala.org/content/building-buzz-libraries-word-mouth-marketing>.

52 Djonov et al. (2017), p. 69.

53 Campbell-Hicks, R. (2016). 'Early literacy programmes in public libraries: Best practice'. *The Australian Library Journal*, 65(2), 121.

54 Crist, B., Donovan, C. V., Doran-Myers, M. & Hofschire, L. (2020). 'Supporting parents in early literacy through libraries (SPELL): An evaluation of a multi-site library project'. *Public Library Quarterly*, 39(2), 89–101.

55 Connaway, L. S., Faniel, I., Brannon, B., Cantrell, J., Cyr, C., Doyle, B., Gallagher, P., Lang, K., Lavoie, B., Mason, J. & Werf, T. van der. (2021). *New model library: Pandemic effects and library directions*. OCLC. <https://apo.org.au/node/314831>.

56 Djonov et al. (2017), p. 3.

COST BENEFITS

Government investment in early childhood development is a proven long-term strategy to boost economic development and productivity. Returns include stronger workforce participation and higher tax revenue.⁵⁷

In turn, childhood language and literacy difficulties result in significant direct costs for the national education system and higher childhood healthcare expenditure. Longer-term costs of low literacy in the adult population include increased costs of adult healthcare, adult literacy education provision, crime and the justice system, and social services.

Analyses of the long-term outcomes of literacy difficulties in the United Kingdom conservatively estimate that the total costs arising from failure to master basic literacy skills in the primary school years are between £5,000 and £43,000 per individual to the age of 37, and between £5,000 and £64,000 over a lifetime.⁵⁸

Australian government language and literacy policy tends to focus on investment within schools and programs aimed at school-aged children.⁵⁹

Addressing the developmental phases for 0–5-year-olds is not only more developmentally effective in targeting the key ‘window of opportunity’ for long-term literacy gains but is also particularly cost effective in reducing the need and cost of later remedial educational interventions in primary and high schools.

Studies show that increased government investment in early childhood development can result in annual returns between 8–17%,⁶⁰ with returns benefiting children, families, governments and businesses.⁶¹ Major international economic analyses show consistently higher return for investment in pre-school interventions compared to the same spending on schooling, due to the enhanced brain development capacities of the early years.⁶²

Australian data on cost–benefit modelling shows that investing \$1 in a person’s early childhood ensures \$2 return on investment as that child grows up.⁶³

Economic analyses of public library investment also consistently show strong returns.⁶⁴

57 The Front Project (2019). A smart investment for a smarter Australia: Economic analysis of universal early childhood education in the year before school in Australia. <https://www.thefrontproject.org.au/economic-analysis>.

58 The Every Child a Chance Trust (2009). The long term costs of literacy difficulties (second edition). https://readingrecovery.org/wp-content/uploads/2016/12/long_term_costs_of_literacy_difficulties_2nd_edition_2009.pdf.

59 Quach et al. (2017).

60 Campbell-Hicks (2016).

61 The Front Project (2019). A smart investment for a smarter Australia: Economic analysis of universal early childhood education in the year before school in Australia.

62 Kilburn, M. R. & Karoly, L. A. (2008). ‘What does economics tell us about early childhood policy?’ RAND Corporation, Santa Monica, CA: https://www.rand.org/pubs/research_briefs/RB9352.html.

63 The Front Project (2019).

64 IFLA (n.d) ‘Library return on investment. Reviewing the evidence from the last 10 years’ https://www.ifla.org/wp-content/uploads/2019/05/assets/hq/library_roi.pdf.

NSW PUBLIC LIBRARIES ARE THE RIGHT SPACES FOR EARLY LITERACY SOLUTIONS

A 2008 valuation of NSW public libraries valued the state-wide benefit of public libraries at a structured estimate of \$1.216 billion, representing a benefit–cost ratio of 4.24 against the 2004-05 investment of \$287 million. This valuation shows that each dollar expended on public libraries generated \$4.24 of economic benefit. The inclusion of intangible benefits would significantly boost this return figure.⁶⁵

Similarly, research in Queensland has quantified the state's 'library dividend' as \$2.3 of value generated for every dollar invested by state and local government,⁶⁶ and in Victoria, a 2011 report showed a return of \$3.56 for every dollar invested.⁶⁷

Based on existing analysis of the return on investment in both early literacy programs and public libraries, investment into early literacy programs through public libraries will be money wisely spent. Directing literacy funding to libraries will build on the existing success of current programs, leverage the critical expertise of library staff, and ensure literacy programs are run through spaces that are inclusive, safe and accessible for a wide range of families.

⁶⁵ Library Council of New South Wales (2008). Enriching communities: The value of public libraries in New South Wales, p. 7.

⁶⁶ State Library of Queensland (2012). The library dividend: Summary report. <https://content.plconnect.sq.qld.gov.au/sites/default/files/SLQ-librarydividendsummary-2012.pdf>.

⁶⁷ State Library of Victoria (2011). Dollars, sense and public libraries: The landmark study of the socio-economic value of Victorian public libraries. <https://www.sl.vic.gov.au/sites/default/files/Dollars-sense-public-libraries-technical-report.pdf>.

New South Wales needs a state-wide approach

Despite significant efforts from individual NSW libraries and their staff, ad hoc resourcing and a lack of state-wide coordination and support means NSW is falling behind other states, which have more consolidated approaches to early literacy programs in libraries and have had significant success with flagship, state-wide programs that enable libraries to partner with other services for wide reach and impact.

Surveys of NSW library staff note in particular how budgetary constraints limit outreach and education events, program evaluations and ongoing professional development for staff in NSW.⁶⁸

"We have had a wonderful response from local preschools and families after the first full year of our family literacy program in 2022, but we only have the resources to visit each preschool once per year, even though preschools are highly engaged and asking for visits once per term.

In lieu of any centralised program template, I have had to develop the program from scratch and do not have the time or resources to train more staff and expand the program. It would be wonderful to have a place to go for inspiration and collaboration, such as the resources and training provided by the Better Beginnings Program in WA, and a way to inspire and educate more library staff. The two-day course I completed with the Better Beginnings team in WA had a huge impact on my understanding of early literacy and my confidence in developing and delivering library programming in this area and I would love to see something similar in NSW." Outreach Librarian, Hunter Region⁶⁹

⁶⁸ Djonov et al. (2017).

⁶⁹ From consultations with NSW library staff by The Insight Centre, 2023.

Best practice case studies of effective library literacy programs

Case studies of effective state-wide library literacy programs – Better Beginnings in Western Australia and the SPELL Program in Colorado, United States – have demonstrated the significant benefits of effective resourcing of state-wide literacy programming through libraries.

BETTER BEGINNINGS

Better Beginnings is a Western Australian family literacy program managed by the State Library in partnership with a number of other organisations. It aims to support parents to provide positive language and literacy for children by providing reading packs to families during maternal child health visits and encouraging attendance at 'baby rhyme time' and 'storytime' in libraries. The goal is to increase literacy and learning outcomes for all children in the state by encouraging families to read, talk, sing, write and play with their child every day. Better Beginnings provides literacy resources to families and carers, but also to practitioners including library staff, child health nurses and teachers.

An independent longitudinal evaluation assessed the impact of Better Beginnings on parents and carers approximately one year after they were introduced to the program. The evaluation found that the numbers of mothers reading to their babies increased from 49% prior to the program to 85% after receiving program resources. Mothers also reported an increase in the number of books suitable for reading to their child in their home since being exposed to program resources. Over two-thirds (70%) of the mothers reported that Better Beginnings had increased how often they read to their child. Interestingly, 70% of mothers stated that since using the Better Beginnings resources, their child's interest in books had changed. Of those, almost all (94%) reported that their child is now very interested or quite interested in books. Almost 60% of these mothers also reported an increase in how often their child requested a book to be read to them.⁷⁰

SUPPORTING PARENTS IN EARLY LITERACY THROUGH LIBRARIES (SPELL)

Supporting Parents in Early Literacy through Libraries (SPELL) is a research project that was developed by the Colorado State Library (United States) with researchers in 2012. The main aim of this initiative was to reach low-income parents of children aged 0–3 in order to facilitate the adoption of early literacy habits in the home.⁷¹ The program was run by eight libraries throughout Colorado in 2014 for one year. All programs were then evaluated and showed that, as a result of participating in the program, the participants' engagement in early literacy activities at home with their children had increased significantly, including reading, playing, singing and talking. Parents were also much more likely to indicate that they know how children learn to read, that they have a regular routine for reading books with their children, and that they are confident that they can help their children to be ready to learn to read in kindergarten.⁷²

⁷⁰ Barratt-Pugh, C., & Allen, N. (2011). 'Making a difference: Findings from Better Beginnings a family literacy intervention programme'. *The Australian Library Journal*, 60(3), 195–204.

⁷¹ Colorado Department of Education (n.d.). SPELL: Tips and tools for early literacy programming targeting low-income families in your community. <http://spellproject.weebly.com/uploads/1/5/3/3/15331602/spelltoolkitfinal.pdf>.

⁷² Crist et al. (2020).



Conclusion

NSW public libraries are already making sustained and valuable efforts to support early literacy for children in the communities they serve.

However, most of the literacy services and programs they offer are run on shoestring budgets or ad hoc funding from councils or small grants. Without consistent state-wide policies, services and funding structures, libraries remain heavily under-utilised in the fight against the state's literacy declines. Without structured and consistent support, there is limited capacity for successful local library programs to be expanded to reach more people; nor can the impact of these programs be evaluated. There is also little capacity to upskill library staff.

There is clear evidence from other states, and internationally, that state-wide strategies and resourcing around library literacy programs generate enormous returns in terms of enhancing families' participation in the literacy activities that most benefit their children's brain development in the critical pre-school years.

States with robust library literacy initiatives like Western Australian (Better Beginnings) and Queensland (First 5 Forever) are well ahead of NSW in key benchmark literacy outcomes like PISA reading rankings. NSW needs strategic investment in library early literacy programs alongside other literacy initiatives to avoid falling further behind other states and territories.

Investing in NSW public libraries will equip these community hubs to leverage existing skills, programs and community connections to rise to the challenge of the literacy crisis. Particularly when resourced to build on existing strong community partnerships, libraries are ideally placed to reach a wide range of families, including those most marginalised and therefore at-risk of low literacy attainment.

Evidence from national and international evaluations and cost-benefit analyses of both libraries and literacy programs run through libraries make it clear that investment will show strong returns for the economy and the community in the long-term.

Public libraries are key players in increasing the literacy levels of NSW children and in ensuring the state is equipped to meet the social and workforce challenges of the twenty-first century. With a state-wide, strategic approach to resourcing, NSW libraries will be able to stem the worrying tide of literacy decline in the state.

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Mayoral Minute No. MM15/23

Subject: Financial Assistance and Donations - April - May 2023

Motion:

That Council:

- a) donate plants from Council's Nursery to the value of \$300 to be funded from the June Quarterly Review to the Randwick Presbyterian Church to enhance their church garden;
- b) note the purchase of 4 tickets to the 7NEWS Young Achiever Awards NSW/ACT Gala Presentation Dinner to be held on 2 June 2023 at a total cost of \$700 to be funded from the Administrative Services Events budget (1400-624-660002);
- c) approve the waiving of fees, totaling \$4415.87 to be funded from the June Quarterly Review for the Epistrofi-book launch and exhibition to be held from 23 to 25 June 2023 at the Prince Henry Centre, Little Bay; and
- d) approve the waiving of fees, totaling \$680.00 to be funded from the June Quarterly Review for the Mental Health fundraiser/awareness challenge held on 27 May 2023 on the promenade at Maroubra Beach.

Background:

Randwick Presbyterian Church

The Randwick Presbyterian Church Garden is cared for by approximately 50 volunteers. The church is on the corner of Alison Road and Cook Street, so the garden enhances the streetscape.

Council has supported the request from the Church for a donation of plants from Council's Nursery in previous years for the church fair, but the church no longer holds fairs and has requested for the same support to be provided to enhance their garden and streetscape.

2023 NSW/ACT Young Achiever Awards Gala Dinner

The purpose of the NSW/ACT Young Achiever Awards is to acknowledge, encourage and most importantly promote the positive achievements of all young people in the State upto the age of 29.

There are two finalists from Randwick City –
Harrison James, Matraville – Spirit Super Connecting Communities Award
Ashna Basu, Randwick – First National Real Estate Leadership Award

Epistrofi-book Launch and Exhibition

Epistrofi is a collection of photographs and words by 15 contributors who visited Greece in 2022 (post Covid). Their reflections and photographs are vast and varied and will be presented to the general public in the form of a publication and exhibition. The exhibition will take place from 23 – 25 June 2022. The exhibition is auspiced by the Australian Museum of Contemporary Photography.

Mental Health Row at Maroubra Beach (Fundraiser/awareness challenge)

Robert Kolbe will be setting up 3 rowing machines on the promenade and rowing 8.5kms every hour on the hour for 12 hours to raise mental health awareness and prompt people to have a mental health conversation and raise money for Gotcha for Life. Robert will be there for 12 hours which will provide many opportunities to engage with people.

Source of funding:

The financial implications to Council will be \$6095.87. The 2022-23 Mayor's Contingency Fund is expended so the funds for this project will be allocated from budget savings in the June quarterly review.

Attachment/s:

Nil

Responsible officer: The Mayor, Cr Dylan Parker

File Reference: F2023/06574

Mayoral Minute No. MM16/23

Subject: Memorial bench for the late Aboriginal Elder Tim Ella

Motion:

That Council waives the fees associated with a commemorative bench including a plaque in memory of Tim Ella totaling \$4132.73 + GST to be funded from the Capital Works Budget – General Parks Upgrade, to be installed at Bumborah Point.

Background:

The late Timmy Ella was the youngest of the Ella family of La Perouse. Although Timmy played football like his famous brothers, he was more interested in his other passion which was fishing, specifically hauling mullet off the beach at La Perouse. He was the master of the 'mullet run', a fishing activity the community takes part in when the mullet is in season from February to April. Timmy was the first one on the point at the sucko in Yarra Bay, spotting fish as early as five in the morning. Once the fish were spotted, the rest of the men would launch the boat and row out around the fish capturing them in the net. The community would all help haul them in with everyone helping clear the net, with Timmy giving directions.

The fish caught in these hauls are always shared with the community, beginning with the elders, and then offered to all the families.

Timmy was also the Director and cultural leader of Kadoo tours that operated in and around the LGA. The tours were very informative and at times humorous because while he took cultural education very seriously, he never took himself too serious and could be a real joker.

The last few years of Tim's life were challenging for him and his family, as he was diagnosed with terminal cancer. Even though Tim was very sick, the local men still managed to take him down to the beach on his good days and on his bad days he still helped spotting from up on the headland.

Tim handed over the mullet run tradition to his daughter, Latoya and the men's group and they still carry on this annual cultural practice. Last month the community held a memorial mullet run, attended by more than 100 people.

Tim was well respected in the La Perouse Aboriginal community and the family has requested for a memorial bench at Bombora Point.

Source of funding:

The financial implication to Council is \$4132.73 + GST to be funded from the Capital Works Budget – General Parks Upgrade

Attachment/s:

Nil

Responsible officer: The Mayor, Cr Dylan Parker

File Reference: F2006/00422

Mayoral Minute No. MM17/23

Subject: Little Bay Coastal Incident - 23rd of April 2023

Motion:

That Council:

- a) hold a minute's silence in memory of the young gentleman who drowned after being swept off rocks near Little Bay Beach;
- b) acknowledge the rescue efforts of Council's lifeguard, local community members; and
- c) note the current service level review of Coastal Public Safety (including Little Bay Beach), being conducted in the 2022/23 Operational Plan.

Background:

On Sunday, 23 April 2023, another unfortunate tragedy occurred on the adjacent rocky coastline of Little Bay Beach. A young gentleman in his 30's was walking along the rocks with his wife and was into the ocean by a surging wave.

Some nearby local golfers noticed the commotion in the water. They scaled down the cliff to the rocks and entered the water.

In an extraordinary 3 minutes after receiving the distress signal, Council's lifeguard, arrived at the scene via jet ski from Maroubra Beach. The patient and all rescuers were escorted to shore via the jet ski, where Council's lifeguard commenced CPR in support of a wedding party consisting of off duty nurses.

Upon arriving to the scene, paramedics, police officers and a crewman from lifesaver 21 assisted in the CPR efforts. As a result of the heroics of the members of the public and emergency services onsite the patient was brought back to life and transported to Royal Prince Alfred Hospital in a critical condition. Unfortunately, the patient passed away later that evening at the RPA.

It is important to acknowledge the rescue efforts of those local residents whom placed themselves in danger in an effort to save another. It should be noted by Council that in the current 22/23 Operational Plan, Council Officers are finalising their review of service levels and coastal public safety, in particular Little Bay Beach.

Source of funding:

Nil

Attachment/s:

Nil

Responsible officer: The Mayor, Cr Dylan Parker





File Reference: F2019/01067

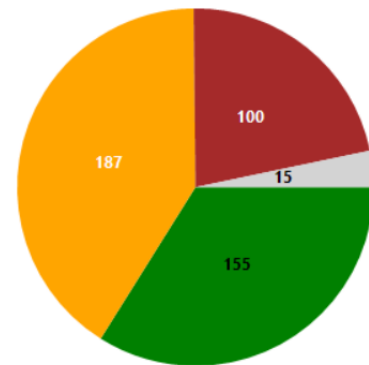
General Manager's Report No. GM5/23





Subject: Quarterly Progress Report - January to March 2023

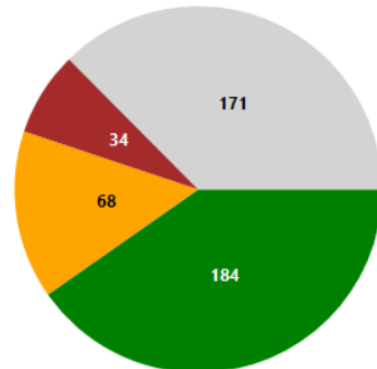
Executive Summary

- The attached Quarterly Progress Report tracks progress against the 2022-23 Operational Plan activities for the January - March 2023 quarter.
- Each scheduled activity has at least one indicator with a clear target to track performance. Performance is measured against the target value and target trend for the indicator.
- A summary of performance tracking for the quarter is provided below:

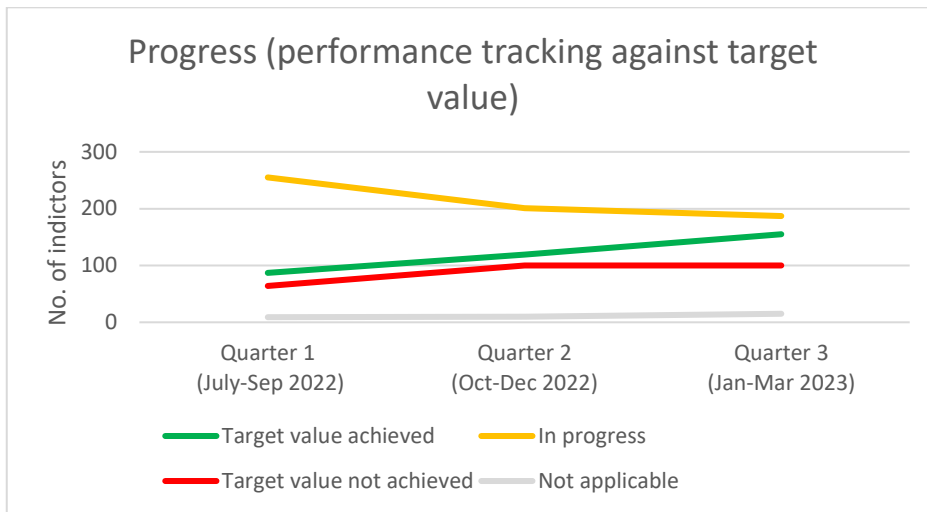
Performance tracking against target value		Number	%
	Target value achieved	155	34%
	In progress	187	41%
	Target value not achieved	100	22%
	Not applicable	15	3%



Performance tracking against target trend		Number	%
	Target trend achieved	184	40%
	No change in value	68	15%
	Target trend not achieved	34	8%
	Not applicable	171	37%



- The following graph summarises progress across the year:



Recommendation

That the information contained in the attached January to March 2023 Quarterly Progress Report for the 2022-23 Operational Plan be received and noted.

Attachment/s: Use the link below to access the following attachment:

1. Quarterly Progress Report - January to March 2023

Purpose

The purpose of this report is to update Councillors and the community on the implementation of our 2022-23 Operational Plan.

Discussion

In June 2022, our 2022-26 Delivery Program and 2022-23 Operational Plan was adopted.

The Delivery Program outlines how Council will work towards delivering the outcomes of the 2022-2032 Community Strategic Plan (CSP), whilst still providing the ongoing services required by our community and complying with regulatory functions.

The Operational Plan details the individual projects and actions that will be undertaken in the financial year to achieve the commitments made in the Delivery Program. Each Operational Plan activity has at least one indicator to track performance against identified targets.

This progress report provides an update on Council's performance against each indicator in the third quarter of financial year 2022-23.

How we measure progress

The attached progress report is split into two tables:

Table A: Tracks progress in delivering the outcomes of the 2022-2032 Community Strategic Plan

Table B: Tracks performance in providing the ongoing services required by our community and our compliance with regulatory obligations.

Performance is measured against the target value and target trend for each indicator.

Note: Table B also includes contextual numbers. These are used to understand demand and resourcing requirements; and/or to calculate indicators. Contextual numbers are not performance indicators as they do not have target values or target trends.

Summary of results for 1 January – 31 March 2022

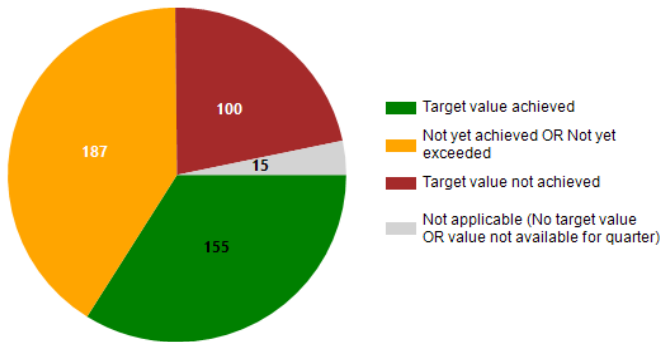
In the January – March 2023 quarter there were 457 indicators tracking progress of the operational plan activities scheduled in the quarter:

- 224 indicators measured progress in delivering the outcomes of the 2022-2032 Community Strategic Plan (Table A)
- 233 indicators measured progress in providing the ongoing services required by our community and complying with regulatory obligations (Table B)

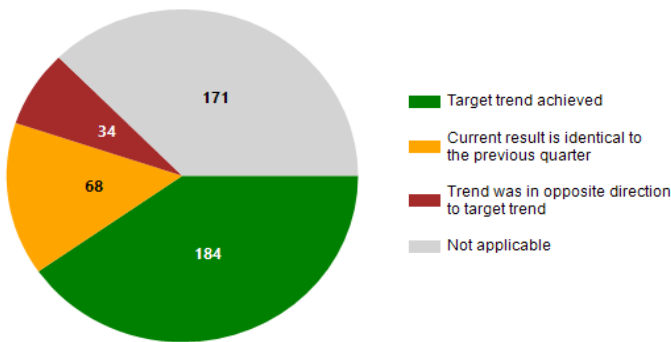
A summary of performance tracking for the January - March 2023 quarter is provided below (Note: contextual number are not included):

Overall performance tracking (Table A and B)

Target Value Tracking Summary (TABLE A & TABLE B)



Target Trend Tracking Summary (TABLE A & TABLE B)



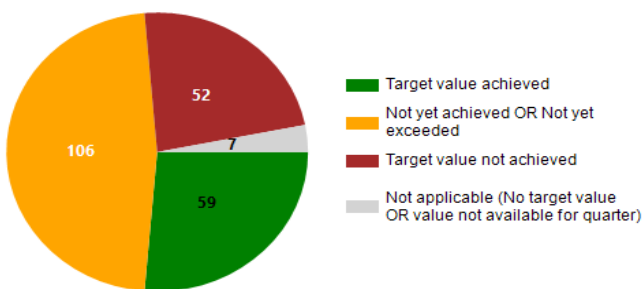
At the end of quarter 3:

- 34% of target values were achieved (6% increase from Q2)
- 22% of target values were not achieved (1% decrease from Q2). When a target value was not achieved and the trend was in the opposite direction to the target trend, a comment has been provided in the progress report detailing why and/or what action is being taken to address performance.
- 41% of indicators were still showing in progress/not yet achieved. Whilst it is anticipated that some of these targets will be achieved in Q4, some are progress indicators for projects that are unlikely to be completed this financial year.

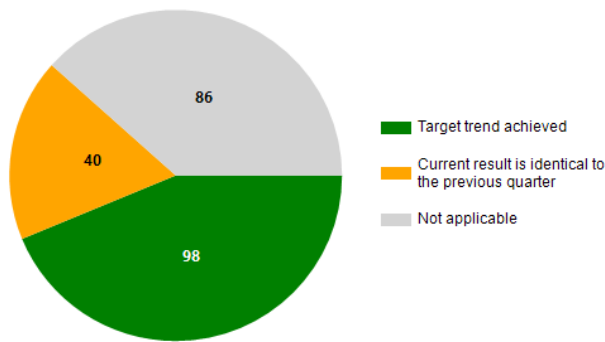
Over the quarter, each business unit reviewed their 2022-23 activities and identified any projects that will be carried over into 2023-24. The results from this review have been incorporated into the Draft 2023-24 Operational Plan.

Progress in delivering the outcomes of the 2022-2032 Community Strategic Plan (Table A)

Target Value Tracking Summary (TABLE A)



Target Trend Tracking Summary (TABLE A)



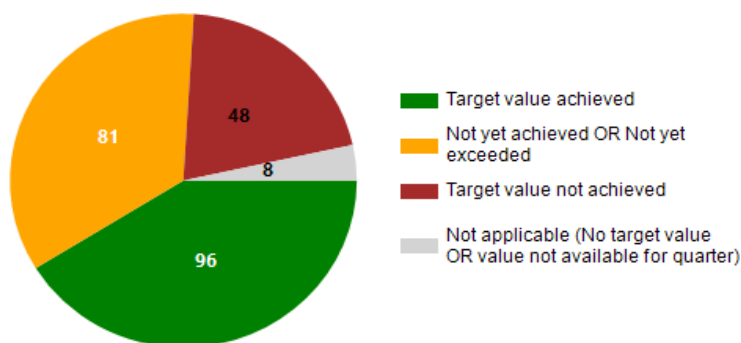
Key activities

Some of the key achievements in delivering the outcomes of the Community Strategic Plan over the March quarter are highlighted below:

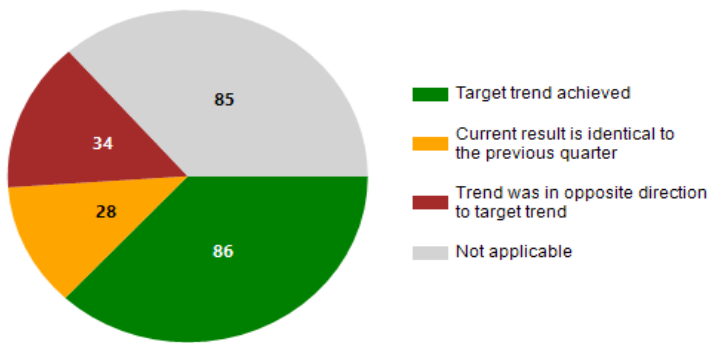
- 4,163 native and indigenous plantings were undertaken.
- 1,611 people participated in food waste avoidance and food growing initiatives.
- An open day at the recycling centre was held on 25 March (during Earth Hour Day) and attracted 103 residents.
- A new GPT was constructed in Grose St, Little Bay.
- The exterior 'Shimmer' mural and the interior 'Mullet run' mural by Dennis Golding and Carmen Glynn-Braun were installed at the Heffron Centre of Excellence.
- The Randwick Arts Listing was made live on Council's website.
- Two new EV charging stations were installed in the Heffron Centre.
- Two rock fishing safety signs were installed at Little Bay Beach.
- 1,169 people participated in youth programs and activities provided in partnership with Council.
- A range of new targeted activities were held to address the identified needs of isolated communities. These included: Culture on Country; Talking sport exhibition; All abilities Fun Fitness Day; Brain fit workshop, The Good, the Bad and the ugly: Clutter workshop; and Multi-cultural March.
- Approximately 1,400 meals were provided to communities in need.
- A business case for making the McKeon Street Plaza permanent was prepared in the quarter and subsequently endorsed by Council at the April Council meeting.

Progress in delivering ongoing services and regulatory obligations (Table B)

Target Value Tracking Summary (TABLE B)



Target Trend Tracking Summary (TABLE B)



Key activities

Some of the key achievements in delivering ongoing services are highlighted below:

- An average of 6,088 calls/month were received, with only 3% abandoned.
- 792 planning certificates were issued, with 98% of urgent certificates issued in less than 24 hours.
- 129 Development Applications were determined with a net median assessment time of 59 days.
- 202 local approval applications (*skip bins, hoardings, concrete pumps, cranes & A frames*) were determined, with 98% within 5 calendar days.
- 420 applications for activities on Council's beaches and parks were processed, with 95% within 15 working days.
- 95% of resident parking permit applications were determined within 10 working days.
- 1,283 visits were made to the community hub in Lexington Place.
- 478 home maintenance and modifications jobs were completed.
- The Spot Festival was held in Randwick drawing record crowds of approximately 20,000 people.
- There were 25 entrants in the March 2023 Urban Design Awards.
- There were 5,344 visitors to the La Perouse Museum.
- More than 1,000 people participated in the January Marine and Coastal Discovery Program.
- There were approximately 42,000 visitors to the Randwick Sustainability Hub.
- 314 programs, events and activities were provided through the library.
- Des Renford Leisure Centre received an average of 17,052 visits/week.
- 3,834 Tonnes of FOGO was collected.
- A 54% recovery rate was achieved for waste collected through the residential bin service.
- 8 community consultation programs were implemented.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Change and Performance Service
Function	Performance Management
Delivery program commitment	Identify, measure and develop the performance of Council.

Resourcing Strategy implications

There are no direct financial implications for this report. The 2022-23 annual budget has been developed to ensure that we maintain financial sustainability, adequate liquidity and sound asset performance.

Policy and legislative requirements

In accordance with Section 404(5) of the Local Government Act 1993, Council is required to make at least two progress reports with respect to the principal activities detailed in its delivery program each year. Randwick Council currently provides these reports on a quarterly basis.

Conclusion

The purpose of the attached Quarterly Progress Report is to inform and update Council and the community on the progress of all activities as set out in the adopted 2022-23 Operational Plan.

Responsible officer: Emma Fitzroy, Business Strategist

File Reference: F2022/03001

Director City Planning Report No. CP9/23

Subject: Randwick Comprehensive Planning Proposal

Executive Summary

- This report provides an overview of additional information requested by the Department of Planning and Environment in relation to the final assessment of the Comprehensive Planning Proposal and details Council's options for responding to two of these matters, being the affordable housing contribution rates and the listing of three heritage items.
- The Department has advised that they do not support the Council endorsed 10% affordable housing contribution rate. This report explains the rationale for recommending to Council that the Housing Investigation Area Affordable Housing Plan be amended to include the exhibited affordable housing contribution rates of 3% and 5%.
- The Department has advised that they are considering reinstating the North Kensington and part of West Randwick Housing Investigation Areas. This report recommends amending the Housing Investigation Area Affordable Housing Plan to include these Housing Investigation Areas only in the event that the Department reinstates these areas into the Comprehensive Planning Proposal.
- In relation to three heritage properties, the Department is concerned that insufficient evidence has been provided to demonstrate that the properties at 21 Baden Street, Coogee, 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra meet the threshold for heritage listing. This report recommends the removal of 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra from the Comprehensive Planning Proposal. The removal of these properties is supported by an independent peer review undertaken by external heritage consultants. Regarding 21 Baden Street, Coogee this report recommends the re-endorsement of the property as a heritage item, as supported by a further independent review.
- Other matters addressed in this report are provided to Council for information. These have been identified by the Department as needing to be resolved prior to gazettal of the Comprehensive Planning Proposal are flooding analysis, removal of a site from the Key Sites Map, site contamination investigations on one rezoning site and verification/further information that the HIA built form modelling aligns with the proposed floor space ratio. Council staff are responding to the Department on these matters.
- Council's resolution on this report (together with other requested information) will be forwarded to the Department of Planning and Environment to enable the assessment and finalisation of the Comprehensive Planning Proposal.

Recommendation

That Council:

- a) consider amending the Housing Investigation Area Affordable Housing Plan endorsed by Council in August 2022 to 3% and 5% as exhibited in the draft Planning Proposal given that the Department has advised that a 10% affordable housing contribution is not supported;
- b) consider whether to confirm its previous resolution to exclude part of the West Randwick and the North Kensington Housing Investigation Areas from the draft Comprehensive LEP;
- c) authorise the Director City Planning to amend the Housing Investigation Area Affordable Housing Plan to include the North Kensington and part of West Randwick HIAs only if the

Department of Planning and Environment reinstates these areas as part of the final Comprehensive LEP amendment;

- d) endorse the removal of 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra from the Comprehensive Planning Proposal and associated LEP amendment;
- e) having regard to recent heritage advice, re-endorse the inclusion of 21 Baden Street, Coogee as a proposed heritage item under Schedule 5 of the Randwick LEP 2012.

Attachment/s: Use the links below to access the following attachments:

1. Letter from DPE - Randwick Comprehensive Planning Proposal - 9 Jan 2023
2. Housing Investigation Area Affordable Housing Contribution Plan
3. Hector Abrahams Heritage Peer Review - March 2023

Purpose

The purpose of this report is inform Councillors of the response received from the Department of Planning and Environment in relation to the finalisation of the Comprehensive LEP in relation to:

1. The affordable housing levy to be applied to the Housing Investigation Areas;
2. The reinstatement of North Kensington and part West Randwick Housing Investigation Areas;
3. A peer heritage review undertaken for three heritage items being: 21 Baden Street, Coogee, 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra.

Other matters raised by the Department which Council officers are responding to are flood information, inclusion of the LAHC site on the key sites map, information on contamination for the Botany Rd Matraville site and clarification on the FSRs used in the 3D modelling. These matters were notified and outlined in a memo to Councillors in January 2023. The resolution of these issues will allow the progression of the Comprehensive Planning Proposal and associated LEP amendment.

Discussion

Background

The Final Comprehensive Planning Proposal was submitted to the DPE in September 2022 following a Council rescission motion to the 30 August 2022 resolution. Since this submission, Council officers have been regularly liaising with the Department and have responded to various requests for further information.

On the 6 December 2022, Council's Acting GM, Acting Director City Planning and Manager Strategic Planning met with the DPE to discuss their position and Council's resolution on several matters within the Comprehensive Planning Proposal, some of which were subsequently raised in the Department's formal response outlined below. Council staff questioned the Department's position on some matters in the Planning Proposal on the basis that there is a statutory level of local decision making that comes with the adoption of a new LEP that should be respected. It was put to DPE that it should be open to a Council to determine local character and the areas within the city to be renewed as part of the LEP process having considered the planning advice of its officers, community preferences and the objectives of Council's LSPS & Housing Strategy. It was pointed out to the DPE that the draft LEP changes adequately address housing growth and diversity (identified in the Housing Strategy) and the expected growth in co-living development (i.e student housing) would exceed the housing targets and provide for continued growth in the medium & longer term. Furthermore, the removal areas of North Kensington & part of West Randwick could be considered in conjunction with Council's future review of wider medium density zones around existing town centres. It is understood that the Council in making the decision to remove these two HIAs was also trying to control the pace of change and the cumulative impact on local residents that significant urban renewal brings with it during the construction phase.

On the 9 January 2023, Council received a formal response (Attachment 1) from the DPE regarding the Planning Proposal. The response is a summary of the Department's position on key planning matters and request for further information.

Key issues raised are as follows:

- a) **Housing Investigation Areas (HIAs)** - potential reinstatement of the North Kensington and part of West Randwick HIAs. Council's resolution to remove the Kensington North HIA and part of the West Randwick HIA from the Planning Proposal is questioned by DPE given the suitability/accessibility of the locations for uplift; potentially contributing to around 120 dwellings to the LGA housing target; contribution to additional affordable housing supply and that there are no unresolved objections from agencies regarding the HIAs.
- b) **Flooding** - Further information is requested to assess the Planning Proposal against the Ministerial Direction 4.1 – Flooding for areas subject to zoning changes, including all HIAs

as well as the proposed business clusters (which are to be rezoned from residential to neighbourhood centres and increase the proposed FSRs).

- c) **Affordable housing contribution** – The Department advises that the proposed 10% is unviable and will not be supported.
- d) **Heritage** - insufficient evidence to demonstrate that the properties at 21 Baden Street, Coogee, 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra meet the threshold for heritage listing;
- e) **47-55 Bunnerong Road, Kingsford (LAHC site)** - removal of the site from the Key Sites LEP Map. A site included on the Key Sites Map triggers the need for a site specific DCP to be prepared as part of any future proposal on a site. Council's resolution on this matter is to ensure key planning issues are comprehensively addressed in line with clause 6.12 of the Randwick LEP 2012. The Department has advised that inclusion of the LAHC site on the Key Sites Map is unnecessary as no changes to the development standards are now proposed. Exhibited changes to height and FSR proposed for this site are not being progressed under the Comprehensive LEP, following a request from the site owner, the Land and Housing Corporation (LAHC). LAHC is further investigating future outcomes for this site. The Department's view is that this matter should be considered as part of a future separate site specific planning proposal. Council's position is that the site should be included on the Key Sites Map to give more certainty to development outcomes. This position will be reiterated to the Department and no further Council resolution on this matter is therefore considered necessary.
- f) **1903R Botany Road, Matraville** - additional information to address site contamination issues.
- g) **Verification of 3D Modelling** – confirming that the urban design block modelling aligns with proposed floor space ratios within the HIAs to satisfy Gateway condition 2(a).

Council officers have reviewed the information request and prepared responses, with further studies and documentation being undertaken as appropriate.

This report deals with Council's response to the Department's request for additional information for items c) Affordable housing contribution and d) Heritage. Following this Council meeting, the Department will be advised of Council's position on the affordable housing contribution and heritage matters, as per the Council resolution.

Additional information in relation to a) HIAs, b) Flooding, e) 47-55 Bunnerong Road, f) 1903R Botany Road and g) Verification testing will be provided to the Department under separate cover.

Plan making process

Once Council's resolution has been provided, the Department will progress the assessment and finalisation of the LEP amendment.

As the Department (as the Minister's delegate) is the Local Plan Making Authority (LPMA), Departmental officers are responsible for preparing a finalisation report which makes recommendations to the Minister or delegate to make the LEP amendment. Importantly, the DPE does not require Council endorsement to amend the Comprehensive Planning Proposal at the finalisation stage. Pursuant to section 3.36(2)-(4) of the Environmental Planning and Assessment Act, the LPMA may:

- make the LEP with or without variation in the terms the LPMA considers appropriate
- not make the LEP
- defer the inclusion of a matter in the proposed LEP.

When the LPMA decides not to make a proposed LEP or defers the inclusion of a matter in an LEP, the LPMA may specify procedures Council must comply with before the matter is reconsidered by the LPMA.

Affordable Housing contribution

Issues raised by DPE

The Department raises concerns that the proposed 10% affordable housing contribution is not supported by feasibility testing and is not adequately justified in the Planning Proposal. The Department advises that the proposed 10% is unviable and will not be supported.

The Department requests that the Council adopted Affordable Housing Contributions Plan (30 August 2022) be amended for re-endorsement by Council with the 3% and 5% contributions rates in line with feasibility testing undertaken prior to public exhibition of the Planning Proposal. The Department also requests that the Affordable Housing Contributions Plan be amended to include the North Kensington and part of West Randwick HIAs in the event the Department decides to reinsert these HIAs into the LEP. Table 2 shows the contributions rates for all 5 HIAs that were exhibited prior to the 30 August 2022 Council resolution.

Table 2: Affordable Housing Contributions – pre-30 August 2022 Council resolution

Housing Investigation Area	Percentage of total floor area used for residential purposes to which the development application relates
West Randwick	Land zoned B1 Neighbourhood Centre: 3%
	Land zoned R3 Medium Density Residential: 5%
Kensington North	5%
Arthur Street (now High Street)	3%
Magill Street	3%
Kingsford South	3%

Discussion

The decision to increase the affordable housing contribution to 10% for residential development within the HIAs was endorsed by Council at the 30 August 2022 meeting. The rationale for the increase, as outlined in the debate is as follows:

- The HIAs are generating significant uplift for property owners and/or developers. It isn't possible for Council to tax or obtain any financial compensation from this uplift. One way of generating some public benefit around the uplift is to generate an affordable housing contribution.
- Developers will still be able to make significant profits under a 10% contribution.
- Based on a 3-5% contribution, only 20 affordable housing units are proposed to be dedicated to Council (in the 6-10 year period). This leaves approximately 554 proposed net new dwellings for the market, with direct windfalls because of the uplift going to existing property owners and/or developers. Estimates in the order of \$250,000,000 of unearned, windfall profit would go to existing property owners/developers for simply getting a rezoning. If the contribution was to increase to 10% resulting in approximately 50 affordable housing units (534 remaining for market), this windfall profit would still be in the order of \$250,000,000.
- Based on this, a reasonable amount (10%) should be allocated to affordable housing.
- The Randwick Housing Strategy identifies around only 4.9% of the rental property market is appropriate for low income earners, which is a very low amount.
- Negative gearing and capital gains tax provide no incentives to put downward pressure on prices of rentals, as investors can claim interest payments on tax.
- It is the role of Council and of Government to provide for affordable housing for families who fall within the low income bracket, to allow low income families to remain as part of our community.
- Covid lockdowns demonstrated how lack of access to affordable housing impacts key workers, who travel from more affordable part of Sydney. These key workers should be able to live where they work.

- The recent difficulties experienced by the construction industry are not due to affordable housing, but rather supply chain issues brought on by the pandemic and war.

The above justification was submitted for consideration to the Department in late 2022, however the Department has stated that the 10% contribution will not be supported as part of the Comprehensive Planning Proposal.

Implementation of an affordable housing contribution rate

The Department, as the LPMA does not need an amended Council resolution to reduce the affordable housing contribution rate in the final LEP to 3% and 5%. However, the Department has requested that Council consider amending Council's previously endorsed Contribution Plan to align with the proposed LEP changes to 3% and 5%.

There are two approaches put forward by the Department for the implementation of an affordable housing contribution. The options vary based on different ways that the contribution rate can be indexed.

- **First approach (Council and Department preferred option)- Rent and Sales Report indexation**

The proposed wording for the affordable housing clause within the LEP directly references the Council endorsed Housing Investigation Area Affordable Housing Plan (the Contributions Plan). The Plan specifies how to calculate the indexation rate for the monetary contribution.

Direct reference to the Contributions Plan within the LEP clause allows the contribution rate to be indexed periodically in line with the Department of Family and Community Services quarterly Rent and Sales figures which averages the median apartment price in the Randwick LGA each quarter.

Use of the NSW Rent and Sales data for indexing is best practice as it allows indexing of contributions using movements in the median sale price of apartments in the local area and is directly aligned to the actual changes in house sales at the local level.

Indexing with the NSW Rent and Sales data is Council and Department's preferred approach and is currently used to implement the affordable housing plan in the Kensington and Kingsford town centres.

- **Second approach (not preferred) – CPI indexation**

The LEP clause contains all the detail of the mechanism for the affordable housing plan and the Council endorsed Contributions Plan is not referenced at all.

The LEP clause cannot directly reference a periodical publication such as the Rent and Sales report for the purpose of indexing. Instead, the Department's legal advice is that the only option is for indexing to be tied to the Consumer Price Index (CPI). The use of CPI is not preferred as this represents an average change in price over time, Australia-wide, for goods and services. Unlike the NSW Government housing Rent and Sales data, the CPI is not specific to housing, does not fluctuate in line with median sale prices and is not specific to the Randwick LGA.

In determining whether to update the Contributions Plan in line with the Department's request, it is important to consider the possible outcomes of updating the Contributions Plan vs retaining the Contributions Plan with the adopted 10% target.

- *Scenario 1 – Council endorses an update to the adopted Contributions Plan with the 3% and 5% contribution rates*

While this is not in line with Council's aspirational target of 10%, the 3% and 5% rates have been supported by initial feasibility analysis and as such, have the support of the Department. Amending the Contributions Plan will also allow for the preferred

implementation approach, which links the LEP clause to the Contributions Plan allowing for indexing via the NSW Rent and Sales data.

- *Scenario 2 – Council retains the previously endorsed Contributions Plan with the 10% contribution rates. The Department approves 3% and 5% and may reinstate North Kensington and West Randwick*

Under this scenario the Department will not include the endorsed Contributions Plan in the LEP clause and instead, the mechanism for levying the affordable housing contribution rates will be directly outlined in the LEP clause. A 3% and 5% contribution rate would be applied by the Department, and **indexing would be undertaken via CPI changes**.

In view of the above, it is recommended that Council consider reducing the affordable housing rate in the previously endorsed Housing Investigation Area Affordable Housing Contribution Plan in accordance with Scenario 1. This is on the basis that 3% and 5% affordable housing contribution rates is supported by feasibility testing and can be implemented with the preferred indexing approach in line with the Rent and Sales figures. A copy of the updated Housing Investigation Area Affordable Housing Contribution Plan is included as Attachment 2 to this report.

Reinstatement of North Kensington and part of West Randwick

As the LPMA, the Department does not require a Council resolution to reinstate the North Kensington and part West Randwick HIAs. However, the Department has requested that the Affordable Housing Contributions Plan be amended to include the North Kensington and part of West Randwick HIAs. This is to ensure an affordable housing contribution can be levied for new development in these HIAs, in the event these areas are reinstated into the Comprehensive Planning Proposal.

It is noted that unlike the 10% rate which the Department has clearly stated they will not support, the reinstatement of these HIAs **has not been confirmed at this time**.

As Council did not support the inclusion of the North Kensington and part West Randwick HIAs, the attached Affordable Housing Contribution Plan has not been updated at this stage to include these HIAs. If the Department does reinstate the HIAs, the Affordable Housing Contribution Plan will need to be updated at a later date to include the reinstated HIAs. This is necessary to ensure that an affordable housing scheme applies to these two areas. This report seeks Council's endorsement to delegate this amendment to the Director, City Planning.

The potential reinstatement of the North Kensington and part west Randwick HIAs has implications for the Comprehensive Development Control Plan (DCP) review. As these HIAs were removed from the Comprehensive Planning Proposal, development controls and design guidance were not prepared or exhibited for these HIAs as part of the Stage 1 DCP review. If the Department does reinstate these HIAs, a DCP for the North Kensington and part West Randwick HIAs will be prepared and exhibited as part of the Stage 2 DCP review. However, depending on the timing of the LEP gazettal and the Stage 2 DCP review, a separate exhibition process may be required to ensure draft controls are in place prior to any development applications being lodged and assessed for the North Kensington and part West Randwick HIAs.

It is recommended that the Council consider its position in relation to the reinstatement of North Kensington and part West Randwick HIAs.

Heritage

Issues raised by DPE

The Department's response references insufficient evidence to demonstrate that the properties at 21 Baden Street, Coogee, 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra meet the threshold for heritage listing. The Department refers to the property's initial identification for investigation in the 2021 heritage study undertaken by Extent Heritage, and subsequent review undertaken by City Plan Heritage which found that the items do not satisfy the relevant criteria for heritage listing.

Discussion

The decision to retain the three properties within the Planning Proposal was endorsed by Council at the 30 August 2022 meeting. The rationale for their retention, as discussed at the meeting is as follows:

- These properties were included in the first list for nomination, which was based on a review by heritage consultants. This provides the evidence and support for the listing, and so they should remain as proposed items.
- It is not uncommon for heritage specialists to provide conflicting opinions on what is considered valuable or worthy of listing. This point was made in response to Council's Heritage Specialist Peer Review recommending the proposed items be removed.
- The properties at 21 Baden Street, Coogee and 3 Bishops Avenue, Coogee can be restored.
- The properties at 41-43 Kyogle Street, Maroubra provide a good representation of working class homes that were prevalent in Maroubra. The working class history is one of the reasons why there are less heritage items listed for Maroubra. The simple character of these properties should be protected.

Council has engaged the services of Hector Abrahams Architects (heritage consultant) to peer review both the Extent and City Plan heritage assessments to determine whether the significance of the three properties warrants heritage listing under Schedule 5 of the LEP. A copy of this peer review can be found at Attachment 3 to this report.

The review found that heritage listing under Schedule 5 is not warranted for 3 Bishops Avenue, Randwick, and 41-43 Kyogle Street, Maroubra as neither of these properties met any of the significance criteria required for listing.

However, based on the information available, the review found that 21 Baden Street, Coogee meets the criteria to be included on Schedule 5 of the Randwick LEP. Specifically, the property was found to meet three of the seven the criteria, as follows:

- meets threshold for listing as a place of historical significance
- meets the criterion for associational significance
- meets the criterion for aesthetic significance.

Hector Abrahams has included more detailed historical information in relation to the heritage significance of 21 Baden Street. The peer review advises that the place is associated with a prominent owner and prominent designer. The Inter war building was modified by a prominent Australian architect SH Buchanan and owned by a prominent hotelier, horserace and newspaper owner Sir James John Joynton Smith who commissioned the adaptation from a single residence to 4 flats in 1936. In relation to aesthetic characteristics, the report states that : *"In our view, whilst built out of an earlier building, it is none the less an integrated design distinctive of the 1920s apartment building mode, with conscious arrangement to its picturesque setting. It is demonstrated to have continuity of architectural authorship as well."*

The previous report by City Plan Heritage assessed the modifications made to the building when it was converted to 4 apartments, to have compromised the architectural design, form and character and that it was not the work of a prominent architect. The earlier recommendation by Extent concluded that 21 Baden was 'fairly' intact and representative of interwar residential flats however had limited amount of historical research.

The three properties have now been the subject of three separate heritage investigations, being the initial assessment of significance carried out by Extent and two following peer reviews carried out by City Plan and Hector Abrahams Architects. The undertaking of three separate studies has allowed for consensus by two out of three heritage consultants regarding the heritage significance of these properties.

Considering the above, it is recommended that Council endorse the removal of 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra from the Comprehensive Planning Proposal and associated LEP amendment as follows:

- 3 Bishops Avenue, Randwick – not recommended for listing, as per City Plan and Hector Abrams peer reviews
- 41-43 Kyogle Street, Maroubra – not recommended for listing, as per City Plan and Hector Abrams peer reviews.

It is also recommended that Council re-endorse the listing of 21 Baden Street, Coogee in line with the recommendations by Extent and Hector Abrahams Architects. Further, following a recent development application submitted for the site proposing demolition of the property.

A copy of the Hector Abrahams peer review will be provided to the DPE to support Council’s original endorsement to list the property at 21 Baden Street, Coogee under Schedule 5 of the LEP.

Next steps

Following submission of Council’s resolution on the affordable housing and heritage matters discussed in this report, the Department will progress their assessment of the Planning Proposal. Council officers will continue to work with the Department and review Parliamentary Counsel’s opinion on the draft the LEP instrument and respond to queries as they arise.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering the Outcomes of the Community Strategic Plan:	
Strategy	Housing
Outcome	A city with diverse and affordable housing that responds to local needs
Objective	Increase the percentage of all households that are either social or dedicated affordable housing to a minimum of 10% by 2040
Delivery program commitment	Identify appropriate areas to apply an affordable housing contributions scheme requiring a proportion of all development to be dedicated as affordable housing and amend LEP 2012 to give effect to this by 2025.
Outcome	A city with sustainable housing growth
Objective	Provide 4,300 new dwellings in 2021-2026, with 40% located in and around town centres
Delivery program commitment	Review the LEP 2012 to provide for additional capacity to meet the target of providing 4,300 new dwellings between 2021 and 2026.

Resourcing Strategy implications

The costs associated with the development of this work is in accordance with the 2022/23 budget and allocations. Heritage consultants Hector Abrams Architects were engaged to provide expert advice in relation to the proposed heritage listings. Other work was completed in-house by Strategic Planning officers.

Policy and legislative requirements

- Environmental Planning and Assessment Act, 1979
- Environmental Planning and Assessment Regulation 2000
- Sydney Region Plan – A Metropolis of Three Cities
- Eastern City District Plan
- Randwick Local Strategic Planning Statement
- Randwick Housing Strategy.

Conclusion

Council has received a request for additional information from the Department of Planning and Environment to progress the finalisation of the Comprehensive Planning Proposal. Council officers have, or are in the process of, preparing responses to these issues, with consultant input as required.

Given advice from the Department of Planning and Environment, this report recommends that Council consider an amendment to the Housing Investigation Area Affordable Housing Contribution Plan to incorporate contribution rates of 3% and 5%. This will deliver affordable housing contributions that are supported by feasibility testing and can be implemented with the preferred indexing approach in line with the Rent and Sales figures. It should be noted that North Kensington and part west Randwick HIAs have not been inserted in the Contributions Plan at this stage given that the Department has yet to form a position as to whether these sites are to be included in the LEP amendment. Rather it is recommended that the plan be amended at a later date if these HIAs are reinstated in the LEP amendment by the Department.

In relation to the Department's advice that reinstatement of the two Housing Investigation Areas (North Kensington and the residential part of West Randwick) is being considered, it is recommended that Council also consider whether to confirm its previous resolution to exclude part of the West Randwick and the North Kensington Housing Investigation Areas from the draft Comprehensive LEP.

It is also recommended that the properties at 3 Bishops Avenue, Randwick and 41-43 Kyogle Street, Maroubra be removed from heritage listing as a third independent heritage assessment has found that neither of these properties met any of the significance criteria required for listing. In relation to 21 Baden Street Coogee, independent heritage assessment has provided further information on the significance of this property as a heritage item and it is therefore recommended that Council re-endorse its previous resolution to include this property within the Comprehensive LEP amendment.

Following Council's resolution on this report, additional information will be forwarded to the Department of Planning and Environment to enable the assessment and finalisation of the Comprehensive Planning Proposal to be progressed.

Responsible officer: Natasha Ridler, Coordinator Strategic Planning

File Reference: F2021/00188

Director City Planning Report No. CP10/23

Subject: Randwick Junction Planning Proposal

Executive Summary

- This report seeks Council's consideration and endorsement to progress a draft Planning Proposal that has been prepared for the Randwick Junction Town Centre (RJTC) which is supported by several recently completed technical studies.
- The report also provides a brief summary of the Randwick Junction Town Centre Planning Strategy (see **Appendix 1** under separate cover) that preceded the draft Planning Proposal and was presented to Council at its meeting in April 2021 where Council resolved to defer progress of the Strategy's directions and actions pending a report back to Council on the findings of further feasibility analysis and fine grain urban design investigations modeled against heritage significance.
- Consistent with Council's resolution, this report outlines the findings of three key technical studies, namely, an economic feasibility analysis by SGS; heritage assessment by City Plan Heritage (**Appendix 2** under separate cover) and an urban design report prepared inhouse (**Appendix 3** under separate cover). This report describes how the findings of these key studies support and underpin the draft Planning Proposal.
- The Planning Proposal seeks to amend the Randwick Local Environmental Plan 2012 (RLEP 2012) by creating new provisions relating to zoning, heritage, height of buildings, floor space ratio, design excellence, affordable housing, and active street frontages. These amendments to the RLEP are informed by a detailed review of existing planning controls, built form and heritage considerations, opportunities, and constraints.
- Following Council's consideration and endorsement of the planning directions and proposed amendments, the next step is to refer the draft Planning Proposal to the Randwick Local Planning Panel (RLPP) for advice as required by a Ministerial Direction. Following this advice, a further report will be prepared for Council's consideration to seek a Gateway Determination from the Department of Planning and Environment to enable the Planning Proposal to be publicly exhibited.

Recommendation

That Council endorse the draft planning proposal for the Randwick Junction Town Centre (Appendix 4) for submission to the Randwick Local Planning Panel for advice.

Attachment/s: Use the links below to access the following attachments:

1. Randwick Junction Planning Strategy
2. Heritage Assessment Randwick Junction - City Plan Heritage
3. Urban Design Report - Randwick Junction Town Centre
4. Randwick Junction Planning Proposal

Purpose

This report seeks Council's consideration of the draft Randwick Junction Planning Proposal that describes the amendments to relevant planning controls under the RLEP 2012 and if supported to seek advice from the Local Planning Panel as required under the Ministerial Directions.

The draft Planning Proposal sets out the changes to achieve a future town centre that will have a strong economically viable commercial component; high standard of design excellence and sustainability; greater heritage protection; new areas of public domain, footpath widening; and a range of improvements including landscaping treatments, and greening opportunities. Changes proposed are: extension to the business zone; modest height increases on the majority of sites; changes to the maximum floor space ratio; new active street frontages; special heritage clause; affordable housing levy and minimum non-residential floor space.

The proposed amendments are supported by the feasibility analysis undertaken by SGS; heritage review by City Plan Heritage; and inhouse urban design analysis to ensure that any changes to built form controls would support feasible redevelopment that is sympathetic to the heritage values and significance of the Randwick Junction Heritage Conservation Area. Other supplementary technical studies for traffic/transport and flooding have also informed and shaped the draft Planning Proposal.

Discussion

Location and context

The Randwick Junction Town Centre (RJTC), is focused on three key streets, being Belmore Road, High Street and Avoca Street, and has evolved as a vibrant, fine grain mixed use centre with a range of convenience retail, local services, community, and business uses. The centre also has a significant number of health/medical related uses due to its strong relationship with the adjacent Randwick Hospitals Campus.

The commercial strip has a predominant fine-grain built form with 2-3 storey buildings which are mostly shop top housing developments. The town centre also contains two large commercial anchors being the Royal Randwick Shopping Centre and Randwick Plaza alongside smaller businesses.

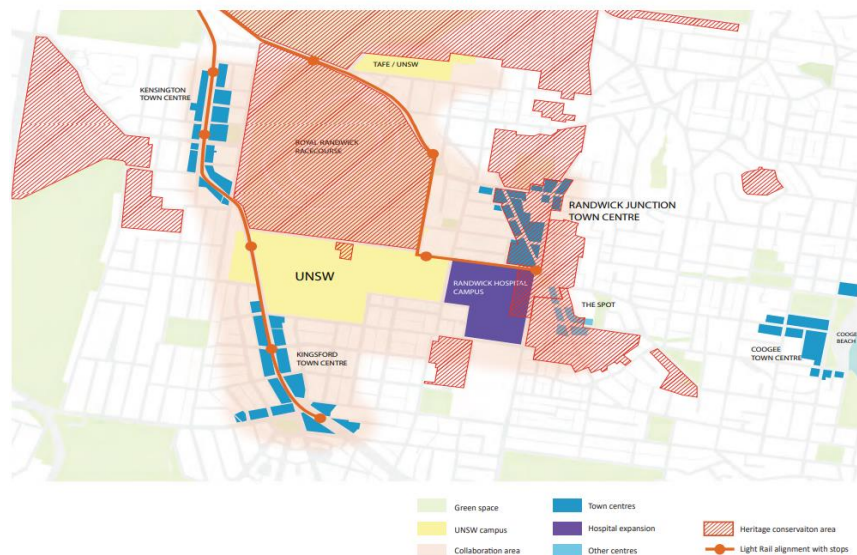


Figure 1: Randwick Junction Town Centre and locational context

The RJTC forms part of the wider Randwick Education and Health Strategic Centre (outlined in the Eastern City District Plan) which contains the cluster of the UNSW Kensington and the Randwick Hospital Campuses as the three main areas of projected employment growth in the Randwick City LGA through to 2056. The town centre is well serviced by public transport, with the

High Street Light Rail stop and frequent bus routes to the CBD, Bondi Junction, Maroubra and Mascot, with connections to other parts of Sydney.

Background

The planning review process for the RJTC commenced in 2016 (see time-line in Figure 2 below) with background investigations and baseline information gathering. This review process culminated in the preparation of an Issues Paper which was endorsed by Council in June 2016. The Issues Paper provided a detailed review of existing conditions and identified a range of planning, urban design and public domain challenges affecting the town centre.

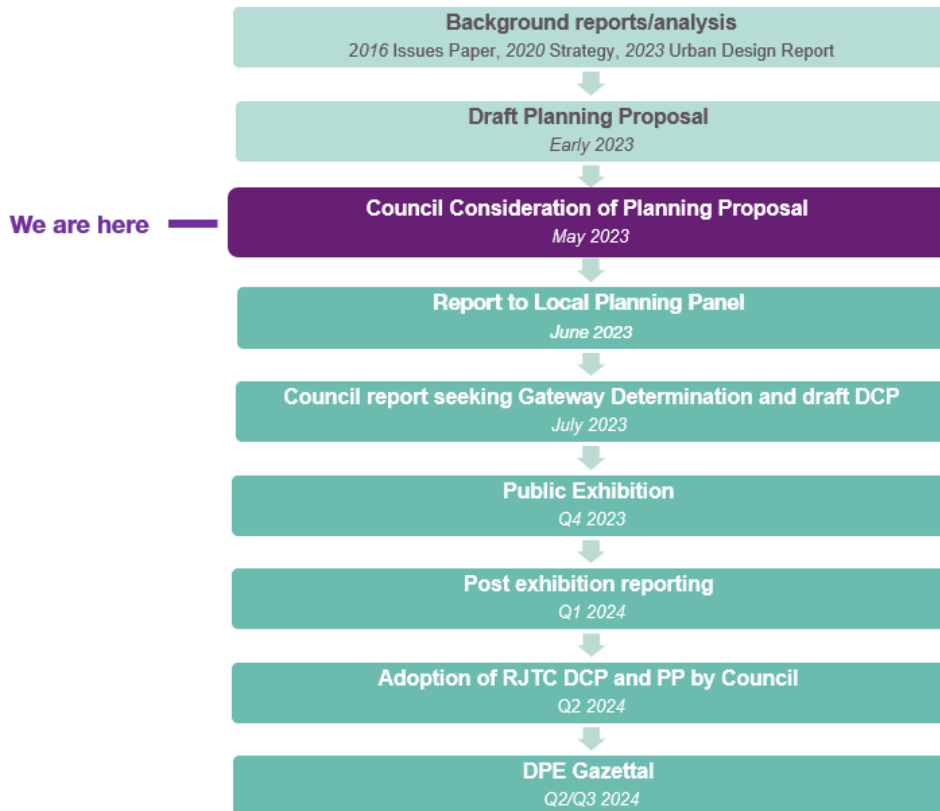


Figure 2: Randwick Junction Town Centre Review Time-line

Randwick Junction Planning Strategy 2020

Based on the analysis in the Issues Paper, a Planning Strategy was prepared in 2020 which was publicly exhibited from 11 November to 8 December 2020. This included consultation with residential and business community groups, including the Randwick precinct committee; landowners; State government agencies and Waverley Council.

The draft Strategy sets the vision, actions, and strategies to guide balanced growth in the town centre and recommends planning changes to height and FSR. It aims to balance the significant heritage qualities and its local character with the need to plan for economically viable commercial floorspace to meet future expected demand for employment and economic activity whilst also providing for residential development including affordable housing.

In preparing the Strategy, discussions were held with property owners and stakeholders to inform them of the planning review process including research and analysis of the future role of RJTC in meeting and supporting the land use and employment demands of the surrounding health and education precinct and how the future role of the town centre will be shaped by this demand. Landowners were informed that planning controls under the Randwick Junction Strategy and its ensuing Planning Proposal, are primarily focussed on retail and commercial growth, with supporting residential development as well as public domain improvements and public benefits.

The key drivers of the Strategy remain relevant and valid for the Planning Proposal which are to:

- Develop appropriate planning controls for moderate increases in height and floor space that will enable the centre to support commercial activity, jobs growth, residential and affordable housing in line with regional and metropolitan strategies;
- Address affordable housing needs for key workers;
- Encourage development that is compatible with and sensitive to the heritage significance and character of the town centre and the Randwick Junction Heritage Conservation Area;
- Recognise and carefully manage larger consolidated sites where additional heights and floor space may be achievable subject to the delivery of public outcomes including affordable housing and design excellence;
- Recognise and outline improvements to public spaces, including footpath widening and new public gathering places, and encouraging interaction between people and activated spaces.
- Encourage streetscape renewal, laneway activation and night-time economy initiatives.
- Ensure a coordinated strategic approach to future development rather than ad hoc site-specific planning proposals.

A key component of the Strategy that has been adapted into the draft Planning Proposal is the delineation of the future built form of the town centre into three key typologies namely as follows:

- *Strategic sites* – these are sites that contain larger, consolidated floorplates and are less constrained by heritage considerations for mid-rise development envelopes; and/or are close to transport stops.
- *Infill sites* – sites that can be amalgamated for medium scale redevelopment that includes detracting, low sensitive heritage, and contributory properties.
- *Heritage sensitive sites* – sites that have valuable heritage items or contributory buildings that can only accommodate minor incremental development such that minimal increases or no change to the current height and FSR controls are proposed.

The Strategy recommended the following essential urban design principles:

- A street wall height limit of up to 3 storeys especially along the main thoroughfares of Belmore Road, Alison Road, and Avoca Street;
- Additional fourth storey to be setback by 4m
- Potential for additional floorspace to the rear extensions and along laneways where applicable so that these are not visible from front streets where heritage streetscapes need to be preserved.

Council resolution – Draft Planning Strategy

At the Council Meeting on 27 April 2021, Council considered the draft Randwick Junction Strategy and resolved as follows:

- a) Defer the Randwick Junction Strategy and report back to Council on the findings of further feasibility analysis and fine grain urban design modelling against heritage values;
- b) Agree to incorporate the following heritage items in the draft Randwick Comprehensive Planning Proposal:
 - i. 1 Belmore Road, 167-171 Alison Road and 179-181 Alison Road, Randwick
 - ii. extend the curtilage of the heritage item at No 60 Belmore Road to include the adjoining address known as 25 Waratah Avenue Randwick

In line with Council's resolution, Council engaged SGS Economics and Planning (SGS) to undertake detailed feasibility analysis of the building envelopes proposed for key opportunity and infill sites within the town centre as originally outlined in the Planning Strategy and further refined in the draft Planning Proposal. Additionally, Council engaged City Plan Heritage to provide a heritage

assessment of the proposed building envelopes which has further guided the proposed built form outcomes contained in the draft planning proposal. An Urban Design study has also been prepared inhouse that sets out the built form strategy for the town centre based on detailed 3D modelling to test and refine building envelopes across key strategic as well as fine grained sites as informed by the economic feasibility and heritage studies. The findings and recommendations of these studies are discussed in detail in relevant sections below.

The heritage items identified in Council’s resolution (i.e., 1 Belmore Road, 167-171 Alison Road, 179-181 Alison Road, and 25 Waratah Avenue) have now been incorporated in the finalised Randwick Comprehensive Planning Proposal and will be listed in Schedule 5 of the Randwick LEP as heritage items in the near future pending Council’s response to issues raised by the Department of Planning and Environment (see separate Agenda item updating Council on this matter).

Feasibility, heritage assessment and urban design studies

As mentioned above, to address Council’s resolution from its meeting of 27 April 2021 for further feasibility analysis and fine grain urban design modelling against heritage values, the following additional studies/assessments have been undertaken:

- **Feasibility analysis (SGS)**

Council commissioned SGS Economics and Planning (SGS) to provide expert advice and feasibility analysis to inform the planning of the RJTC. Estimated yields for a range of Strategic and Infill test sites were provided to SGS in the form of 3D modelled building envelopes with associated Gross Floor Areas (GFA) and the resulting Floor Space Ratios (FSR). The sites tested are shown in Figure 3 below:



Source: SGS, 2022.

Figure 3: Strategic and Infill feasibility test sites

The modelling applied by SGS employed the concept of Residual Land Value (RLV) to show the viability of each of the sites provided to SGS. RLV is a term that characterises the monetary remainder (residual) from the gross return of a site’s redevelopment, after accounting for all development costs (construction, soft costs, developer fees, etc.). The RLV is a gauge for a developer’s maximum willingness to pay for land (site) acquisition. In SGS’s study, RLVs are assessed for:

- 1) the “As-is” use and

2) the redevelopment uplift scenarios.

The “As-is” value is the investment value of a site based on its existing uses, i.e., its investment value. It functions as a minimum threshold which the redevelopment RLV must exceed for a redevelopment to be viable. These “As-is” values are determined by applying sales or lease rates to saleable/leasable floor area of non-residential components (using existing floor space information provided by Council) and accounting for yield factors (sourced from the Valuer General of NSW, Real commercial and Commercial Real Estate recent local sales and rentals data). The threshold for redevelopment viability could be materially lower than the “as-is” values if an owner has a lower “basis” in the land (e.g purchased long ago) or if its condition warrants financial reinvestment.

Using the RLVs for “Redevelopment Scenarios and “As-is” use, viability is then measured for each site whereby viability refers to a condition in which sufficient financial feasibility exists when measured by the difference between the Redevelopment Scenario RLV and the ‘As-Is’ Existing Use RLV. The greater the positive difference between these two measures, the more likely a landowner may be willing to sell or redevelop. SGS’s viability assumption includes a 15% premium for amalgamation of sites where there is multiple ownership.

FSRs and affordable housing rates for each of the test sites assessed by SGS in Figure 3, are shown below and are compared to the draft planning proposal:

Strategic Sites

- **Site 1** (Randwick Club site and two residential properties at 119 and 121 Alison Rd Randwick) – redevelopment at FSR of 3:1 is viable at 7% residential floor as affordable housing levy.
Draft Planning Proposal:
The proposed FSR on this site following design modelling is 2.5:1 with 3% affordable housing levy (for the western section); and 3:1 (see Figure 23) with 7% (Figure 25) proposed affordable housing for the remainder. A reduced FSR on the western part of the site is proposed to accommodate a stepping down of the building envelope to ensure appropriate scale transition.
- **Site 5a** (Gateway sites: 160-162 Belmore Rd, 164 Belmore Rd and 166-168 Belmore Rd)– redevelopment at FSR of 3.8:1 is viable, as is the inclusion 9% of residential floor area as affordable housing
Draft Planning Proposal:
The proposed FSR on this site following design modelling is 4:1(see Figure 23) with 9% (Figure 25) proposed affordable housing. A minor increased FSR is proposed to account for two through site links from High Street and Belmore Rd and a new shared urban plaza at the rear.
- **Site 5b** (Randwick Plaza site) – redevelopment at FSR of 2.4:1 is viable, as is the inclusion of approximately 3% of residential floor area as affordable housing
Draft Planning Proposal:
The proposed FSR on this site following design modelling is 2.75:1(see Figure 23) with 3% (Figure 25) proposed affordable housing. A minor increased FSR is proposed to account for two through site links from High Street and Clara and a new shared urban plaza at the rear.
- **Site 8** (Royal Randwick Shopping Centre site) – redevelopment at FSR of 2.75:1 is not viable. A significant additional increase in FSR of 1.25:1 is required to reach viability. An affordable housing rate of 3% was modelled.
Draft Planning Proposal:
The proposed FSR on this site following design modelling is 2.75:1(see Figure 23) with 3% (Figure 25) proposed affordable housing.
- **Site 2** (Former CBA site: 4 Elizabeth St, 16 to 22-24 Belmore Rd) – with full commercial use, redevelopment FSR of 3.5:1 is not viable.

- with a combined residential and commercial use, redevelopment FSR of 3:1 is viable, as is the inclusion of approximately 7% of residential floor area as affordable housing

Draft Planning Proposal:

The proposed FSR on this site following design modelling is 3:1 (see Figure 23) with 7% (Figure 25) proposed affordable housing.

Infill Sites

- **Site 6** (Alison Road sites – 1 to 11-15 Belmore Rd and 167 to 183-185 Alison Rd) – redevelopment at FSR of 2.7:1 may be viable without affordable housing. An additional 0.25 FSR would be required to be viable with 2% affordable housing
Draft Planning Proposal:
The proposed FSR on this site following design modelling is 2.5:1 (see Figure 23) with 2% (Figure 25) proposed affordable housing. A slight reduction in FSR on the site is proposed to accommodate a street setback for outdoor dining/street activation and stepping down of the building envelope to ensure appropriate scale transition to Bell Lane.
- **Site 7** (Belmore Road West Facing sites: 21 to 35-43 Belmore Rd) – redevelopment FSR of 2.5:1 is viable, as is the inclusion of 3% of residential floor area as affordable housing
Draft Planning Proposal:
The proposed FSR on this site following design modelling is 2.25:1 (see Figure 23) with 2% (Figure 25) proposed affordable housing. A slight reduction in FSR on the site is proposed to accommodate through site links.

In a number of test sites, the proposed FSRs have been varied from that recommended by SGS i.e Sites 1 (western part), 6, 7 and 8. SGS has noted in their report that lease rates and sales prices apply to consolidated sites and not on a site by site basis. Therefore, lease rates and sale process can vary and differ from those modelled, hence the viability threshold could be lower e.g if a site has been in ownership for a long time. Property owners may still redevelop because the rate of return over time provides financial benefits to warrant reinvestment.

Employment analysis

The SGS study highlighted the significance of the Randwick Junction Town Centre, along with the UNSW Kensington and the Randwick Hospital Campuses as the three main areas of projected employment growth in the Randwick City LGA through to 2056. The Study also indicated that retail floor space and employment in RJTC is projected to grow at a slower rate in the short-medium term, and to return to pre-Covid growth rates within the next 8-10 years.

Considering employment in Randwick LGA as a whole, Covid adjusted growth projections are for an increase of 28,555 new jobs in the Randwick LGA in the period 2016-2041 (SGS, 2021). Transport for NSW data shows that the University of NSW will have employment growth of 5,000 – 10,000 jobs between 2016 – 2041, noting that the proposed UNSW Health Translation Hub will deliver 495 jobs (Ethos Urban, 2022). A similar range of 5,000-10,000 jobs has been projected for the Randwick Health Campus between 2016 – 2056, noting that the Stage 1 expansion of the Prince of Wales Hospital comprising the new 13 storey Acute Services Building will be delivering 260 new operational jobs from 2023 onwards (DPE, 2019). For the RJTC, Council desktop modelling based on the proposed uplift of floor space indicates approximately 450 new jobs in the town centre under the draft planning proposal.

The RJTC is identified, along with the UNSW Kensington and the Randwick Hospital Campuses as the three main areas of projected employment growth in the Randwick City LGA through to 2056 (South East Sydney Transport Strategy, Aug 2020). This is consistent with the collective role of the university campus; the hospital complex and the RJTC as the major employment generator of the Randwick LGA. However, employment in the RJTC is projected to grow at a slower rate in the short-medium term but return to pre-Covid growth rates within the next 8-10 years (SGS, 2021).

The future development and growth of this precinct will generate a demand for more floor space for retail/commercial/medical uses. RJTC's role in this context, given its location as the terminus of the CBD and South East Light Rail route, and interface with the Randwick Education and Health Strategic Centre, is as a mixed-use precinct that will support the Hospital and University Campus' growth and liveability for workers, residents and students. Data from UNSW (2022) indicates that around 7,000 students are projected to return from overseas to UNSW every year over the next few years to undertake face-to-face learning.

The draft Planning Proposal has been primarily driven by the need for employment floorspace in the town centre to support expected growth expected across the Health and Education precinct. It is recognised that residential and mixed-use developments have shaped and historically contributed to the town centre's character and will continue to play an important role in supporting future vitality and economic growth. Therefore, whilst the urban design and feasibility modelling for each block attempts to optimise commercial floor space, it has also allowed for residential uplift. This potential demand, as highlighted in the SGS report, will be in education and health related activities within the town centre including medi-hotels, medical suites, day hospital, diagnostic and imaging centres, digital health and co-working spaces.

A desk top analysis by Council officers of the town centre's existing employment floor space has identified that the centre currently has a lower quantity of floor space than that required to service future health and education floor space requirements of the major institutions. Furthermore, under the current planning controls, it is unlikely that additional employment floorspace can be generated to meet the supply deficit.

To ensure employment floor space is provided within the RJTC to address future needs, the SGS study outlined the non-residential FSR that can be provided in the Strategic Sites to ensure that an overall viable redevelopment of these sites is possible. These non-residential FSR have been applied to the Strategic Sites as detailed in Section 4.9 of the draft Planning Proposal.

Affordable housing analysis

As indicated above, the SGS study tested the viability of requiring affordable housing in each of the test case scenarios and generally found that a range of affordable housing rates can be feasibly applied commensurate with the overall viability of the FSR uplift in each of the test sites. This critical finding has informed and supported the proposed affordable housing strategy contained in the draft Planning Proposal as detailed in the relevant section below.

It is proposed that affordable housing rates for the RJTC take a nuanced approach by applying different rates for different sites according to their respective feasibility levels. Accordingly, the affordable housing rates have been established in the Planning Proposal based on the following principles:

- An affordable housing rate will only apply to those properties where an increase in Floor Space Ratio (FSR) is proposed under the RJTC Planning Proposal. For highly valued heritage sites, no changes to the planning controls are proposed in the draft planning proposal.
- The levy will only apply to residential floorspace (not commercial/retail uses) – this will incentivise the development of commercial land uses and employment in the town centre that will not be subject to a levy
- A higher affordable housing levy is applied to all Strategic Sites (as tested by SGS for Sites 1, 2, 5a/5b and 8) recognising greater proposed uplift
- The remaining properties (being the fine grain infill sites) in the town centre will have affordable housing levies based on a sliding scale percentage levy tied to the amount of uplift in FSR for each property as detailed in section 4.3 of the draft planning proposal.

- **Heritage assessment (City Plan Heritage)**

Expert heritage advice was provided to Council by City Plan Heritage, and this has informed the RJTC Strategy, and the preparation of an Urban Design Report for the town centre. City Plan Heritage was provided with the proposed building envelopes and height and density (FSR) scenarios based on 3D modelling (as informed by the feasibility analysis). City Plan Heritage has provided advice on development approaches that preserve the integrity of the heritage fabric of individual buildings and of the town centre as a heritage conservation area, whilst allowing a moderate level of redevelopment to occur. In some cases building heights and FSRs have been modified in response to the heritage advice.

Extracts of the main findings and recommendations of the heritage assessment as these apply to the Strategic sites and some key infill sites are provided below (for more details, please refer to the Heritage Assessment by City Plan Heritage attached under separate cover):

- **Strategic Sites** – the proposed maximum heights proposed for the Strategic Sites are acceptable subject to the following basic built form principles:
 - Retain and strengthen the existing two-to-three storey predominant street wall height and then setback at the upper level behind the street wall parapet
 - Avoid bulky and continuous block development and retain the narrow subdivision pattern and rhythm of traditional shopfronts
 - Apply design excellence, innovation and creative architecture to new development guided by a comprehensive Heritage Assessment and Conservation Management Strategy or Plan that considers the heritage significance of nearby heritage items, contributory buildings and the Randwick Junction Heritage Conservation Area.
 - In the case of the Randwick Club Strategic Site, the terraces located on Alison Road (heritage items I255 and I256 - circled in yellow) should not be developed to 12 metres, and the proposed 25m height for this strategic site should be in the form of a setback/podium with tower or two-tower configuration to reduce the impact on the streetscape when viewed from Alison Road or Belmore Road.
 - In the case of the Randwick Plaza Strategic Site, the development should be setback at the upper levels (above the podium) from both High Street and Belmore Road, considering the impact on low-to-medium density development including heritage and contributing items. The proposed mid-rise tower development should be well setback (indicated in yellow) and align with the multi-storey structure (1970s brick and glass structure – indicated in red arrow) at 66 High Street. The property at 60 High Street has significant characteristics and detailing, including decorative front gables, front facing veranda with timber posts supported on painted brick knee walls, and timber windows with coloured glazing. Given the significant heritage features, the height and floor space ratio are not proposed to be changed and this building should be retained.
- **Infill Sites** – the proposed maximum building heights for the Infill Sites are acceptable subject to the following built form principles:

Infill Site between the southern side of Alison Road and north side of Bell Lane (No.183-185 and 187 Alison Road)

CP10/23



Figure 4 : No.183-185 and 187 Alison Road

- Removal of detracting additions on Alison Road and original Victorian Houses at 183-185 and 187 Alison Road to be assessed for Contributory Building Significance and restoration of the original two storey grand (Victorian) houses. The restored houses could accommodate residential foyer and café/restaurant uses with an apartment above.
- Additional height to be concentrated at the rear of the properties (towards Bell Lane) to compensate for the front setback and restoration of the Victorian houses. Provision of pedestrian level sightline to confirm that the proposed taller rear building, would not be readily visible from the southern footpath of Alison Road.
- Provision of a street setback along Alison Road (commensurate with former front gardens) to create a Boulevard environment along Alison Road including outdoor dining opportunities overlooking Alison Park.
- No additional height to the corner heritage item at the eastern corner of Alison Road and Belmore Road being the proposed heritage items at 1 Belmore Road and 167-171 Alison Road).

Infill Site bounded by Belmore Road, Waratah Avenue, Arthur Lane and Silver Street

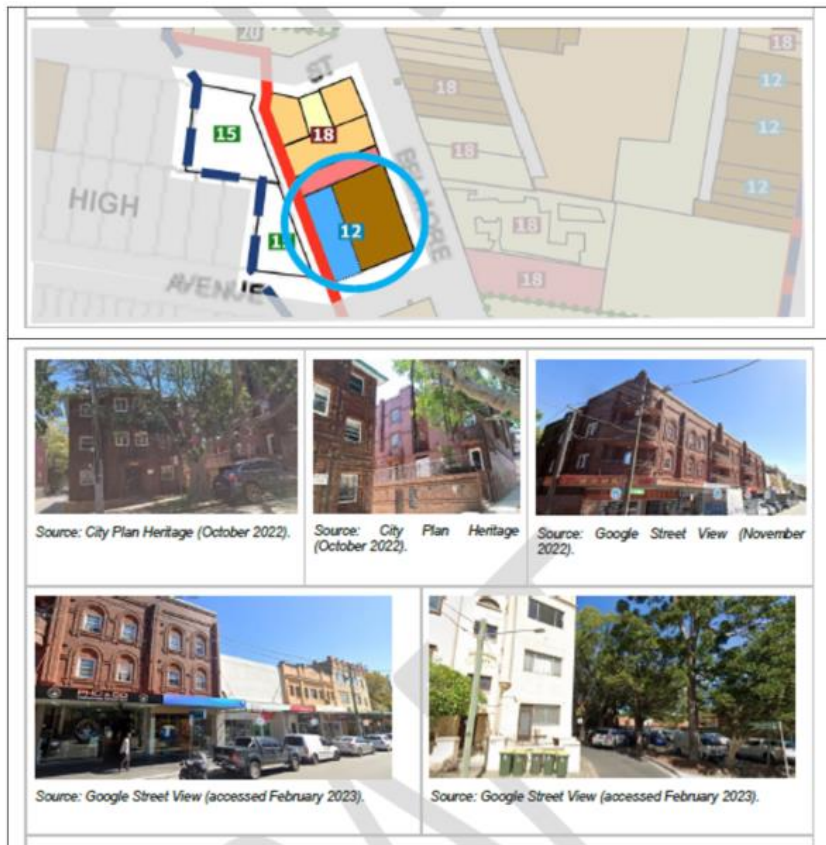


Figure 5: Infill Site bounded by Belmore Road, Waratah Avenue, Arthur Lane and Silver Street

- The heritage items located north of Waratah Avenue, at the corner of Belmore Road and Waratah Avenue should not be over developed as it only has the potential to have maximum one-storey behind the parapet. The heritage items have rich, Inter-War façade detailing that should be retained as a part of the development.
- The proposed 15m maximum height along Arthur Lane and Waratah Avenue is acceptable from heritage perspective as the allotments comprise contemporary development with no significance.
- The contributory and heritage items (with flat roofs or terraces) along west of Belmore Road and adjacent to Silver Street proposed for 18m maximum height is acceptable from a heritage perspective, however, any new development should be well setback (minimum 4m) from the existing building line.
- A detracting item is located west of Belmore Road (44-46 Belmore Rd), and immediately adjoining the northern boundaries of the existing heritage item at 48-60 Belmore Road and proposed heritage item at 25 Waratah Avenue. Any redevelopment of this should not have external facade material, finishes and tones that are incompatible with the existing heritage character of the streetscape (there is a general interwar/art deco heritage presentation in Belmore Road especially the adjoining interwar residential/commercial heritage item at 4 8-60 Belmore Road). New development should have at least neutral characteristics and detailing and should not detract from the street presentation.
- The existing building alignment should be maintained, and the proposed new development should be well setback from the existing building line.
- The proposed development should avoid bulky and continuous block development to retain the existing subdivision pattern and rhythm of the traditional shopfronts.
- The 'Specific Policies and Recommendations' (Section 3.4) associated with the heritage items in this infill block sub area (if applicable) should be taken into consideration as a part of the proposed development.

Triangular Infill Site containing the Captain Cook Statue and Star and Garter Inn



Figure 6: Triangular Infill Site containing the Captain Cook Statue and Star and Garter Inn

- No new development should be undertaken over the heritage item (especially with sloped roofing – pitched or gable), being ‘The Star and Garter Inn’ (item no. I302). Proposed new development for the remainder of the triangular block should be setback at the upper level (behind the parapet of the street wall) from the existing building line, preferably to follow the alignment of Belmore Road, Avoca Street and Short Street.
- Any new development should be well setback from the existing building line, preferably to follow the alignment of the tower width as well as Belmore Road and Avoca Street (indicated in dash blue line)
- Any new development should be well setback (minimum 4m) from the building front with existing parapets intact. The existing, original parapet detailing should be retained.
- Any new development above the existing retail, double-storey buildings should have similar shopfront patterns and detailing on their facades and should be complementary to the existing significant characteristics.
- Any new development should be progressively stepped-up in overall height from south to north; from the existing 12m (3 storeys) in the south to 15m (4 storeys) mid-block to 18m (5 storeys) in the north.
- Encourage reinstatement of original façade detailing such as balconies/windows, where applicable and remove later additions from the facades, including metal framed, rectangular windows. This will assist in enhancing the heritage significance within Randwick Junction.

- Avoid continuous block development to retain narrow subdivision pattern and rhythm of the traditional shopfronts and develop a signage strategy for Belmore Road and other significant streetscapes within the town centre.

Overall, City Plan Heritage made the following recommendations to ensure adequate protection and careful management of the RJTC's heritage values and these principles have been applied to the proposed building envelopes in the draft planning proposal:

- While maximum 4m podium setback along Belmore Road, Avoca Street and Alison Road should be retained for infill developments, podium heights should be based on the adjoining heritage item(s)' or contributory buildings' dominant parapet height to ensure the item(s)' dominance is maintained along the streetscape for continuation of the current people's experience at a human scale.
- Maintain a consistent setback alignment along most of the Randwick Junction Town Centre study area to protect its unique heritage streetscape.
- All tower developments should be guided by a comprehensive heritage assessment or a Conservation Management Strategy (now known as Heritage Asset Action Plans - HAAP) or Plan (CMS or CMP) in order to guide the management of established and assessed heritage significance of each item as well as the contributory buildings.
- Conservation should be the paramount consideration together with the heritage interpretation to become an integral part of the development ensuring the unique history, fine historic urban grain, narrow subdivision pattern, rhythm of traditional suburban shopping/commercial strip is maintained, respected and reflected in the future development.
- The aim of future developments should be to celebrate, enhance and integrate exposure of historic built heritage fabric, while at the same time focusing on the respective site(s) historical development.
- Where additional FSR is gained for a particular site through amalgamations and design excellence or other planning pathways, the preparation of a conservation management document becomes crucial in order to ensure the heritage aspects of the respective heritage item(s) and surrounding historic context is not detrimentally affected. Council should have strict rules on the preparation of such independent conservation studies and should endorse them preferably at the preliminary stages of planning proposals, feasibility studies and development applications.
- Design of the new developments should strive for design excellence, innovation and creativity and somehow relate to each other.
- Podiums should be designed in consideration to the narrow subdivision pattern and rhythm of the traditional shopfronts.
- Preserve the integrity of the heritage fabric of individual buildings and of the town centre as a conservation area, whilst allowing a moderate level of redevelopment to occur.

In summary, the expert heritage planning advice has guided the detailed planning of sites within the town centre where heritage considerations apply. A nuanced and creative urban design approach is required to complement, protect and enhance the cultural heritage of the town centre, including the identified significant built fabric, for future generations to enjoy. City Plan Heritage has provided advice and has reviewed various increased height and density (FSR) scenarios and development approaches. Creative planning controls that incentivise the restoration and adaptive reuse of heritage fabric and other significant buildings within the town centre have been explored with City Plan Heritage in workshop sessions and these have been incorporated into the heritage provisions in the planning proposal.

- **Randwick Junction Town Centre Urban Design Report (Appendix 3)**

Based on the feasibility analysis and heritage assessment, an Urban Design study has been prepared inhouse. The study outlines a strategic planning and urban design approach for the town centre for the next 15-20 years.

Specifically, the Urban Design Report provides:

- Guidance for the preparation of the Planning Proposal, through built form analysis and recommendations on principal planning standards.
- The rationale for the design expectations and massing of future development which is essentially to respond to the valued heritage significance and 'fine grain' scale of the town centre and to respond to the changing context of new public transport infrastructure, new health infrastructure currently under construction, expected population and employment growth - in particular the hospital and university employment hubs.
- The basis for a future centre-specific Development Control Plan using extensive 3D modelling of the town centre was undertaken to test various scale and setback scenarios. The modelling assisted in visualising and establishing the optimum overall built form and public domain for the town centre.

The Urban Design study begins by identifying the key challenges currently facing the town centre as well as the opportunities that can be realised to strengthen the role of the town centre in the future. These challenges and opportunities are outlined below. This is followed by the broad structure plan and built form strategy underlying the Planning Proposal that seeks to address the challenges and maximise the opportunities in the town centre.

- **Challenges**

Lack of retail activity

The Urban Design study identified that there is diminishing quantity and quality of commercial activity along the Belmore Road retail 'spine' particularly in the northern end. While the south part of Belmore Road benefits from the two large shopping centres, proximity to the Randwick Hospital employment hub and the Randwick stop of the Light Rail, the northern part of Belmore Road currently lacks a diversity of land uses and public spaces to draw activity and often has vacant shops or leases for low value retail uses.

Run down appearance

The study has identified that a significant section of commercial activity in the town centre is run-down in appearance including along the east side of Avoca Street, particularly north of Alison Road. Consequently, there is often only vacant shops or low value retail tenancies in these areas. Historically the Avoca Street city block has accommodated the Coach and Horses Hotel, a 'value for money' café/restaurant strip, dry cleaner, vehicular repair businesses and gymnasium.



Figure 7: Avoca Street rundown appearance

Deterioration of heritage fabric

The urban design analysis has identified that many heritage listed and contributory buildings in RJTC are in a dilapidated state, have inappropriate paint colour schemes, infill windows of inappropriate design and detailing, and often retain disused signs or incorporate inappropriate new building signage.



Figure 8: Dilapidated shopfronts and heritage facades on Avoca Street

Poor pedestrian experience and lack of quality public places

Many of the urban places within RJTC are poorly designed and unwelcoming for pedestrians to visit and to use. There is a lack of street tree planting, inappropriate street tree selection, excessive road space/carrageway widths (certain locations), and a lack of pedestrian prioritisation. Further, in many locations the footpaths are in poor condition, and the power supply is by overhead wires with timber poles and cross arms. The street furniture could provide a more coherent identity for the town centre and there is a lack of public artwork to enliven the pedestrian experience.



Figure 9: Poor interface between shopping centre and June Moore Place

Poor Night time economy

The night time economy is poorly catered for in RJTC. The traditional after hours zone is in the northeast of the town centre, along Avoca Street, with the Coach and Horses Hotel the main hub of activity.



Figure 10: Dilapidated state of the traditional night-time zone

Lack of spatial cohesion

The RJTC has developed along three primary street arteries – Belmore Road, Alison Road and Avoca Street. The main retail shopping street is Belmore Road that attracts the largest numbers of pedestrian traffic and activity. The Urban Design Study finds that the town centre’s business activity tends to be divided into two parts, namely, the main cluster along the Belmore Road ‘main street’ spine, and a second cluster of businesses around the busy Alison Road and Avoca Street intersection. Currently the two larger parcels in the middle of the town centre - Royal Randwick

Shopping Centre and the Marcellin College campus - present limited potential for east-west pedestrian connections and for the continuity of street level activity between the two parts of the centre.

Fragmented subdivision pattern

Much of the town centre is characterised by a fine-grained subdivision pattern. Exceptions include the shopping centre properties and other consolidated land parcels, such as the Strategic Sites. The multiple ownership pattern may constrain and delay the potential for redevelopment.



Figure 11: Narrow allotments along Belmore Road

- **Opportunities**

Renewal and restoration of heritage and contributory buildings

Whilst the conservation of heritage and contributory building fabric may limit some redevelopment opportunities, the benefits gained by retaining and restoring heritage buildings comes through the unique character they embody and contribution to the public domain and streetscape. As outlined in this Council report, the Urban Design study seeks to strengthen the heritage character and values of the town centre and adopt a fine grain approach to the growth and development of the town centre.



Figure 12: Heritage and contributory items in the RJTC

Further, there are opportunities to restore heritage and contributory buildings in the town centre and thereby progressively enhance quality and character of the streetscapes. A specific opportunity is the restoration of a row of two storey Victorian houses along Alison Road that form part of the original Brisbane Estate and the proposed listing of the new heritage item, 'Montrose', at 179-181 Alison Road. The houses remain hidden behind 1960s and 1970s commercial additions and modifications that detract from the Alison Road streetscape and the Randwick Junction Heritage Conservation Area (see Figure 13). The street setback (former front gardens), if reinstated, could be an outdoor dining opportunity overlooking Alison Park. The restored houses could accommodate residential foyer and café/restaurant uses on both levels or incorporate an apartment above.



Figure 13: Victorian houses (orange) behind detracting facades create restoration opportunity to match existing houses (green)

Mid-block pedestrian connections

The study identified opportunities for additional through site and mid-block links to enhance east-west connectivity and general overall permeability within the town centre. The larger Strategic Sites, such as the two shopping centres, provide opportunities for additional pedestrian links, as open air or as arcades/malls.



Figure 14: Opportunities for east-west through-site links

Encourage health and innovative spaces along High Street

New height and density controls along High Street provide an opportunity to leverage the proximity to the Randwick Education and Health Precinct (Randwick Hospital and the UNSW) and the Randwick Light Rail stop. Ground Floor and podium level health, medical and innovative start-up businesses should be encouraged. Increased employment and health and innovation spaces and a focus on retail, local services, medical and community uses, contributes to the role of Randwick Junction Town Centre in supporting the growth and liveability of the overall Randwick Collaboration Area.

Renewal and revitalisation of the public domain

The Planning Proposal provides an opportunity for the renewal of the public realm, and the upgrade of the network of places within the town centre. The current state of streetscapes and plazas in the town centre is often dilapidated and uninviting, lacking a clear program of use, resulting in them being underutilised. There is an opportunity to provide new shared/pedestrianised zones, widened footpaths, new/upgraded public places, (see Figures 15 and 16 below) street tree planting, landscaping, outdoor alfresco and dining areas, upgraded street furniture and public artwork.



Figure 15: Concept perspective of June Moore Place



Figure 16: Concept perspective of East House Corner

- **Laneway activation**

There is an opportunity to re-envision Arthur Lane and Bell Lane as important pedestrian thoroughfares and places, destinations within RJTC. The Planning Proposal includes zoning and active frontage controls to facilitate the delivery of commercial and active uses at ground level. Laneway activation, and a second retail frontage, provides additional opportunities for commercial and retail use within the town centre. Further, this adds another type of space to the public domain of high quality and interest. New seating, creative lighting and planting will further facilitate pedestrian use and revitalise existing underutilised spaces in the town centre. Such matters should be considered as part of the review of the RDCP.



Figure 17: Concept perspective of Arthur Lane

- **Night-time activities**

The night-time activities within RJTC are currently focused around the Coach and Horses Hotel and the adjoining restaurant strip. There is the opportunity to augment the night-time offering through the creative adaptation of existing buildings and associated public domain. The potential for adaptation of old buildings such as the former post office can be realised through planning provisions to allow for utilisation of building setback, areas for outdoor seating and adjoining right-

of-way thoroughfares for temporary street closures to host special events. Similarly, the activation of Arthur Lane and Bell Lane as important pedestrian thoroughfares and places, destinations within RJTC through the Planning Proposal can provide opportunities for night-time activities. There is the potential for workers, students, customers and visitors especially in the adjoining education and medical campuses to provide a critical mass of patrons for a future robust night-time food and beverage destination along activated laneways.



Figure 18: Concept perspective of Arthur Lane at night

- ***Built form strategy***

To address the challenges facing the town centre described above and to help realise its opportunities, the Urban Design report sets out a Built Form Strategy that utilises a building envelope approach to guide and articulate the air space above potential development sites where it is deemed suitable to build upon. The distribution of the proposed building envelopes will be structured holistically with consideration for future planning and growth parameters, heritage and flooding constraints, pedestrian links, individual site context, environmental constraints, the relationship with surrounding development and opportunities to enhance the public realm as captured in the Structure Plan in Figure 18.

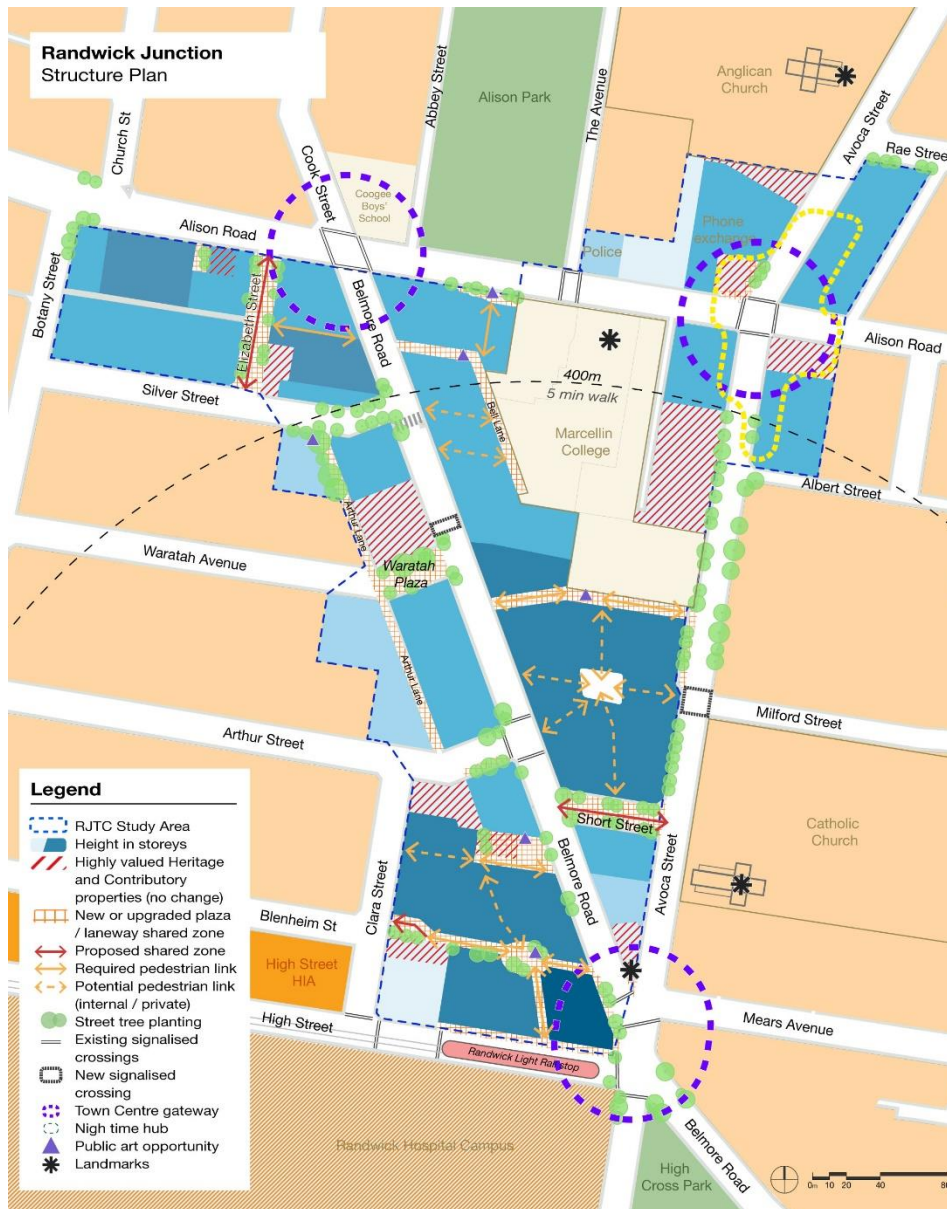


Figure 18: Randwick Junction Town Centre Structure Plan

The built form strategy is based on the proposed overall building height categories shown in the Height of Building (HOB) plan in Figure 19 below:

- High value Heritage Properties - no change to the current controls is proposed – these sites retain their current zoning, FSR and HOB – generally 12m maximum height and 2:1 FSR
- Heritage and Contributory Properties – a modest uplift in height is proposed for development sites that include these items. Any uplift, of up to two storeys above the existing height limit, is subject to a heritage assessment to determine the extent of significant building fabric to be retained – generally five storeys or 18m maximum height
- Strategic Sites – these sites are larger and less constrained by heritage considerations. A modest uplift in height is proposed to permit mid-rise residential buildings – generally 6 to 8 storeys or 21.5m to 28.5m
- Gateway Strategic Site – immediately adjoining the Randwick Light Rail station and marking the south gateway of the RJTC – the proposed mid-rise building would be 34.5m (equivalent in height to the recently completed Bright Alliance hospital building on the south side of High Street that is eight storeys in height). The 34.5m height limit would

allow a 10 storeys mixed use building or an 8 storey commercial/office building (due to the larger floor-to-floor height required).

Buildings generally increase in height as they get closer to the Randwick Light Rail station in High Street. The proposed eight-storey buildings in the south of the town centre match the height of the eight storey shop top development proposed in the High Street HIA situated to the west. The proposed eight storey residential development on the Royal Randwick Shopping Centre site matches the height of the existing eight storey Veriu Hotel and Apartments on Belmore Road, adjoining to the north of the shopping centre. Based on the above height categories, a future site specific DCP will further refine and develop specific block-by-block building envelope development control plans that incorporate detailed street, podium and upper-level setbacks.

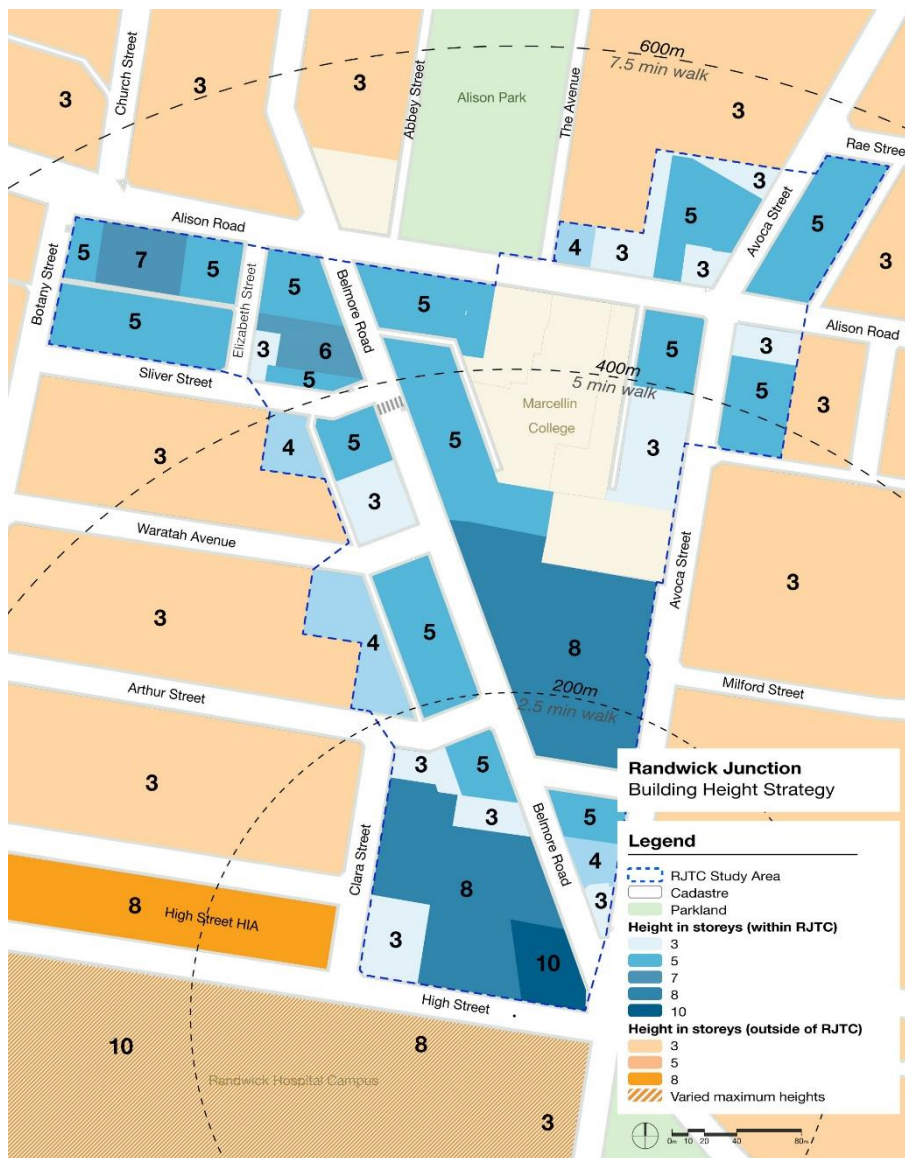


Figure 19: Randwick Junction Building Height Strategy

Draft Randwick Junction Planning Proposal

Informed by the feasibility, heritage and urban design studies outlined above, and supported by traffic and flooding analysis, a draft Planning Proposal has been prepared (see Appendix 4 under separate cover). It sets out the actions and recommendations to achieve the vision for sustainable commercial and residential growth to support the adjoining medical and education precinct while respecting the heritage significance of RJTC.

Amendments to Randwick Local Environmental Plan 2012 (RLEP 2012)

The following amendments are proposed:

i. Zoning

It is proposed to generally retain the existing RLEP 2012 B2 Local Centre zoning which will be translated into a E2 Commercial Centre zone under the NSW Employment Reforms. The E2 zone is deemed to be the most suitable under the reforms to reflect the strategic intent of RJTC and its future role in the Randwick Health and Education Strategic Centre.

Five sites have been identified in the planning proposal as providing a logical extension to the RJTC. The sites are identified in red outline in Figure 16 and are summarised in the following table:

Site	Current Zone	Proposed Zone	Proposed Height	Proposed FSR
Nos. 119, 121, 123, 125 and 127-129 Alison Road	R3 Medium Density Residential	E2 Commercial Centre	18m (119-121 Alison Road) 24.5m (123-129 Alison Road)	2.5:1 3:1
1-5 Botany Street & 1-9 Silver Street	R3 Medium Density Residential	No Change (1-5 Botany Street and 1-5 Silver Street) E2 Commercial Centre (7 and 9 Silver Street)	18m	1-5 Botany Street and 1-5 Silver Street: 1.5:1 7-9 Silver Street: 2:1
144 Avoca Street	R3 Medium Density Residential	E2 Commercial Centre	18m	2:1
Nos. 42 – 44 Waratah Avenue, 63-69 Arthur Street & 9 Arthur Lane	R3 Medium Density Residential	E2 Commercial Centre	15m	42-44 Waratah Avenue:1.25:1 Remaining sites: 1.5:1
62 High Street	R3 Medium Density Residential	E2 Commercial Centre	27.5m	2.75:1

Table 1: Proposed Zone Boundary Extension Sites

It is evident from Table 1 that the boundary extension at 1-5 Botany Street and 1-9 Silver Street will involve an uplift in FSR and Height of Building. This is proposed to enable the redevelopment of these sites at a scale that acknowledges the interface role this area plays, being positioned between residential and commercial uses. In addition to FSR and height uplifts, it is proposed to rezone two parcels on the corner of Silver and Elizabeth Streets to E2 Zone to deliver non-residential uses at ground floor, encouraging increased commercial activity in the north western area of the centre. This rezoning also seeks to activate Elizabeth Street as a potential shared street. The remaining parcels along Silver Street are proposed to retain their R3 Medium Density Residential Zoning.

Based on heritage and urban design advice the following properties within the boundary of the study area are not proposed to be rezoned to E2 Commercial Centre (therefore will retain the R3 medium Density Residential zone:

- 66-68 Arthur St (proposed contributory)
- 17-19 Clara St (Heritage item)
- 56-58 and 60 High St (proposed contributory)
- 146-162 Avoca St
- 201-209 Avoca St
- 211-215 Avoca St

All the above properties are either heritage listed (in the Randwick LEP) or proposed to be included as contributory items. Following built form modelling and analysis, additional FSR is proposed for 66-68 Arthur St (refer to Figure 23 Floor Space ratio Map).

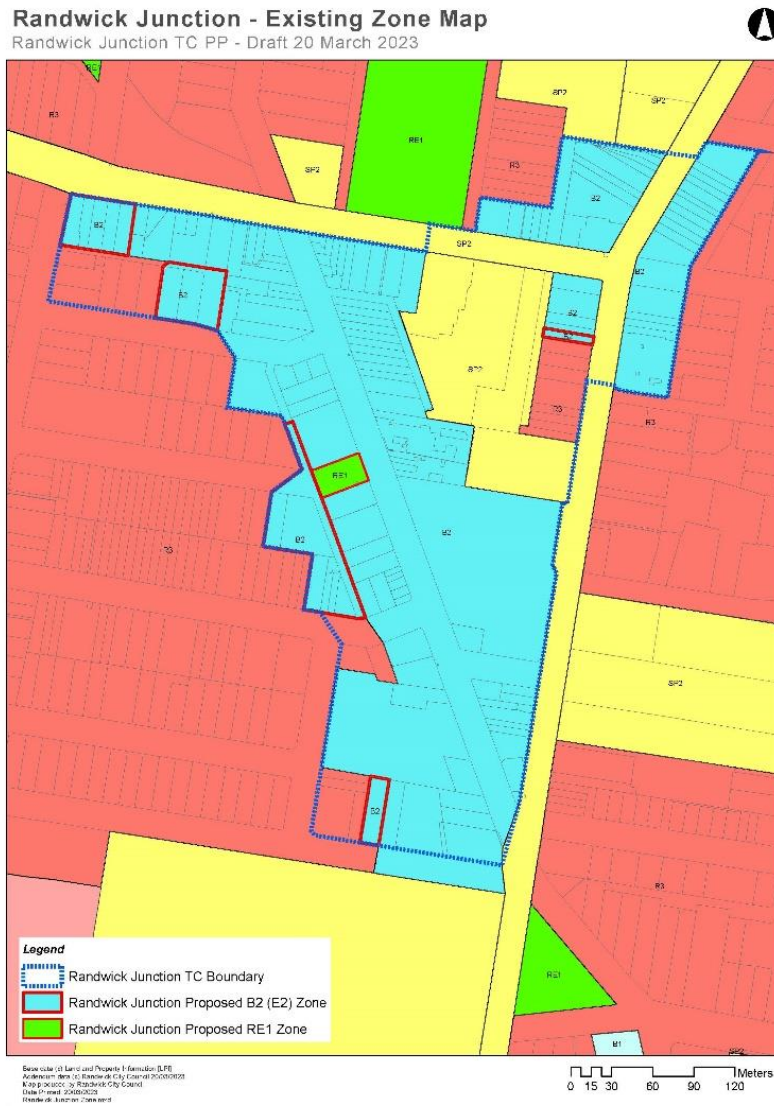


Figure 20: Proposed zone boundary sites

The sites to be rezoned are generally located on the edge of the town centre and rezoning of these sites would achieve a contiguous and consistent zoning by:

- Reflecting the existing pattern of retail/commercial uses
- Providing a defined edge to the business zoned land
- Strengthening RJTC by increasing opportunities for additional business uses/mixed uses to support future growth.

New built form controls for these sites to be incorporated in the draft DCP will provide a suitable height transition to surrounding residential areas.

Proposed Public Open Space Zoning – Waratah Plaza

Council is currently undertaking preparation works to create a new urban plaza in the heart of RJTC on Waratah Avenue which is part of the road reserve owned by Randwick City. The plaza will become an important civic space with the closure of Waratah Avenue to vehicles between Belmore Road and Arthur Lane. It will comprise 800m² of landscaped space and provide improved pedestrian and cycle access to Belmore Road and opportunities for public art and activations.

While overall Randwick City has a high provision of open space, highly urbanised centres such as RJTC have a lower provision of open space and recreational infrastructure, higher densities, and limited land available to provide new parks to support new residents. As such, it is proposed to rezone Waratah Plaza from B2 to RE1 Public Recreation to formalise this civic space as public open space.

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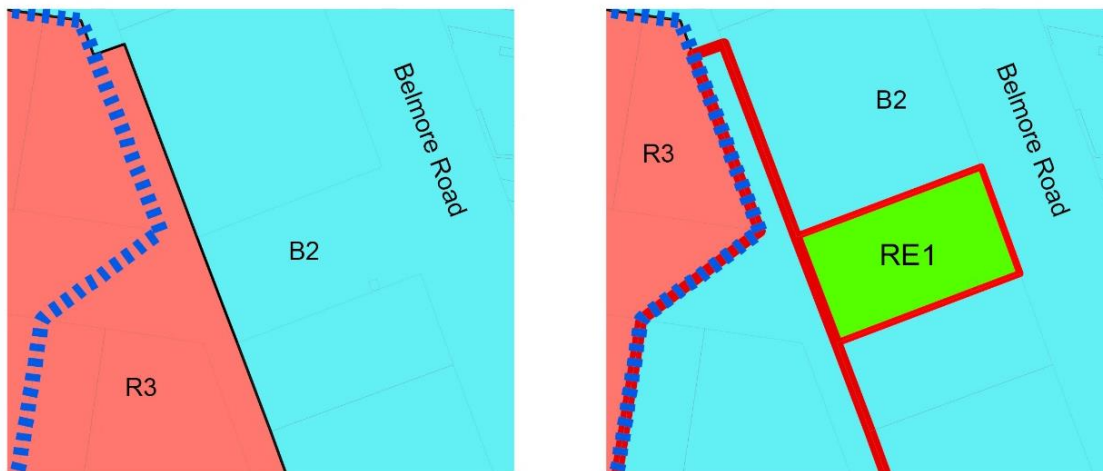


Figure 21: Existing and proposed RE1 Zone: Waratah Plaza

ii. Height

The RJTC currently has a maximum height of 12m under the RLEP 2012, with the exception of Marcellin College.

The proposed changes to maximum building height have been based on results from independent feasibility studies; architectural heritage reviews; urban design analysis; extensive 3D modelling and key view analysis to ensure that increased building heights and built form massing is viable and appropriate for the heritage context of RJTC. It is proposed that the following new maximum height of buildings height strategy be adopted based on the Built Form Framework as follows:

Highly valued heritage properties

No changes are proposed to the RLEP 2012 maximum height limit for sites that are listed on the State Heritage Register or locally listed heritage items that are of high sensitivity and/or that can be viewed from multiple streetscape perspectives and are therefore difficult to extend for alterations and additions (as distinct from properties with a single primary retail street façade). The following are designated highly valued heritage properties in the town centre:

- 143 and 145 Alison Road
- 11 Silver Street
- 1, 48-60, 128 and 141-143 Belmore Road
- 25 Waratah Avenue
- 17 and 19 Clara Street
- 110-116, 124, 146-162 and 147 Avoca Street

Heritage and contributory buildings

It is proposed to make changes to the RLEP 2012 maximum height limit for certain heritage items and contributory buildings, to accommodate a moderate increase in height of up to two storeys above the existing height limit (equivalent to five storeys, 18m), subject to a heritage assessment as to the extent of the existing significant building fabric to be retained and the suitability of the

proposed redevelopment regarding heritage considerations and design excellence. The proposed changes to the RLEP 2012 maximum height for these sites would generate additional residential/commercial capacity and offer incentives for landowners to preserve the valued heritage character of the ageing buildings.

Infill sites

It is proposed that infill sites adopt a new RLEP 2012 maximum height limit of approximately 18m (equivalent to 5 storeys) along the main thoroughfares of Belmore Road, Alison Road and Avoca Street with upper-level building setbacks of 4m above the predominant street wall (parapet) height that varies from block to block of between two and three storeys.

Strategic Sites

As outlined earlier, the identified strategic sites have larger floor plates, and relatively limited constraints to redevelopment. Accordingly, this planning proposal identifies new maximum building heights of between 6 and 10 storeys, as the larger site areas enable taller built forms to be achieved without substantial offsite impacts. The larger site areas allow for setbacks and transitioning in height to public streets, while still meeting internal, building-to-building setback requirements of the Apartment Design Guidelines (ADG).

It is proposed that the RLEP 2012 maximum height provisions be amended for the key sites as follows:

- **The Randwick Club:** 7 storeys (approximately 24.5m) in the middle of the block, stepping down to 5 storeys (approximately 18m) to the east and west of the city block. A 3 storey (approximately 12m) maximum height is maintained for the two heritage items within The Randwick Club site.
- **Royal Randwick Shopping Centre:** 7 storeys (approximately 28.5m - assuming larger floor to ceiling heights for ground and first retail uses) with relevant setbacks on higher levels.
- **Randwick Plaza and Gateway:** 10 storeys (approximately 34m) in a limited area at the corner of High Street and Belmore Road stepping down to 7-8 storeys (approximately 28.5m - assuming larger floor to ceiling heights for ground and first retail uses) across the remainder of the block.
- **Former Commonwealth Bank Site:** Maximum 6 storeys (approximately 21.5m) with setbacks on both the east and west street frontages.

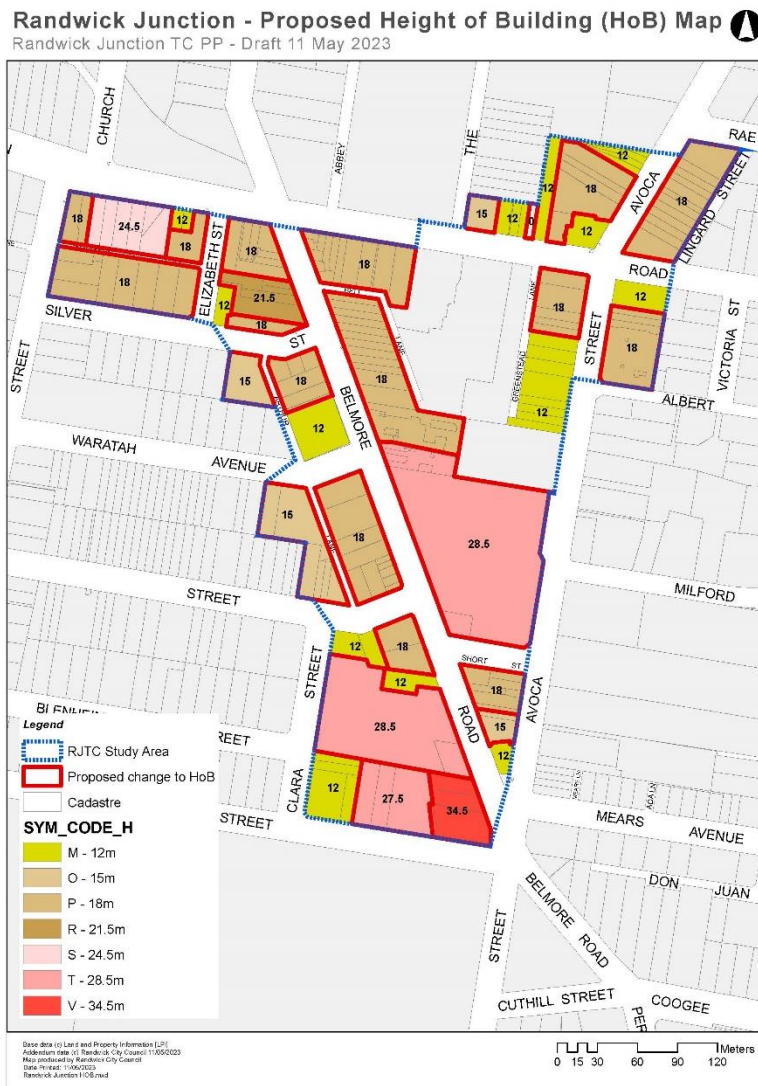


Figure 22: Proposed maximum height of buildings

iii. Floor Space Ratio

The RJTC currently has a maximum Floor Space Ratio (FSR) of 2:1 for the B2 Local Centre zoned areas and 0.9:1 for boundary extension sites currently zoned R3 Medium Density Residential zone under the RLEP 2012.

It is proposed to amend the RLEP 2012 Floor Space Ratio Maps to include changes to FSR across the RJTC to provide capacity for new jobs and housing. The proposed changes to the FSR maps have been informed by development feasibility and viability testing and urban design modelling to account for setbacks, likely future amalgamation patterns and solar access.

The Randwick Junction Town Centre Urban Design Report investigated a range of appropriate FSR's that would work in conjunction with the proposed revised building heights and achieve a good urban design outcome. Extensive 3D modelling, key view analysis and expert independent architectural heritage reviews have been undertaken to ensure the proposed building massing is appropriate for the heritage context of RJTC.

The proposed FSRs are derived from the total floorplate area that was tested as part of the extensive 3D modelling process. The Gross Floor Area component of the FSRs was calculated using a 70% floorplate efficiency for all levels and uses. While higher efficiencies might be expected for commercial uses and in some residential uses, the more conservative 70% figure was utilised in the calculations for the following reasons:

- **Heritage Considerations:** As the majority of the town centre is within a Heritage Conservation Area and there are numerous heritage items and Contributory Buildings, the ability to achieve high floorplate efficiencies could potentially be limited by the need to retain and protect built form heritage
- **Site proportions:** Numerous sites within RJTC are of narrow or obtuse dimensions, limiting floorplate areas and potential design efficiencies
- **Further design controls:** While the 3D model does take into consideration building separation provisions under the NSW Apartment Design Guide and expert heritage input from City Plan Heritage consultants, the modelling only represents a preferred maximum built form mass for each site. The proposed FSRs for sites are maximums only, with final building envelopes determined through the application of additional DCP controls such as articulation, through site link requirements and landscape provisions which are likely to reduce the overall Gross Floor Area.

It is proposed that the new maximum Floor Space Ratios be adopted based on the Built Form Framework as follows:

Highly Valued Heritage Properties - No changes are proposed to the RLEP 2012 FSR for sites that are listed on the State Heritage Register or locally listed heritage items that are of high sensitivity and/or that can be viewed from multiple streetscape perspectives and are therefore difficult to extend for alterations and additions (as distinct from properties that have a primary retail street façade where additions could potentially be accommodated, setback behind the main street frontage). Generally, an FSR of 2:1 applies to these properties. Refer to Figure 3 – Planning Proposal Site Categories map for the location of the following designated highly valued heritage properties in the town centre:

- 143 and 145 Alison Road
- 11 Silver Street
- 1, 48-60, 128 and 141-143 Belmore Road
- 25 Waratah Avenue
- 17 and 19 Clara Street
- 110-116, 124, 146-162 and 147 Avoca Street

Heritage and Contributory Properties/Infill Sites – a modest uplift in density is proposed for development sites that include heritage items or contributory buildings and are not identified as highly valued heritage properties. Any uplift, above the existing FSR of 2:1, is subject to a heritage assessment to determine the extent of significant building fabric that is required to be retained – these sites are generally between FSR 2:1 to FSR 2.75:1.

Strategic Sites – these sites are larger and less constrained by heritage considerations, and this enables taller built form to be achieved without substantial offsite impacts. A modest uplift in density is proposed to permit mid-rise residential buildings – these sites are generally between FSR 2.75 and FSR 3.0:1, and are subject to higher proposed affordable housing contribution rates (see Table 1: Affordable Housing Contribution Rates) and to design excellence requirements.

Gateway Strategic Site – immediately adjoining the Randwick Light Rail station and marking the south gateway of the RJTC – the proposed mid-rise building would be between 8 and 10 storeys (depending on whether the redevelopment is a fully commercial building or mixed use – this site is proposed to have an FSR of 4:1, and is subject to the highest affordable housing contribution rate (see Table 1: Affordable Housing Contribution Rates) and to design excellence requirements.

Sites located to the west of Arthur Lane and along the north side of Silver Street (currently have an FSR of 0.9:1) and are proposed to have FSRs between 1.25:1 and 1.5:1. This increase in density

would enable the redevelopment of these sites, while acknowledging the interface role between residential and commercial land uses that these sites play.

The proposed FSRs are maximums and are intended to work with envelope provisions in the forthcoming RJTC section of Randwick DCP 2013. Further detail on the proposed FSRs is contained in Section 5.6.2 of the Urban Design Report. The following map (Figure 23) shows the proposed FSRs for the town centre.

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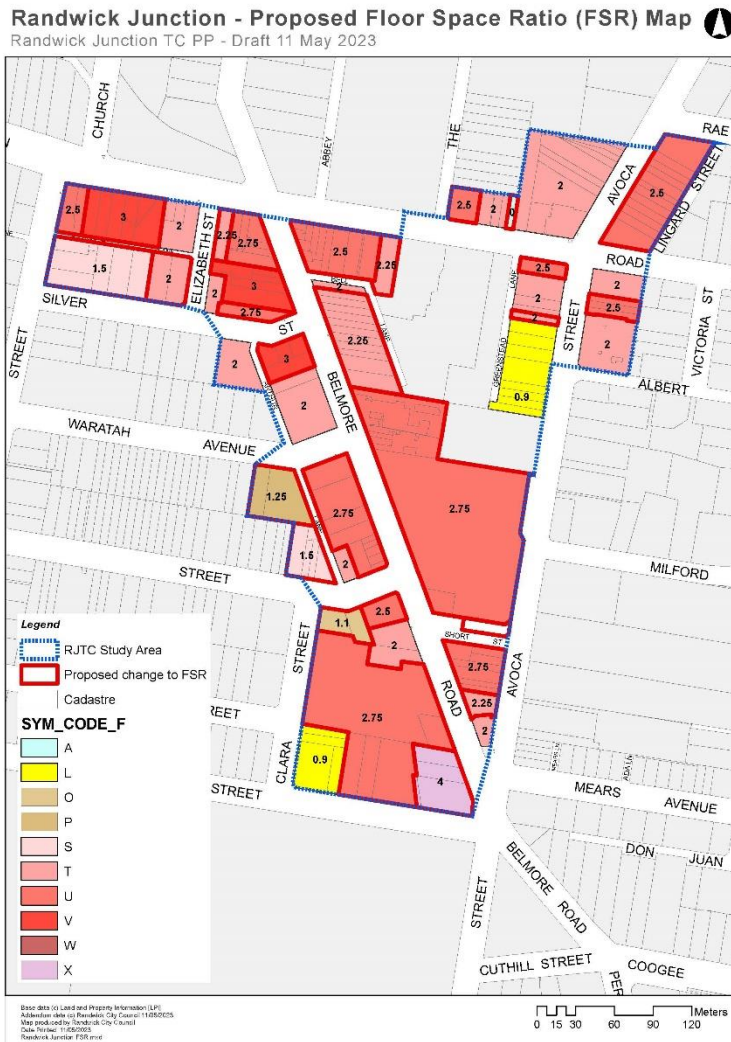


Figure 23: Proposed floor space ratio

Non-Residential Floor Space Ratio

Based on Council's desktop analysis of the existing commercial floorspace within the RJTC, employment is projected to grow from 3,977 jobs to 4,430 jobs. The figure for projected employment growth is based on the scenario of the town centre being fully developed under the new planning proposal controls and for a typical site, assuming at least one level of commercial floorspace is provided and for Strategic Sites, between one and three levels of commercial floor space.

Retail floorspace analysis undertaken in 2021 suggests COVID 19 has reduced the demand for retail floorspace across the LGA. By 2031, it is expected that retail floorspace will return to balance (with a small deficiency of 565 sqm), which is significantly less than pre-covid projections which indicated a deficiency (gap) of 7,193 sqm of retail floorspace.

Reduced demand for retail floorspace is largely due to an increased uptake of online retailing that has increased in popularity during the pandemic. Therefore, at least in the short-medium term there

may be less demand for retail floorspace in the town centre, before it rebounds over the next 8-10 years, returning to pre-Covid levels of growth.

In addition to retail floorspace, SGS data indicates that demand for other commercial floor space and uses such as health, medical and support services is expected to continue to remain strong over the next decade as a result of the town centre's role in supporting the Randwick Health and Education Strategic Centre/ Collaboration Area.

A desk top analysis of RJTC's existing employment floor space has identified that the centre currently has a lower quantity of floor space than is required to service future health and education floor space requirements of the major institutions. Furthermore, under the current planning controls it is unlikely that additional employment floorspace can be generated to meet the supply deficit. To ensure a sufficient amount of employment floor space is provided for within RJTC to meet future needs, it is proposed to introduce a minimum non-residential FSR to the Strategic Sites identified in Figure 24.

The non-residential FSR has been informed by the Randwick Junction Economic and Feasibility Analysis (SGS, April 2023) and aligns with the recommended FSR therein. The non-residential FSR has generally been established based on a 70% floorplate efficiency, such that the non-residential floor space will be delivered over one, two or three floors depending on the particular location and urban role played by the particular development in the town centre.

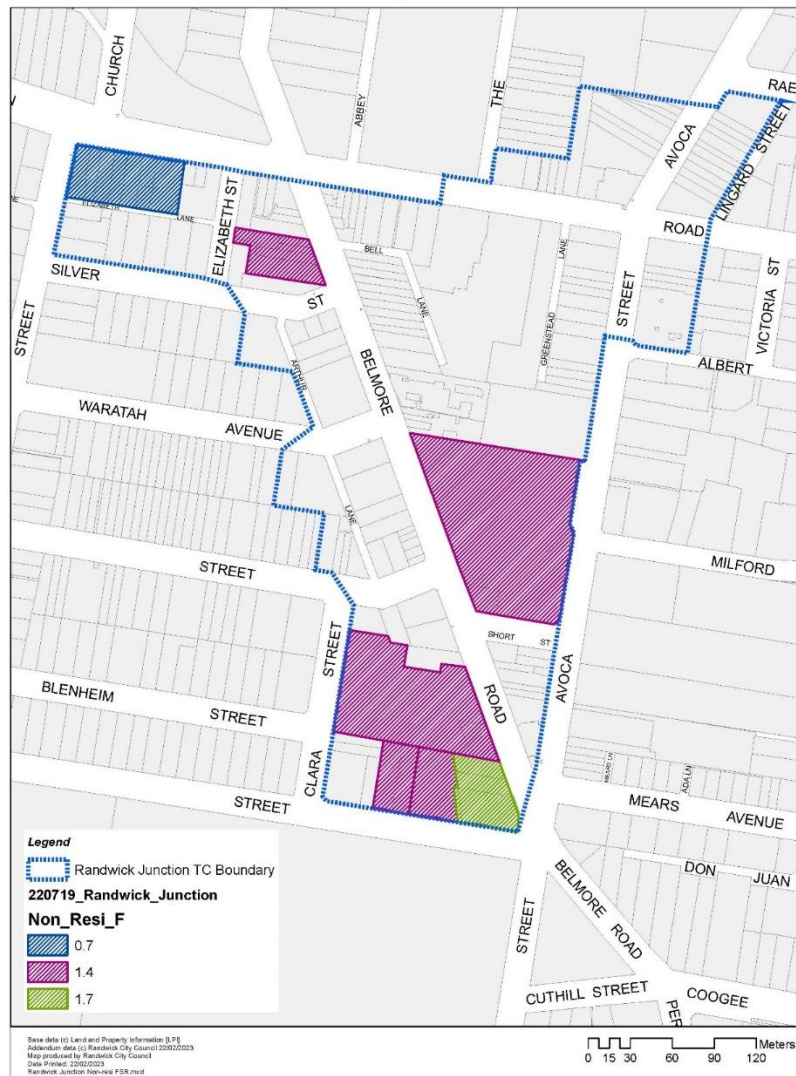


Figure 24: Proposed non-residential FSR.

iv. Design Excellence

Strengthening design excellence provisions in Council's RLEP and RDCP and introducing new controls for future development will require best practice high quality architectural design within the town centre. This will contribute to an enriched experience for those using the town centre.

The consideration of 'design excellence' is currently a requirement under RLEP 2012 (clause 6.11) for proposals involving buildings over 15m in height, or for sites that are over 10,000m² in size or for land where a site-specific development control plan is required.

All new development will be expected to deliver a high standard of architectural design to contribute to an enriched experience of the RJTC. It is proposed to introduce a supplementary design excellence provision for the Royal Randwick and Randwick Plaza shopping centre Strategic Sites to require a design competition process be undertaken prior to DA lodgement, to ensure a performance benchmark in design innovation and sustainability is achieved for these important sites in the town centre. These sites require the resolution of multiple and complex design issues to ensure the desired public domain and public benefits are achieved.

The proposed provision would require Development Applications (DA) to be informed by an 'architectural competition process' undertaken by the proponent with independent expert input, prior to the lodgement of a formal DA.

A similar approach has been adopted for the Kensington and Kingsford Town Centres which has resulted in successful high caliber design outcomes. These Guidelines are proposed to be updated to have more general application to strategic sites within the town centre and will assist owners and proponents who are conducting competitions.

The proposed design excellence provision for an architectural design competition is not intended to apply to The Randwick Club and Former CBA strategic sites as these sites are smaller, less visually prominent, and less complex in their planning. Full details of the design excellence process can be found in the Architectural Competition Guidelines (prepared for the Kensington and Kingsford Town Centres). An example of a proposed design excellence clause is provided below:

Design excellence at Randwick Junction Town Centre

- (1) The objective of this clause is to ensure that development exhibits design excellence that contributes to the cultural, heritage, visual and built character values of Randwick Junction Town Centre.
- (2) This clause applies to development involving the erection of a new building or **external alterations to an existing building on land identified as “X” or “Y” on the Randwick Junction Strategic Sites Map.**
- (3) Development consent must not be granted to development to which this clause applies unless the consent authority considers that the development exhibits design excellence.
- (4) In considering whether the development exhibits design excellence, the consent authority must have regard to the following matters—
- (a) whether a high standard of architectural design, materials and detailing appropriate to the building type and location will be achieved,
 - (b) whether the form and external appearance of the development will improve the quality and amenity of the public domain,
 - (c) whether the development detrimentally impacts on view corridors and landmarks,
 - (d) how the development addresses the following matters—
 - (i) the suitability of the land for development,
 - (ii) existing and proposed uses and use mix,
 - (iii) streetscape constraints,
 - (iv) heritage considerations including the heritage significance of the site, and the relationship of the development to nearby heritage items, contributory buildings, and the broader Randwick Junction Heritage Conservation Area;
 - (v) the relationship of the development with other development (existing or proposed) on the same site or on neighbouring sites in terms of separation, setbacks, amenity, and urban form,
 - (vi) bulk, massing, and modulation of buildings,
 - (vii) street frontage heights,
 - (viii) environmental impacts such as sustainable design, overshadowing, wind, and reflectivity,
 - (ix) the achievement of the principles of ecologically sustainable development,
 - (x) pedestrian, cycle, vehicular and service access, and circulation requirements,
 - (xi) the impact on, and any proposed improvements to, the public domain,
 - (xii) whether the building meets sustainable design principles in terms of sunlight, natural ventilation, wind, reflectivity and resource, energy, and water efficiency,
 - (xiii) visual and acoustic privacy and safety and security of the building.
- (5) Development consent must not be granted to the development to which this clause applies unless a competitive design process has been held in relation to the proposed development.

v.

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Heritage protection

To protect the heritage character and fabric of buildings that reflect the historical development of the RJTC and the Randwick Junction heritage conservation area, a new heritage provision in the RLEP 2012 is proposed to apply to development proposals on all sites within the Centre. A new heritage provision is justified as it will provide statutory surety that:

- Development proposals on all sites align with the findings and recommendations of the Heritage Assessment prepared by a City Plan Heritage.

- Any development that seeks to build to the new envelopes proposed in the Planning Proposal do so to a standard that respects the heritage significance of heritage items located either on or adjoining heritage items;
- Development proposals on all sites demonstrate that they respect and conserve the heritage significance of Randwick Junction heritage conservation area including associated fabric, settings and views.

The new LEP heritage clause provision will not only be consistent with the existing heritage provisions in Clause 5.10 Heritage conservation of the Randwick LEP but will also strengthen heritage provisions that will be specific to the heritage needs and significance the RJTC.

Accordingly, the new LEP heritage clause will include the following provisions specific to Randwick Junction:

- Engage heritage conservation as a guiding and integral principle of change and a paramount consideration in new developments in the town centre
- Create opportunities for the restoration and renewal of historic buildings and heritage items
- Design heritage interpretation including interpretation of fabric relevant to Randwick Junctions history as a commercial and suburban area which in turn creates a positive impact on visual amenity
- Shape the continuation of the town centre's cultural identity that in turn becomes a key element in the consolidation of Randwick historical identity and improvements to the wider economic value of the town centre.
- Rectify intrusive physical changes to Randwick Junction's heritage fabric to improve the appreciation of its significance and the aesthetics of its streetscapes
- Create opportunity to celebrate the rich Aboriginal cultural heritage of the Gadigal Nation and to integrate this into the design of the public domain and public art.

When applied to the development application process, future development proposals will need to demonstrate that the following criteria are satisfied:

- The overall design and conservation enhances the heritage attributes of the item or contributory building
- Any proposed works will contribute to the character of the Heritage Conservation Area
- The proposal achieves improvements to the public domain and enhances the streetscape

In summary, the draft Planning Proposal will provide a new heritage provision in the RLEP 2012 to ensure that all development within the RJTC achieves a high standard of conservation appropriate to the centre's history and cultural heritage both European and Aboriginal. This will guide opportunities for restoration, rectification and renewal of the unique heritage fabric of the RJTC.

vi. Affordable housing infrastructure in the RJTC

The draft planning proposal seeks to include an affordable housing provision in the RLEP 2012 for RJTC. The intended provision is pursuant to section 7.32 (1) of the EP&A Act, which allows a consent authority to impose an affordable housing contribution where a SEPP identifies there is a need for affordable housing.

The proposed affordable housing levy applicable for the properties in the RJTC is based on the advice provided in the Randwick Junction Economic and Feasibility Analysis (SGS Economics and Planning, Final Report, April 2023). The affordable housing levy that has been applied is not based on a standard percentage applied across RJTC. Rather, the affordable housing rates that

are proposed are applied dependent on the amount of uplift that has been afforded to the individual sites within RJTC.

The planning proposal seeks to include a new map to identify the sites by which the affordable housing contribution would apply. The intent of the draft provision is that development for residential purposes on identified sites identified within the Randwick Junction Affordable Housing Contributions Area must contribute towards affordable housing. The proposed affordable housing rates are guided by the feasibility analysis undertaken by SGS in terms of the building envelopes proposed for these sites. The affordable housing rates are shown in Figure 25.

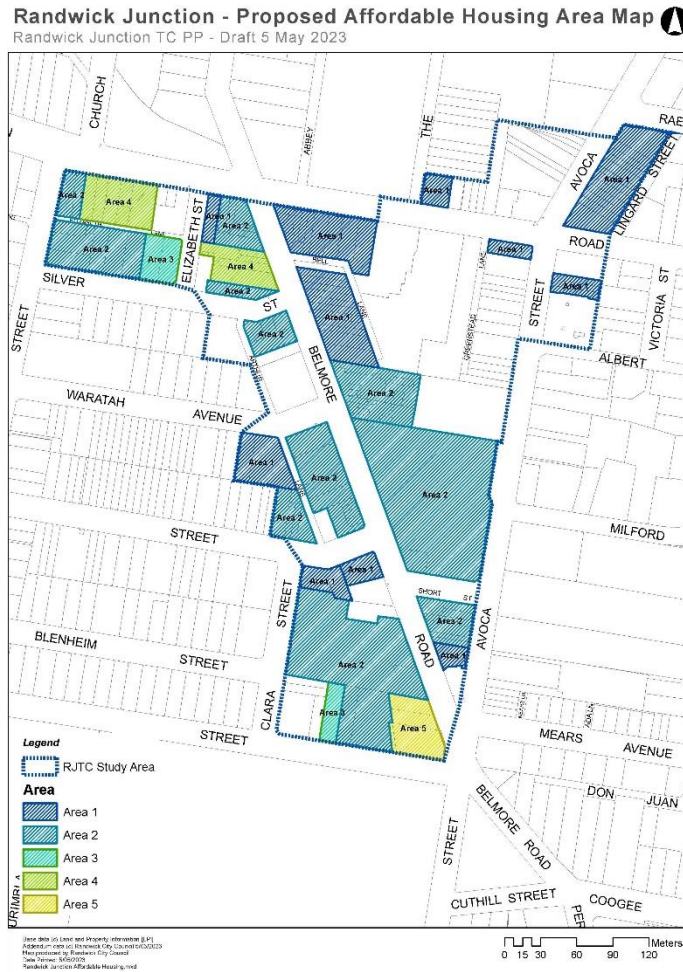


Figure 25: Randwick Junction Affordable Housing Contributions Area

The affordable housing levy is to be introduced at the applicable rates for relevant sites for DAs lodged, from the date of commencement of the LEP amendments. The contribution rate is to apply to the total floor area intended to be used for residential purposes in all DAs on identified sites within RJTC, including adaptive reuse of existing floorspace and new floorspace.

To assist in determining total floor area that will be subject to the levy, it is intended that a definition be included in the clause and in the Affordable Housing Plan. An example of defining total floor area is provided below which has been taken from the *Sydney Local Environmental Plan 2012* Clause 7.13:

to mean the total of the areas of each floor of a building within the outer face of the external enclosing walls and including balconies, but excluding the following:

- (a) columns, fins, sun control devices, awnings and other elements, projections or works outside the general lines of the outer face of the external walls,*
- (b) any area of a balcony that is more than the minimum area required by the consent authority in respect of the balcony,*

- (c) the maximum ancillary car parking permitted by the consent authority and any associated internal vehicular and pedestrian access to that car parking,
- (d) space for the loading and unloading of goods.’

The types of development to be excluded from a contribution for affordable housing would be listed in the clause and include: development for the purposes of public housing, affordable housing, community facilities and development for the purposes of residential accommodation that will result in the creation of a residential total floor area of less than 100 square metres.

In relation to the contribution for affordable housing, Council’s preferred approach is by way of an in-kind dedication of completed units with any remainder being paid as a monetary contribution to the Council as per rates shown in Table 2. Affordable housing percentage equivalent monetary contribution:

Area	Affordable housing rate	Equivalent monetary value per m2 of residential floor space
Area 1	2%	\$ 265.00
Area 2	3%	\$ 397.50
Area 3	4%	\$ 530.00
Area 4	7%	\$ 927.50
Area 5	9%	\$ 1,192.50

Table 2. Affordable housing percentage equivalent monetary contribution rate

The rates shown in Table 2 are for the September Quarter 2022 median strata sale(as published in the latest Rent and Sales Report No. 141). Council will index the contribution rate twice a year (being first days of January and July) using the median strata sale price in the Randwick City LGA as published in the most recent Rent and Sales Report.

The proposed affordable housing levy will deliver approximately 31 affordable housing units (Council Officer estimate) over the next 20 years within RJTC, allowing low-middle income key workers to live in the area close to the hospital and education institutions which are major employment hubs.

vii. Active Frontages

To ensure future employment needs can be accommodated within RJTC, and to promote vibrancy and safety, it is important to ensure the town centre has active building frontages on the ground Floor level along its streets. The active frontage control will protect existing Ground Floor commercial uses and ensure that the town centre has active street frontages that will facilitate greater vibrancy and safety within the town centre’s streets, laneways, and plazas. The proposed minimum non-residential FSR applicable to Strategic Sites will assist in accommodating additional non-residential floor space within the town centre.

An LEP active frontage provision is proposed for all sites within RJTC. This requirement is to be applied as per the proposed Active Street Frontages map (Figure 26) and would require that the ground floor of streets, laneways and plazas in the town centre accommodate retail or commercial floor space, while ensuring there is active visual engagement between the public domain and the ground floor of the building to facilitate vibrancy and passive surveillance.

A DCP control will supplement the proposed LEP active street frontage provision, to encourage developments to provide active frontages to mid-block links, secondary streets, and laneways where active frontages are preferred.

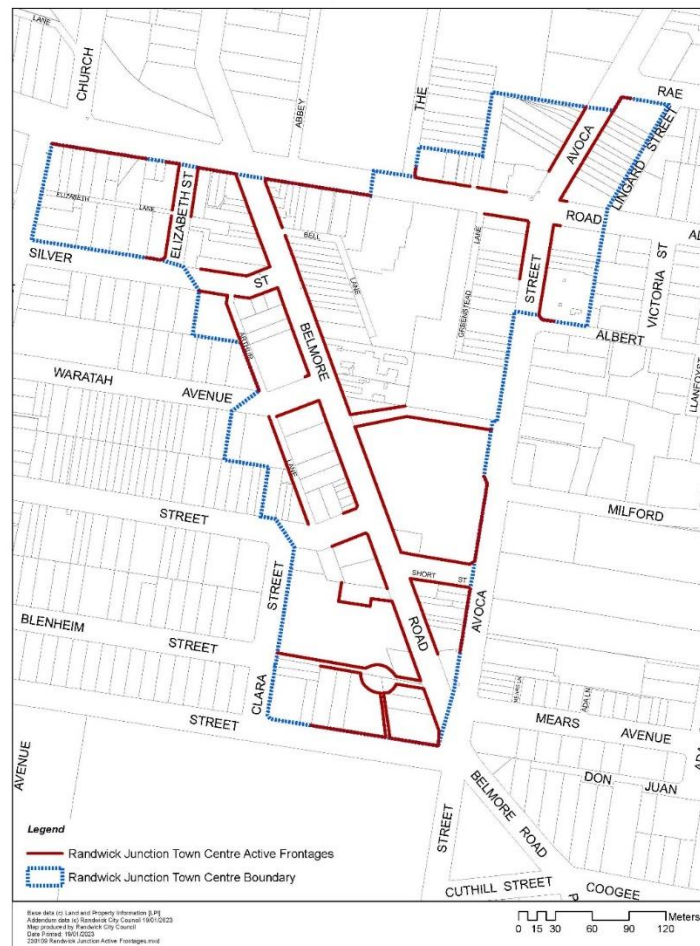


Figure 26: Proposed RJTC Active Frontages

Randwick Development Control 2013 (RDCP)

A new DCP to be prepared for the RJTC will provide guidance on the implementation of the planning proposal. The draft DCP will be provided to Councilors in a subsequent report, following the outcome of RLPP meeting and is intended to be placed on public exhibition with the planning proposal. In summary, the following provisions are to be included in the site specific DCP for RJTC which will become a new section in the Randwick DCP 2013:

- Existing and desired character
- Affordable Housing
- Built Form and building envelopes
- Design excellence
- Street walls
- Building setbacks
- Building depth and bulk
- Building exteriors
- Heritage and contributory buildings
- Awnings
- Public domain and access
- Active street frontages
- Site specific controls as required
- Parking.

Environmental initiatives to be included in the DCP, will result in a range of benefits, including:

- Reduced greenhouse gas emissions
- Reduced pollution arising from car usage and congestion
- Improved town centre aesthetics and pedestrian experience
- Health benefits from active transport
- Improved localised flooding impacts and reduced mains water use

The draft RJTC Planning Proposal supports a new planning framework for the town centre to guide growth and change over the next 15-20 years. This new planning framework will be implemented via proposed amendments to the Randwick LEP 2012 and supported by new DCP provisions which will allow for a higher intensity of development at appropriate locations and scale whilst also providing for community benefits including providing for the delivery of affordable housing dwellings for essential key workers.

It aims for best practice architectural, heritage and environmentally sustainable design. It also includes principles of travel demand management, reducing the reliance on private vehicles and providing for enhanced public transport, pedestrian and cycle networks and car share, to facilitate sustainable access to/from the town centre.

Strategic alignment

The relationship with the City Plan is as follows:

Outcome/Direction	Delivery Program actions
Outcome	4. Excellence in urban design and development.
Direction	4b. New and existing development is managed by a robust framework.

Outcome/Direction	Delivery Program actions
Outcome	6. A liveable city.
Direction	6d. A strategic land use framework provides for our lifestyle changes and for a continuing, yet steady rate of growth across our City.

Outcome/Direction	Delivery Program actions
Outcome	7. Heritage that is protected and celebrated.
Direction	7a. Our heritage is recognised, protected and celebrated.

Resourcing strategy implications

The costs associated with the development of this work is in accordance with the 2019/2020 and 2022/2023 budget allocations.

Policy and legislative requirements

Preparation of the Planning Strategy and Planning Proposal for RJTC has been informed by the strategies and plans prepared under the Environmental Planning and Assessment Act 1979, Act, including the Greater Sydney Commission’s Greater Sydney Region Plan (A Metropolis of Three Cities), the Eastern City District Plan and the Randwick Local Strategic Planning Statement.

Conclusion

The draft Planning Proposal for the RJTC proposes changes to land use zones; modest height increases on nominated sites; setbacks (for envelope controls); active street frontages; affordable housing levy to achieve a future town centre that will have a strong and economically viable commercial component; a well-protected and enhanced heritage character, high standard of design excellence and sustainability, new areas of public domain, footpath widening and a range of improvements including landscaping treatments, and greening opportunities; and improved housing affordability.

The draft planning proposal seeks to implement the Planning Strategy vision for the RJTC which aims to achieve sustainable growth by balancing jobs and population growth forecasts with the need to protect its significant heritage value, streetscape, and local character.

The planning proposal has been based on the findings of a high-level economic feasibility analysis undertaken by SGS in 2022/2023. The study indicates that the proposed heights and building envelopes are feasible for most of the Strategic and Infill sites as proposed in the Built Form Strategy (s.4.2 of the draft Planning Proposal), noting that the Built Form Strategy has been developed in response to the heritage and local character qualities of the town centre. The study also tested the viability of requiring affordable housing in the Strategic and Infill sites and generally found that a range of affordable housing rates can be feasibly applied commensurate with the overall viability of the FSR uplift in each of the sites. The economic feasibility underlying the proposed building envelopes is based on the primary aim of strengthening the economic role of the town centre with long term provision of employment generating commercial floor space.

A heritage analysis has also been undertaken by City Plan Heritage of the various increased height and density (FSR) scenarios, proposed under the Built Form Strategy of the draft Planning Proposal. The City Plan Heritage assessment supports the proposed building envelopes and provides key recommendations to ensure that the proposed envelopes preserve the integrity of the heritage fabric of individual buildings and of the town centre as a heritage conservation area, whilst allowing a moderate level of redevelopment to occur. Accordingly, to ensure that future development proposals within the RJTC align with the findings and recommendations of the Heritage Assessment, a new heritage provision in the RLEP 2012 will be introduced. The new provision will provide statutory assurance that all future development proposals achieve a high standard of conservation appropriate to the town centre's qualities and context; a desired future heritage character; and an enhanced town centre streetscape.

An Urban Design Study has been prepared to provide guidance for the Planning Proposal, through built form analysis and recommendations on principal planning standards. In particular, the study outlines the rationale for the design expectations and massing of future development in the town centre. The Study highlights existing and future challenges facing the town centre and seeks to respond to these by visualising and establishing the optimum overall built form and public domain for the town centre that will assist in addressing these challenges.

The recommended built form also responds to the valued heritage significance and 'fine grain' scale of the town centre and to the changing context of new public transport infrastructure (light rail) to the CBD; new health infrastructure currently under construction; and expected population and employment growth - in particular, the hospital and university employment hubs. The Urban Design Study has incorporated the findings of the economic feasibility study and heritage assessment and applied these to an extensive 3D modelling of the future town centre to test various scale and setback scenarios. The Urban Design Study has used this modelling to assist in visualising and establishing the optimum overall built form and public domain for the town centre as expressed in the draft Planning Proposal.

Given the feasibility, heritage and urban design guidance underpinning the draft Planning Proposal, this report recommends Council's endorsement of the draft planning proposal for submission to the Randwick Local Planning Panel (as required by the Ministerial Direction) for advice. The Panel's advice will be reported back to a future Council meeting, and subject to Council's endorsement, the draft Planning Proposal will be forwarded to the Department seeking a Gateway Determination to enable its public exhibition.

Responsible officer: David Ongkili, Coordinator Strategic Planning

File Reference: F2015/00431

Director City Planning Report No. CP11/23

**Subject: Variation to Development Standards under Clause 4.6 - 28
March to 26 April 2023**

Executive Summary

- The Department of Planning and Environment (DPE) released a Planning Circular in 2020 advising of the procedural and reporting requirements that must be followed when development standards are being varied.
- This report provides Council with details of Development Applications (DA) that were determined within the period from 28 March through to 26 April 2023 in which a variation to a development standard under Clause 4.6 of the Randwick Local Environmental Plan 2012 was approved.

Recommendation

That the report be received and noted.

Attachment/s:

1.  Clause 4.6 Register - April 2023

Purpose

The Department of Planning and Environment (DPE) released a Planning Circular on 5 May 2020 advising Councils of the following procedural and reporting requirements in relation to the administration of variations to development standards:

1. Proposed variations to development standards cannot be considered without a written application objecting to the development standard and dealing with the matters required to be addressed by the relevant instrument.
2. A publicly available online register of all variations to development standards approved by the consent authority or its delegates is to be established and maintained. This register must include the development application number and description, the property address, the standard to be varied and the extent of the variation.
3. A report of all variations approved (including under delegation) must be submitted through the NSW Planning Portal at <https://www.planningportal.nsw.gov.au/reporting/online-submission-planning-data> within four weeks of the end of each quarter (i.e. March, June, September and December) in the form provided by the Department.
4. A report of all variations approved under delegation from a Council must be provided to a meeting of the Council meeting at least once each quarter.

Notwithstanding point 4 above, Council has resolved to provide monthly reporting on all variations.

Discussion

Clause 4.6 – Exceptions to Development Standards

Clause 4.6 is required to be addressed if a development application seeks to vary a development standard in the Local Environmental Plan. The consent authority (i.e. Council, Randwick Local Planning Panel, Sydney Eastern Planning Panel or NSW Land and Environment Court) must not grant consent for development that contravenes a development standard unless, a written request has been provided by the applicant addressing Clause 4.6 of the LEP. If Council (or the relevant consent authority) is satisfied that the Clause 4.6 request is adequately justified, it may grant consent to the development even though the proposal does not comply with the relevant standard.

Details of Variations

A table is attached to the report detailing all Clause 4.6 exceptions approved in the period between 28 March to 26 April 2023. Further analysis of the largest numerical variation for the relevant period is detailed below. It should be noted that a detailed assessment report is prepared for each DA with a Clause 4.6 exception and is publicly available through Council's website.

April 2023

Five Clause 4.6 variations were approved in the April period (being 28 March through to 26 April 2023), with three applications determined under delegation (less than 10%) and two applications determined by Randwick Local Planning Panel (RLPP) due to variations greater than 10%.

Of the variations approved, the greatest extent of variation related to a development application for DA/795/2021 at Units 2 & 3, 8 Cliffbrook Parade, Clovelly in which a variation of 43.98% to the Floor Space Ratio development standard was approved. The RLPP supported the variation to the FSR for the following reasons:

- The application relates to an existing Residential Flat Building (RFB) within a R2 low density zone and was subject to existing use rights, noting that RFBs are not permitted within the R2 zone pursuant to the Land Use Table in RLEP 2012. As such, the site is subject to a FSR of 0.5:1, consistent with the R2 zoning.
- The existing building on site had a FSR of 0.657:1 and already contravenes the maximum FSR application to the site.

- The proposed works result in an increase to the Gross Floor Area (GFA) of 32m², resulting in an increase to the existing FSR of 12.6%. The proposed FSR under the application was 0.72:1.
- The proposal complies with the majority of controls within RLEP 2012 and RDCP 2013 with the exception of the FSR standard, and as such was considered to be compatible with the desired future character of the locality.
- Furthermore, the proposed development is located within close proximity to the R3 zone with a permissible FSR of 0.9:1 and the context of the surrounding built form within the R2 zone includes historical examples of existing RFBs with a FSR of 0.91:1-1.5:1. As such, the proposal shall not be out of context with the surrounding development or existing character of the area.
- The improvement in the soft landscaping elements including the removal of much of the paved courtyard and timber decking in the rear of the property and retention of some of the existing vegetation will improve the environmental and energy credentials of the site and enable compliance with the RDCP 2013 deep soil coverage control.
- The detailed assessment demonstrated that the resultant development would not result in any unreasonable impacts upon the amenity of adjoining and surrounding properties with regards to visual bulk, privacy, view loss and overshadowing.

As outlined above, the subject site benefits from existing use rights, being a RFB in the R2 low density zone. However, within the R2 urban block of the subject site between Oak Street and Tower Street there are three additional historic RFBs adjoining the site which contribute to the character of the R2 zone. As such the context of the surrounding built form and existing bulk and scale within the vicinity of the site exceeds that which would generally be anticipated in the R2 zone. The surrounding RFB developments immediately to the north and east vary from three to five storeys in height and have existing FSRs of between 0.91:1-1.5:1. Furthermore, the low density developments adjoining the site to the west are primarily up to three storeys in response to the topography of the area and view corridors available. The existing context of the surrounding bulk and scale can be seen in Figures 1-4 below:



Figure 1: Subject site identified by blue arrow, R2 zone boundary outlined in red. (Nearmap)



Figure 2: No. 10-12 Cliffbrook Parade (located within the R2 zone) which adjoins the subject site to the east. (Google Streetview)



Figure 3: No. 7 Melrose Parade (located within the R2 zone) which adjoins the subject site to the north. (Google Streetview)



Figure 4: No. 9 Melrose Parade (located within the R2 zone) which is located to the north-east of the subject site. (Google Streetview)

The proposed development involved alterations and additions to the existing RFB resulting in a part two, part three storey development. In view of the existing bulk and scale within the vicinity of the site, the proposed development being two-three storeys was considered to be compatible in scale to the surrounding developments despite the FSR exceedance, and would not adversely impact upon the existing character of the R2 low density area.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Development Assessment
Function	Assessment of Development Applications
Delivery program commitment	Assess and determine Development Applications, Modification Applications and Review Applications under the Environmental Planning and Assessment Act 1979

Resourcing Strategy implications

There is no direct financial impact for this matter.

Conclusion

This report provides details of the relevant applications subject to a variation to a development standard pursuant to Clause 4.6 of RLEP 2012 for the period specified in accordance with the reporting direction from the Department of Planning and Environment and Councils internal reporting requirements.

Responsible officer: Angela Manahan, Executive Planner

File Reference: F2008/00122

CLAUSE 4.6 REGISTER - APRIL 2023														
DA number	Street No.	Street name	Suburb/Town	Postcode	Category of development	Zoning of land	Development standard to be varied	Justification of variation	Extent of variation	Concurring authority	Date DA determined dd/mm/yyyy	Approved by	Submissions	
													Objection	Support
DA/14/2023	75	Mons Ave	MAROUBRA	2035	14: Other	R2 - Low Density Residential	Clause 4.1 - Minimum Lot Size = 400m ²	Minimise likely adverse impact of subdivision and development on the amenity of neighbouring properties and to ensure the lot sizes are able to accommodate development that is suitable for its purpose.	Lot 1- 383.8m ² / Lot 2 - 374.4 m ²) or 4.05% & 6.4%	NSW Dept of Planning	17-Apr-23	DEL	0	0
DA/423/2022	83	Darley Road	RANDWICK	2031	1: Residential Alterations & additions	R2 - Low Density Residential	Clause 4.3 - Building height of 9.5m	Maintains compatible scale with neighbouring buildings and does not adversely impact in terms of overshadowing, privacy and views.	Building height is 10.43m or 9.7%;	NSW Dept of Planning	12-Apr-23	DEL	0	0
DA/487/2022	37	Hooper St	RANDWICK	2031	1: Residential Alterations & additions	R3 - Medium Density	Clause 4.4 - FSR = 0.75:1	Maintains compatible scale with neighbouring buildings and does not adversely impact in terms of overshadowing, privacy and views.	FSR increased to 0.76:1 or 1.8%	NSW Dept of Planning	04-Apr-23	DEL	1	0
DA/795/2021	8	Cliffbrook Pde	CLOVELLY	2031	1: Residential Alterations & additions	R2 - Low Density Residential	Clause 4.4 - FSR = 0.5:1	Maintains compatible scale with neighbouring buildings and does not adversely impact in terms of overshadowing, privacy and views.	FSR increased to 0.72:1 or 43.98% (Existing FSR - 0.657:1)	NSW Dept of Planning	13-Apr-23	RLPP	5	0
DA/640/2022	1249	Anzac Pde	CHIFLEY	2036	14: Other	R2 - Low Density Residential	Clause 4.1 - Minimum Lot Size = 400m ²	Minimise likely adverse impact of subdivision and development on the amenity of neighbouring properties and to ensure the lot sizes are able to accommodate development that is suitable for its purpose.	Lot 1- 331.9m ² / Lot 2 - 337.1 m ²) or 17.025% & 15.725%	NSW Dept of Planning	13-Apr-23	RLPP	0	0

Director City Planning Report No. CP12/23

Subject: Sub-regional Approach to Affordable Housing

Executive Summary

- The purpose of this report is to provide an update on the sub-regional approach to affordable housing delivery being progressed with Waverley and Woollahra Councils.
- Taking a sub-regional approach provides an opportunity to pool monetary contributions, expertise and other resources between councils to deliver more affordable housing within the LGA.
- This report informs Councillors of a joint discussion paper to be prepared with Waverley and Woollahra Councils that will establish the sub-regional context and identify options to facilitate affordable housing.
- The joint discussion paper will explore available government grants and funding opportunities, identify potential funding each Council can contribute, identify and further investigate any Council or other government owned land for redevelopment and explore CHP partnership models for delivery, ownership and management of affordable housing projects.
- A separate confidential site selection report is being prepared for a future Council meeting. This report will identify appropriate site or sites for the delivery of an affordable housing project in partnership with a community housing provider and Waverley and Woollahra Council's and will include an analysis of the site selection criteria and assessment approach.

Recommendation

That Council:

- a) note this report on the sub-regional approach to affordable housing delivery with Waverley and Woollahra councils.
- b) supports the preparation of a joint discussion paper, to be reported back to Council, to facilitate affordable housing on a sub-regional basis.

Attachment/s:

Nil

Purpose

On the 22 November 2022 Randwick Council resolved to:

- a) *endorse the General Manager to review Council landholdings to identify a site where Council can partner with a community housing provider for the delivery of affordable housing;*
- b) *bring a report back to Council that investigates a regional approach to affordable housing delivery with Waverley and Woollahra councils, that combines funding, land allocations and state and Commonwealth grants; and*
- c) *work with Resilient Sydney to jointly advocate to the Federal and State Governments to establish effective evidence based policies and programs for the delivery of affordable housing.*

The purpose of this report is to provide an update on items a) and b) of the above Council resolution.

In relation to item a) Council officers are reviewing Council landholdings to identify potential sites for partnership with a community housing provider for the delivery of an affordable housing project. Sites are also being considered for a project in partnership with Waverley and Woollahra Council's in line with the sub-regional approach to affordable housing delivery.

This report provides an overview of stage one of the review process, which is to recommend sites for further investigation based on land use planning and site suitability analysis. A separate confidential report is being prepared for Council's consideration and will be reported to Council for endorsement at a later date. Subject to Council consideration and endorsement, the site(s) recommended for further review will be put forward for stage two of the assessment, which focuses on financial viability and feasibility.

In relation to item b), Randwick is working with Waverley and Woollahra Council's on a discussion paper that will outline how a sub-regional approach to the delivery of affordable housing might be achieved in the three LGAs. This report provides an update on this process.

In relation to item c) Randwick Staff have participated in a working group which aims to assist councils to prepare affordable housing contribution schemes in their areas. The consultant appointed to undertake the work, Urbanista, has produced useful guidance tools and templates which promote consistency in approaches and processes, minimises resource demand on councils and fast tracks the preparation of affordable housing schemes. The Randwick City Scheme (adopted by Council in 2019) which was introduced when the Kingsford and Kensington Town Centre planning proposal was made and the Housing Investigation Areas Affordable Housing Plan (2022) are both generally consistent with the template. A draft Plan is currently being prepared for Randwick Junction Town centre.

Discussion

Background

Affordable housing is housing that is appropriate for the needs of a range of very low, low and moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care and education.

As a rule of thumb, rental housing is usually considered affordable if it costs less than 30% of gross household income. The household income category definitions are:

- *Very low-income household* – earning <50% of gross median household income for Sydney (\$1,038 or less)
- *Low-income household* – earning 50-80% of gross median household income for Sydney (between \$1,038 and \$1,661)
- *Moderate-income household* – earning 80-120% of gross median household income for Sydney (between \$1,661 and \$2,492).

Note: The above incomes are based on a median weekly income of \$2,077 for Greater Sydney (ABS 2021).

Key workers who provide essential services to a city's functioning often fall into the low and moderate incomes. According to the Australian Housing and Urban Research Institute (AHURI), occupation groups considered as key workers include teachers, nurses, social workers, child carers, ambulance officers, police, cleaners, train/bus drivers and fire/emergency workers. There is a considerably lower proportion of key workers living in Inner Sydney areas, with the majority commuting from elsewhere.

Rents for affordable housing are determined by either discounting market rent or a percentage of income, whichever is the lowest:

1. a discount to the current market rent - between 20% and 25% below the market rent. Where rent is set this way, the amount payable will depend on the market rent for a similar property in the same area; or
2. a proportion of a household's before tax income. Where rent is set this way, households may be charged between 25% and 30% of their before tax income for rent.

Affordable housing dwellings currently owned by Randwick Council are managed by St George Community Housing (SGCH), a Tier 1 community housing provider (CHP). Council's affordable housing stock is head-leased to SGCH at a nominal rent and SGCH assumes the responsibility of landlord, property and tenancy manager. SGCH is paid a management fee and income generated from the rental properties is used to cover the cost of maintaining the properties and program administration. A memorandum of agreement between Council and SGCH sets out the rights and responsibilities of both parties and provides for both tenant management and property management procedures. It also sets out entitlements for costs and management fees, financial reporting requirements and allocation of funds, performance review processes, dispute resolution and other such detailed contractual matters. Affordable housing managed by SGCH is generally for households in low or moderate income categories.

Randwick City's high land values, coupled with significant numbers of students, low income workers and an aging population makes the delivery of affordable rental housing a priority for our area. Despite a steady increase in building approvals across the City, Randwick City has continued to lose housing stock that is considered affordable for moderate, low and very low-income households, meaning that adequate housing arrangements are becoming harder to secure for a larger proportion of the population. Data from Housing.id (December 2022) shows that for the Randwick LGA:

- Housing rental affordability is poor for very low and low income households. Households in these income brackets can afford to spend around \$327 and \$524 of their income on rent respectively, which is below the \$638 median market rental price for a unit per week. Furthermore the data shows that a moderate income lone person would only be able to afford \$336 per week on rent without falling into housing stress.
- The proportion of rental housing stock that is available is limited, with only 1.2% of rental stock available to very low income households and 18.6% available to low income households.
- Approximately 22.4% of renting households in the Randwick LGA are in rental stress (or 4,649 households)(ABS Census 2021). This is down from approximately 39.3% based on 2016 census data. This reduction can be primarily attributed to the decrease in demand for rental housing during COVID as there were fewer students living within the LGA (resulting in a decrease in overall housing demand) and the increased number of medium and higher income households in Randwick City between 2016 and 2021. Households in rental stress may also be eligible for social housing which is owned or managed by the Department of Communities and Justice (DCJ). Whilst affordable housing caters mainly to low or moderate income households who find it difficult to access private rental housing, eligibility for social housing is based on need and circumstances of households, mainly those on very low incomes who are very unlikely

to afford private rental market rents or who have difficulty accessing private rental due to medical, age-related or other forms of support.

An increase in affordable housing over time would see substantial social and economic benefits for Randwick City, such as retaining key workers in the LGA, allowing people to age in place in the communities that they know and fostering more community diversity, inclusivity and resilience.

The need for social and affordable housing in Randwick City is well established. Council has recognised this need in its Community Strategic Plan, Local Strategic Planning Statement (LSPS) and Housing Strategy (2021) through a specific objective to increase the percentage of all dwellings that are either social or dedicated affordable housing to a minimum of 10% by 2036. This equates to approximately 3,680 dwellings (2.5% or 1,765 affordable and 7.5% or 3,497 social housing).

To date Council's Affordable Rental Housing Program has delivered approximately 30 affordable housing dwellings dedicated to Council via voluntary planning agreements on large redevelopment sites. The Kensington to Kingsford Corridor which now has a 5% affordable housing contribution has the potential to deliver around 200 affordable housing dwellings (or equivalent monetary contributions) over the next 15 years through the Kensington and Kingsford Town Centre Affordable Housing Plan. The Housing Investigation Area Affordable Housing Plan will deliver between 60 and 100 affordable housing dwellings over a 15 year period (depending on the final contribution percentage rate, noting that this may be adjusted by the Department of Planning prior to gazettal).

Despite the above initiatives, the 2021 Census estimates that 22.4% of households are in rental stress across the Randwick LGA, with some suburbs including Kensington, Kingsford, West Maroubra and Matraville having higher rental stress levels. The existing planning mechanisms being implemented by Council whilst being progressive, necessary and in line with best practice, will not be effective alone in delivering enough affordable housing for our LGA. Additional initiatives are required to supplement affordable housing stock in the Randwick LGA, including state and federal government programs and grants.

Partnership with a Community Housing Provider

According to community housing providers (CHPs) one of the biggest costs of the delivery of affordable housing in Sydney is purchasing land. These costs are acutely felt in the Eastern Suburbs of Sydney. By utilising a Council owned property, this may enable the delivery of an affordable housing project in an area where the high cost of land typically makes this type of development financially prohibitive.

There are examples of local governments across NSW utilising council owned land for affordable housing projects. In partnership with CHPs, some councils have gifted a piece of unused land, sold land below cost or leased land to deliver the type of affordable housing they need in their communities. For instance, in 2009 Randwick Council partnered with CHP Community Housing Limited to deliver 8 units on Council owned land. Council was able to offer an unused site for the redevelopment project, with the value of land being returned to Council via the dedication of 4 affordable housing units to Council. These units are part of Council's Affordable Housing Rental Program and remain as Council assets.

Partnerships with CHPs are almost always required for these projects to access grants and funding opportunities. The affordable housing joint discussion paper being prepared with Waverley and Woollahra Council's will investigate these funding opportunities, as well as Council and CHP partnership models, ownership arrangements and use of Council funding to finance an affordable housing project (or part thereof).

Sub-regional affordable housing approach

Working group and Council endorsements

In 2022, officers from Randwick, Waverley and Woollahra Council's formed a working group to investigate a sub-regional approach to improve the delivery of affordable rental housing, consistent with Action 4.1 of the endorsed *Randwick Local Housing Strategy 2021*.

Officers across all three councils agree that there are many benefits to taking a sub-regional approach to affordable housing as it:

- provides an opportunity to pool monetary contributions, expertise and other resources between councils.
- by utilising a Council owned property, would enable the delivery of an affordable housing project in an area where the high cost of land typically makes this type of development financially prohibitive
- will enable greater financial leverage and access to finance when partnering with a community housing provider.

Both Woollahra and Waverley Councils have resolved to support a sub-regional approach to delivering affordable rental housing as follows:

On 4 April 2023, Waverley Council resolved that Council:

1. *Investigates a sub-regional approach to affordable housing delivery with Randwick and Woollahra Councils that combines funding, land allocations and State and Commonwealth grants.*
2. *Officers prepare a further report to Council, presenting a joint discussion paper to facilitate affordable housing on a sub-regional basis.*

On 11 April 2023, Woollahra Council resolved that:

- A. *Council notes its commitment to the delivery of affordable housing and its endorsed target of 10 percent of affordable housing in all new developments as per the Woollahra Affordable Housing Strategy.*
- B. *Council supports collaborating with Randwick Council and Waverley Council to take a sub-regional approach to facilitating the delivery of affordable housing.*
- C. *Council supports the preparation of a joint discussion paper which will include consideration of the following matters:*
 - i. **Grants and funding opportunities** - *There are several State and Commonwealth programs to support the increase of affordable housing supply, these include the NSW Community Housing Innovation Fund managed by NSW Communities and Justice, and Commonwealth programs such as the Affordable Housing Bond Aggregator and the Housing Australia Future Fund;*
 - ii. **Council funding** - *Identifying potential funds each council can contribute. For example, Woollahra Council could use the monetary contributions acquired from DAs approved under State Environmental Planning Policy (Affordable Rental Housing) 2009 (which is valued at \$1,261,275), and/or identify other funding sources;*
 - iii. **Dedication of public land** - *Identifying Council or other Government owned land that could potentially be dedicated to affordable housing development;*
 - iv. **Council and Community Housing Partnerships (CHP) models** – *Exploring partnership models for delivery, ownership and management of affordable housing, and engaging with CHPs who have the capacity to bring financial investments and attract grant funding for projects; to be reported back to Council, which will identify opportunities and options to facilitate affordable housing on a sub-regional basis.*
- D. *Council approaches the new State Government as to funding that may be provided to incorporate social housing in Council's own developments.*
- E. *Council consider and revisit the definition of affordable housing across the three Councils including working out a metric for the measurement including delivery and cost, and prepare a further commentary in the joint discussion paper.*
- F. *Council also consider the methodology for establishing an affordable housing register, and mechanisms to ensure the delivery of affordable housing.*
- G. *The discussion paper include consideration of the current operation of Housing SEPPS and their effectiveness in achieving affordable housing targets.*

Investigating a sub-regional approach to improve the delivery of affordable rental housing is also included as an action within all three Council Local Housing Strategies.

Joint sub-regional discussion paper

A joint discussion paper between the three councils is currently underway. The discussion paper establishes the sub-regional context and identifies opportunities and options to facilitate the delivery of affordable housing. This paper will be reported to Council once complete and will include consideration of:

- **Grants and funding opportunities** - There are several State and Commonwealth programs to support the increase of affordable housing supply. These include the NSW Community Housing Innovation Fund managed by NSW Communities and Justice, and Commonwealth programs such as the Affordable Housing Bond Aggregator and the Housing Australia Future Fund.
- **Council funding** - Identifying potential funds each council can contribute. For example, Randwick Council could use monetary contributions acquired from DAs approved under *State Environmental Planning Policy (Affordable Rental Housing) 2009*, the adopted Kensington and Kingsford Town Centres Affordable Housing Plan and Housing Investigation Areas Affordable Housing Plan (subject to imminent gazettal) or identify other funding sources.
- **Public land holdings** - Identifying Council or other Government owned land that could potentially be dedicated to affordable housing development.
- **Council and CHP partnership models** - Exploring partnership models for delivery, ownership and management of affordable housing, and engaging with community housing providers (CHPs) who have the capacity to bring financial investments and attract grant funding for projects.
- **Governance structure** - Recommend a governance structure and memorandum of agreement for the three councils to guide any future joint affordable housing project.

Review of Council land holdings

In response to item a) of Council's November 2022 resolution, Council officers are reviewing Council landholdings to identify potential sites for partnership with a community housing provider for the delivery of an affordable housing project. Sites are also being considered for a project in partnership with Waverley and Woollahra Council's inline with the sub-regional approach to affordable housing delivery.

This report provides an overview of stage one of the review process, which is to recommend a site or sites for further investigation based on land use planning and site suitability analysis. A separate confidential report is being prepared for Council's consideration and will be reported to Council for endorsement at a later stage. Subject to Council consideration and endorsement, the site(s) recommended for further review will be put forward for stage two of the assessment, which focuses on financial viability and feasibility. An overview of the two investigation stages is outlined in Figure 1.

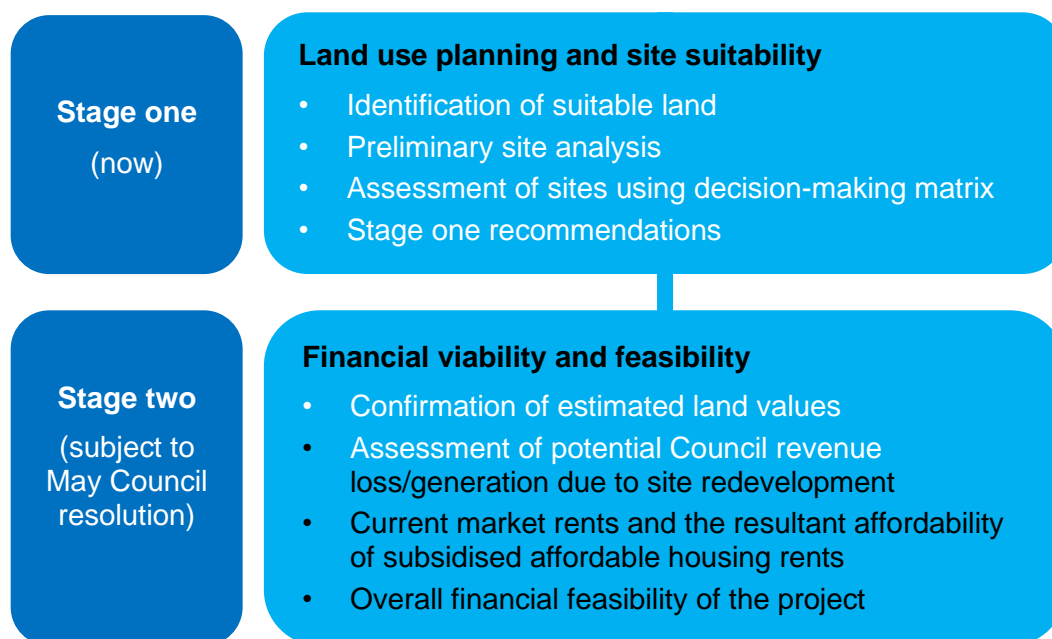


Figure 1: Stage one and stage two investigations

Stage one overview

An explanation of the steps undertaken for the stage one process is outlined in the following sections.

Step one - identification of suitable land

To identify sites that could potentially accommodate an affordable housing development, Council’s land holdings are being reviewed and refined based on the following general criteria:

1. Site use or purpose – sites that serve a functional purpose are generally removed from consideration. These sites include road reserves, drainage reserves, public reserves, public parks, road closures, walkways, driveways, infrastructure and certain community and Council facilities.
2. Heritage – any site that is listed as a heritage item is removed from consideration, however those within heritage conservation areas have been retained.
3. Housing SEPP requirements – sites that do not meet the basic permissibility requirements for in-fill affordable housing under the State Environmental Planning Policy (Housing) 2021 are not being considered. This includes the removal of any property that doesn’t meet the requirements for zoning and accessibility.

Step two - preliminary site analysis

Preliminary site analysis is being undertaken for each of the sites to understand site constraints and development opportunities. Site analysis includes:

- Initial desktop review to confirm site areas, site classification, compliance with the Housing SEPP requirements for in-fill affordable housing, existing uses and buildings on site (based of aerial photographs and past approvals) and other constraints such as flood affectation.
- Site visits to confirm existing uses and buildings, identify significant vegetation on site and understand the streetscape character and other relevant site features.
- Identify key planning controls within Randwick Local Environmental Plan (RLEP) 2012 including zoning, maximum building height, maximum floor space ratio and other relevant clauses.

- Reviewing the Randwick City Development Control Plan (RDCP) 2013 to understand site specific development requirements such as building envelope controls and particular uses that would need to be accommodated on site.
- Consultation with internal Council units including:
 - General Manager's Leadership Team to ensure a consistent approach to the implementation of Council's Community Strategic Plan, Informing Strategies and to identify any key issues or constraints
 - Property Section of the Customer and Compliance Department to understand the extent of Council owned properties and estimated land values (where available)
 - Integrated Transport Unit specifically regarding Council owned sites that are currently being used as public car parks, and what the current and future parking requirements and expectations are for each of these sites.
- Consultation with community housing provider St George Community Housing and the Community Housing Industry Association. Key findings of these discussions are:
 - CHPs favour sites that are well located to rail, light rail, health and education precinct and employment opportunities
 - In areas that are well connected to services and public transport, CHPs generally do not provide carparking to residents within their developments
 - CHPs are unlikely to select sites that require basement parking due to the high cost associated with excavation and construction
 - Sites that are contaminated are unlikely to be selected due to the high cost of remediation
 - Sites that trigger the Floor Space Ratio (FSR) bonus under the Housing SEPP are desirable, however being able to realise the bonus FSR is often difficult within existing height controls. Support from local councils for minor departures to height controls to accommodate the FSR bonus is often the key to successful projects
 - Financial considerations including current market rents and the resultant affordability of subsidised affordable housing rents, and the overall financial feasibility of the project are primary site selection criteria.

Step three - assessment of sites using decision-making matrix

Following the detailed site analysis, further consideration of shortlisted sites is necessary to understand which sites are appropriate for additional assessment and feasibility. To facilitate this process, a decision-making matrix is being developed which utilises a set of criteria based on land use planning and site selection principles.

The decision-making matrix:

- Establishes criteria based on land use planning principles e.g location, site conditions etc
- Allocates a weighting to each criteria
- Each site is scored against each criteria
- Matrix determines the top-ranking sites based on criteria.

A site selection criteria is being finalised and will include:

- Strategic location
- Access to public transport
- Existing site conditions
- Consideration of delivery timeframe.

Timeline and next steps

Key dates and next steps of the sub-regional affordable housing project and review of landholdings are outlined in Figure 2 below.

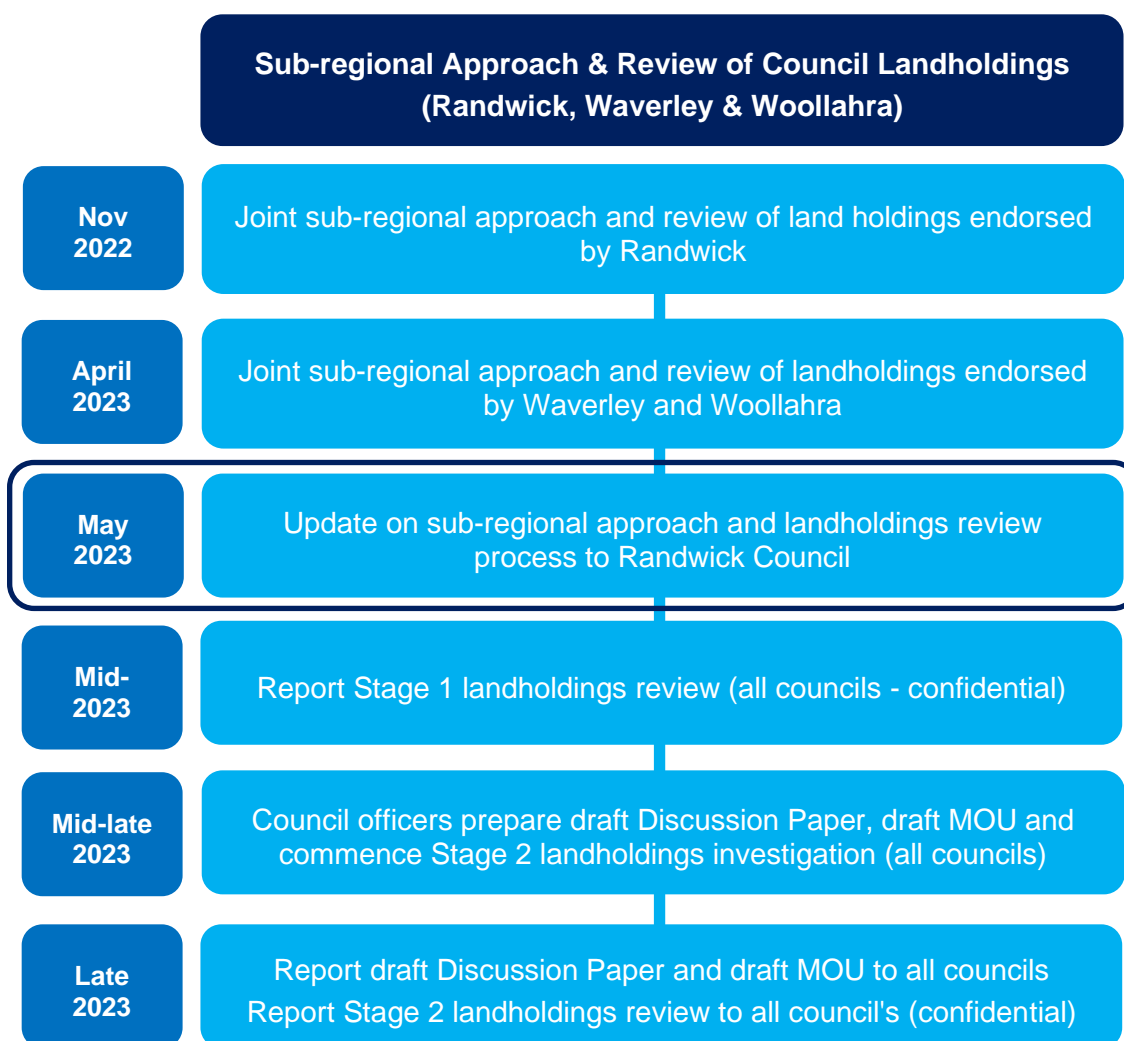


Figure 2: Project timeline and next steps

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering the Outcomes of the Community Strategic Plan:	
Strategy	Housing
Outcome	A city with diverse and affordable housing that responds to local needs
Objective	Increase the percentage of all households that are either social or dedicated affordable housing to a minimum of 10% by 2040
Delivery program commitment	Provide additional housing opportunities for low income and key workers to support the Randwick Collaboration Area by 2031.
Delivery program commitment	Work with Waverley and Woollahra Councils to prepare a regional approach to affordable housing by 2031.
Objective	Increase the proportion of medium density housing supply by 3% by 2028 from a 2016 baseline of 27.9%
Delivery program commitment	Investigate opportunities to increase provision of affordable rental accommodation by 2031.

Resourcing Strategy implications

Council officers would be involved in preparing the draft discussion paper which is anticipated to be reported to Council mid this year. This will predominantly involve input from Strategic Planning and Community Development teams.

Policy and legislative requirements

The recommendation of this report is consistent with the intent of provisions in the following documents:

- Randwick Local Strategic Planning Strategy
- Randwick Local Housing Strategy
- Randwick Affordable Housing Policy
- Randwick Affordable Housing Strategy and Action Plan.

Conclusion

The proposed joint approach with Waverley and Woollahra provides Council with greater scope and resources to facilitate delivery of affordable housing in the sub-region. A joint discussion paper identifying opportunities to facilitate affordable housing on a sub-regional basis will be prepared and reported to Council at a later date.

Council officers are separately progressing a confidential report that reviews suitable Council landholdings to identify an appropriate site or sites for potential partnership with a community housing provider and Waverley and Woollahra for the delivery of an affordable housing project. This confidential report will utilise the process outlined within this report and will be reported to Council at a later date.

Responsible officer: Natasha Ridler, Coordinator Strategic Planning

File Reference: F2022/00598

Director City Planning Report No. CP13/23

Subject: Council Submission: Draft Planning Proposal, Draft DCP and Draft Planning Agreement - 118-130 Epsom Road and 905 South Dowling Street, Zetland

Executive Summary

- The City of Sydney has prepared a draft planning proposal, draft development control plan and draft planning agreement in response to the proponent's (Meriton) request to amend planning controls at the old Holden Suttons site at 118-130 Epsom Road and 905 South Dowling Street, Zetland.
- The draft proposal seeks to increase the current maximum building height control over parts of the site to up to 90m, require a minimum proportion of floor space be provided as non-residential floor space and apply higher BASIX and sustainability standards for all affected development. No increase to the current floor space ratio (FSR) is proposed.
- The draft planning proposal and supporting documents were on public exhibition for 6 weeks from 24 April to 8 May 2023. Approximately 1,000 letters were sent to addresses within the Randwick City Council LGA.
- Condition 3 of the Gateway determination required formal consultation be undertaken with public authorities including Randwick City Council. A briefing was provided by City of Sydney officers to Randwick Council officers on the 12 April 2023.
- Council officers have reviewed the draft proposal and raise a number of concerns for the City of Sydney to consider. Key issues raised include traffic and transport, height and built form, visual impact, alignment of height and FSR controls, overshadowing, sustainability and strategic justification. In line with the Council resolution and assessment of the proposal, Council's submission requests that the planning proposal not proceed until the various issues have been addressed.
- This report seeks Council's endorsement of the attached draft submission for the draft planning proposal to forward to the City of Sydney for its consideration in the assessment of the proposal.

Recommendation

That Council:

- a) endorse the submission to the City of Sydney on the draft planning proposal, draft development control plan and draft planning agreements at 118-130 Epsom Road and 905 South Dowling Street, Zetland; and
- b) authorise the Director City Planning to make minor editing and formatting changes to the submission prior to its finalisation.

Attachment/s: Use the links below to access the following attachments:

1. Draft Randwick Submission to draft planning proposal, draft DCP and draft planning agreement at 118-130 Epsom Road and 905 South Dowling Street, Zetland
2. Review of Traffic Impact Assessment - Bitzios Consulting, May 2023

Purpose

This report provides an overview and assessment of the draft planning proposal, draft Development Control Plan (DCP) and draft planning agreement at 118-130 Epsom Road and 905 South Dowling Street, Zetland, and seeks Council's endorsement of the attached draft submission to the draft planning proposal.

Discussion

Background

The City of Sydney (CoS) has prepared a draft planning proposal, draft DCP and draft planning agreement in response to the proponents request to amend planning controls at the old Holden Suttons site at 118-130 Epsom Road and 905 South Dowling Street, Zetland (Figure 1).

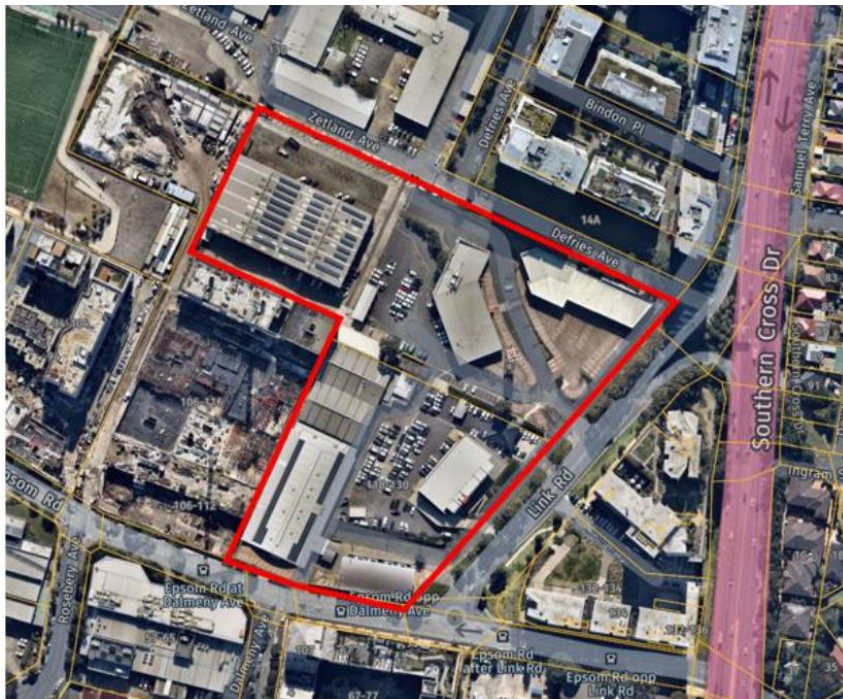


Figure 1: Site location (Source: CoS draft planning proposal 2023)

On Monday 5 December, the draft planning proposal and draft DCP was considered at the CoS Transport, Heritage, Environment and Planning Committee for submission to the Department of Planning and Environment for Gateway Determination and public exhibition. Several West Kensington residents spoke at the meeting, raising concerns about privacy, overshadowing, visual, and cumulative traffic impacts (amongst other things).

The draft planning proposal and draft DCP were subsequently considered at the Central Sydney Planning Committee on the 8 December and the CoS Council meeting on the 12 December 2022, where it was endorsed for submission to the Department for Gateway Determination and public exhibition.

At its meeting of 13 December 2022, Randwick City Council resolved:

RESOLUTION: (Luxford/Veitch)

“that Council seek legal advice from Senior Counsel with the view to taking urgent action to restrain the City of Sydney and / or the New South Wales Government from making any further determinations on the draft Planning Proposal for the site formerly known as Suttons, 118-130 Epsom Road and 905 South Dowling Street Zetland, and if determination has been made have it set aside until a complete and thorough traffic study has been done to include the Randwick LGA.

Council officers have actioned the Council resolution in relation to obtaining legal advice and have written to the former Minister for Planning raising significant concerns about the proposal. A response on behalf of the Minister noted the concerns raised by the community and Council and advised that Council should raise these concerns during the public exhibition stage.

In late 2022 the CoS submitted the draft planning proposal and supporting information to the Department and received Gateway Determination on the 2 March 2023.

Consultation

In late March 2023 Council received notification that the draft planning proposal, draft DCP and draft planning agreement had been placed on public exhibition.

The exhibition period ran for 6 weeks, commencing on 27 March and concluded on 8 May 2023.

The exhibition documents including the draft planning proposal, draft DCP and all supporting documents were made available on the [CoS](#) and [Randwick Council](#) websites.

CoS advised that notification letters were sent to approximately 1,000 addresses in the Randwick LGA, in the street blocks adjacent to Southern Cross Drive.

An online community information session was held on Tuesday 4 April from 6pm to 7pm. CoS officers advised Council that several Randwick residents attended the session.

Condition 3 of the Gateway determination required formal consultation be undertaken with a number of public authorities including Randwick City Council. A briefing was provided by CoS officers to Randwick Council officers on the 12 April.

Proposal

The draft planning proposal seeks to amend Sydney LEP 2012 to enable the redevelopment of the site under 'alternative controls' for a mixed-use development comprising residential, commercial and retail uses. Key elements of the draft proposal include:

- **Height** - increase the current maximum building height control over parts of the site under Alternative Height of Building controls from a maximum of 45m (approximately 14 storeys) to a maximum of 90m (approximately 25 storeys).
- **Land use** - require no less than 4% of the gross floor area of the development for non-residential floor space.
- **Sustainability** - apply higher sustainability standards for all affected development via a planning agreement and LEP provisions:
 - achieve an energy and water BASIX score of at least five points above the required targets for all BASIX-affected development on the site
 - design and construct all future buildings on the site to be capable of providing a dual reticulation water system for water consumption and
 - ensure all private residential parking spaces are capable of being fitted with an electric vehicle charger.

There are no proposed changes to the current floor space ratio (FSR) over the site as part of the draft planning proposal.

As the planning proposal puts forward alternative controls, the current controls will also continue to apply to the site should the proponent prefer to develop under those controls. If the alternative heights are utilised however, the entirety of the site must be developed under those controls. The proposed alternative height controls compared with the current Sydney LEP Height of Buildings Map are shown in Figure 2.

Current Building Height Map



Proposed Alternative Building Height Map



Figure 2: Current and proposed alternative building height maps in Sydney LEP 2012 (Source: CoS draft planning proposal 2023)

In addition to the planning agreement to obtain higher sustainability requirements, the planning proposal is supported by planning controls in a draft amendment to Sydney Development Control Plan 2012. The draft DCP provides the framework for the changes to the public domain on the site and underpins the alternative height controls with provisions to guide the bulk and scale of development and how the buildings interface with the street.

Reference scheme

The proponent has prepared an indicative reference scheme for the site with the purpose being to demonstrate, at the concept level, a development that can achieve the proposed maximum permissible FSR whilst also addressing other DCP matters and achieving the requirements of the Apartment Design Guideline (ADG).

It must be noted that the reference scheme is only one iteration of the built form that may be facilitated by the proposed planning controls and the draft planning proposal does not imply approval of the indicative reference scheme. The development of the site is to be subject to a Stage 1 development application, a competitive design process and detailed Stage 2 development applications.

The reference scheme tests a maximum FSR of 2.2:1 (which includes all potential floor space bonuses available to the site under Sydney LEP 2012), indicating an ability to achieve an approximate total Gross Floor Area (GFA) of 89,924 sqm on the site, including:

- 86,228 sqm of residential, with a housing mix of:
 - 30 townhouses
 - 784 apartments
 - 130 x 1 bedroom
 - 399 x 2 bedroom
 - 184 x 3 bedroom
 - 71 x 4 bedroom
- 3,696 sqm of non-residential (just over 4% of total GFA), broken down into:
 - 1,117 sqm childcare facility (130 children)
 - 2,579 sqm retail
 - 1,054 sqm supermarket
 - 1,526 sqm general retail

The reference scheme indicates approximately 860 parking spaces being provided in conjunction with the development, being the maximum levels currently permitted under Sydney LEP 2012.

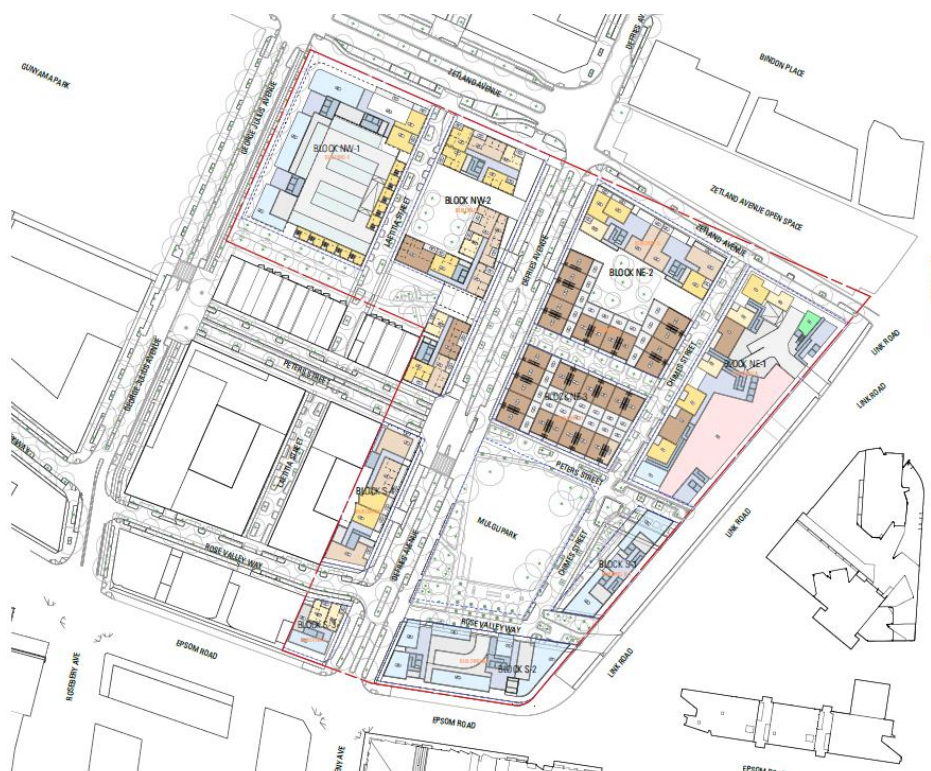


Figure 3: Reference scheme indicative ground floor plan (Source: CoS draft planning proposal 2023)



Figure 4: Reference scheme perspective, aerial from south east (Source: CoS draft planning proposal 2023)

Council officers have reviewed the draft planning proposal, draft DCP and supporting documentation. Key strategic planning issues are discussed below.

Transport and traffic

The impact of the draft planning proposal and the development of the wider Green Square Epsom Park precinct on transport and traffic in the road network within the Randwick LGA is a primary concern for Council. A study by GTK (2009) for Randwick Council showed that even in 2009 these roads were carrying traffic volumes well in excess of their environmental capacities and that the signalised intersection of Lenthall Street and Todman Avenue was approaching capacity in peak hours.

The Transport Management and Accessibility Plan (TMAP) created for Green Square (Parsons Brinckerhoff, 2008) to support the master plan and subsequent rezoning and development of height and FSR controls (contained in the Sydney LEP 2012) was based on a premise of 'no car growth' for the area based on expected public transport improvements, walking and cycling infrastructure and limitations on development parking supply. GTK calculated that if the TMAP expectation was not realised, then Lenthall Street would increase by approximately 1,000 vehicles per hour in the AM peak and 1,000 vehicles per hour in the PM peak and that the intersection of Lenthall Street / Todman Avenue would operate at capacity in peak hours.

The South East Sydney Transport Study (SESTS) 2020, recognises Green Square as an area of significant residential growth, however notes that road congestion reduces the reliability and speed of bus services which are struggling to keep up with passenger demand. The predominance of heavily trafficked north-south roads frustrates east-west bus services, as well as walking and cycling routes. Rail services are crowded and there is limited capacity, particularly on morning peak services at Green Square. The SESTS notes Green Square is an attractive residential location, close to jobs, education and services that is supported by transport infrastructure and services, including Green Square Station (existing) and Waterloo Station (2024 completion). However, the Strategy also identifies the delivery of additional Metro lines connecting the Harbour CBD to Randwick and extending to the north, south and south west, and to include a station at Zetland, serving the eastern side of the precinct in which the site is located. To complement the Metro and provide increased capacity in the interim, the Strategy proposes rapid bus lines connecting to the north, south, east and west.

The SESTS clearly states the intention and need for the Zetland Metro and Bus Rapid route, however, there has been no firm commitment to these projects from the State Government, despite continued and expected growth in the precinct. This raises questions over the success of the Green Square TMAP premise of 'no car growth' if expected public transport improvements have not been delivered.

Randwick Council has engaged Bitzios Consulting to prepare an independent review of the traffic and transport impacts of the draft planning proposal on transport networks within the Randwick LGA and consider the cumulative impacts of the redevelopment of the Epsom Park precinct generally. The draft planning proposal is supported by a Traffic Impact Assessment (TIA) prepared by Traffix (August 2022). The Bitzios independent review is attached to this report (see Attachment 2) and summarised below.

Transport and development context

The resident population of Green Square has grown from 25,000 in 2016 to 33,800 in 2021 and is forecast to reach 61,000 residents and 21,000 jobs when fully developed. The Epsom Park precinct (shown outlined in orange in Figure 5) is forecast to contain around 6,000 residents. Based on an average of 2 persons per dwelling and the indicative reference scheme, around 1,600 of these residents could be expected to occupy the subject site when fully developed.

The site is located approximately 15 minute walk to Green Square Train Station and a 17 minute walk to Kensington Light Rail Station. There is one bus stop on either side of Epsom Road fronting the site which provides access to bus route 370 (Coogee Beach to Glebe Point) with an approximate 10 minute frequency all day. There are no regional cycleways that are located near the site. Key transport features of the development site are shown in Figure 5.

Travel between Green Square and the Randwick Council LGA to the east is primarily via:

- Lenthall Street (spatially about 40% of the Green Square catchment)
- Todman Avenue (spatially about 40% of the Green Square catchment)
- Dacey Street (spatially about 20% of the Green Square catchment).



Figure 5: Key transport features near the site (Source: Bitzios 2023)

Review of traffic generation rates and traffic distribution

Traffic generation rates

The site is situated in part of Green Square that has the lowest levels of accessibility to public transport, walking and cycling. The CoS uses maximum parking rates as the primary influence on modal share away from private car, on the basis that reducing the availability of private car parking will influence decisions of those who choose to buy or rent in any given development and hence act to limit the volume of traffic that would otherwise be generated by it.

Traffic includes traffic generation rates, based on proposed land use components within the indicative scheme. Bitzios has reviewed these rates and applied alternative traffic generation rates, with the alternative traffic generation of the development being substantially higher than those used by Traffix in the TIA. A comparison of traffic rates is outlined in Table 1 below. Justification for the alternative estimates put forward by Bitzios is as follows:

- Retail – Traffix utilises a traffic generation rate of 4.6 trips per 100sqm of gross lettable floor area (GLFA) based on shopping centres with less than 30,000 sqm of GLFA. The size of the retail area being considered for the proposal is more closely aligned to a rate of 12.3 trips per 100sqm of GLFA, as outlined in the TfNSW Guide to Traffic Generating Developments (GTTGD).
- Supermarket – Smaller suburban shopping areas as per the proposal involve shorter and more frequent trips than larger centres and attract slightly higher traffic generation rates in the PM peak and much higher traffic generation rates in the AM peak than used by Traffix.
- Residential – The rates used by Traffix are based on High Density Residential Developments that are within walking distance (800m, 10 minute walk) to a train station. The subject development site is well outside the typical walking catchment to a train or light rail station.
- Child care centre - Data from the 2015 surveys of child care centres for TfNSW for sites within inner Sydney suggest peak road period traffic generation rates of 0.65 per enrolment, which aligns with the PM peak rate of 0.7 trips per enrolment in the GTGD. A rate of 0.65 per enrolment is more appropriate to apply than the 0.2 rate used by Traffix.

The calculations presented in Table 1 below show almost 300 more vehicles per hour in both peaks that are likely to be generated by the development compared to what was published in the Traffix Report.

Table 1: Traffic Generation Estimate Comparisons Source: Bitzios 2023)

Component	Size	Unit	AM Rate	AM Traffic	PM Rate	PM Traffic
Traffic Report						
Retail	1145	sqm GLFA	1	11	4.6	53
Supermarket	790	sqm GLFA	1	8	7.75	61
Residential	814	Units	0.19	155	0.15	122
Child Care	130	Places	0.2	26	0.2	26
TOTALS				200		262
Alternative Rates (Bitzios Consulting)						
Retail	1145	sqm GLFA	19	218	20	229
Supermarket	790	sqm GLFA	9.5	75	10	79
Residential	860	Bays	0.134	120	0.2	172
Child Care	130	Places	0.65	85	0.65	85
TOTALS				498		565

Traffic distribution

Traffic calculations show no traffic originating from the south to access the development in the AM peak apart from 1 vehicle (out of 63) that arrives via the Eastern Distributor, and only 6% of arrivals are shown to originate from Lenthall Street. Future retail and supermarket uses envisaged for the site in close proximity to the residential catchment in Kensington, combined with the increases in traffic generation calculated by Bitzios when compared to Traffix, leads Bitzios to expect the traffic associated with the development using Lenthall Street to be much higher than estimated by Traffix. Further, Traffix estimates none of the AM peak departing traffic from the development (i.e. trips to work) would be distributed to the south. Bitzios considers it reasonable to expect that at least 20% of AM peak departures from the development would be to the south, and most likely using the Eastern Distributor which would be accessed via Lenthall Street and Todman Avenue.

In the PM peak, a primary route for access to the site from the north is via the Eastern Distributor, Todman Avenue and Lenthall Street. Using the AM peak assumptions in reverse sees about 67% of arrivals using this path and the same departure assumptions for the AM peak.

Implications of the revised assumptions

Bitzios has summarised the implications of the alternative assumptions associated with the developments traffic generation and distribution as follows:

- Additional traffic on Lenthall Street that will have further impacts on residential amenity along that street and peak period impacts on side street accessibility turning into or onto it, particularly with heavier southbound traffic in the afternoon peak driving towards Green Square
- Additional traffic at the Lenthall Street / Todman Avenue intersection impacting that intersection's performance with additional delays, particularly in the PM peak where the already-congested right turn from Todman Avenue into Lenthall Street will see a substantial increase in movements
- Increasing traffic 'rat running' to avoid the Lenthall Street / Todman Avenue via local streets in Kensington
- Additional traffic at the proposed Lenthall Street / Link Road / Bunmarra Street intersection impacting the intersection's performance, although noting the Traffix intersection analysis identified sufficient 'spare capacity' at the intersection. This spare capacity would be expected to be sufficient to accommodate the additional turn

movements calculated when applying the alternative traffic generation and distribution assumptions.

Review of cumulative impacts

Between 2016 and 2022, Green Square's population increased by 42%. A review of the impact of this increase on the local road network shows the below daily traffic counts, based on available traffic data for Lenthall Street east of Epsom Road:

- 2008: 16,640 vehicles per day (two-way)
- 2013: 13,584 vehicles per day (two-way)
- 2022: 15,000 vehicles per day (two-way).

The above traffic volumes on Lenthall Street demonstrate little fluctuation in the past 10-15 years. Bitzios' reasons that this could be in part to the increasing travel times on congested routes which Lenthall Street is part of, and the subsequent dispersion of through traffic to alternative routes because of this. Regardless, it is apparent that Lenthall Street has been operating at its capacity for many years.

Even if the development of the site and Green Square in general results in increasing traffic demand, this demand does not appear to be resulting in increased traffic flow on Lenthall Street, again, likely due to the network currently being at capacity. However, Bitzios concludes that as other competing routes begin to reach capacity, it is likely that the remaining growth in Green Square (include that from the site) will result in increased traffic across the day in Lenthall Street, but with limited potential for growth in peak hours. The consequence of this will likely be increased usage of the streets in West Kensington north of Lenthall Street and west of Todman Avenue.

Impact of draft planning proposal

Given that the draft planning proposal is not modifying the maximum FSR and in turn, the overall available development yields, there is essentially no change to its traffic impacts compared to the impacts that have previously been assessed for the site at the master planning and rezoning stage for Green Square. On this basis and considering the traffic analysis undertaken by Traffix and re-run with modified assumptions, Bitzios concludes that there is limited nexus between the proposal's traffic and new/unforeseen impacts in the Randwick LGA. Further, the urban renewal of Green Square that has been occurring for over 10 years and other changes to the road network including the Eastern Distributor access configuration are likely to have influenced traffic through the Kensington locality. However, the nexus between Green Square's incremental growth and additional traffic in Kensington is difficult to establish without comprehensive historic data, and there should be a comprehensive study to fully assess the traffic impacts from the future development of the site and cumulative impacts resulting from the development of the Epsom Park precinct. It is considered that even though this draft planning proposal is not increasing density (floor space), it is contributing to an already unsatisfactory situation regarding traffic impacts in the Randwick LGA.

Recommended mitigation measures

Management of existing traffic

A full assessment of traffic impacts from the future redevelopment of the site as well as the cumulative impacts of the development of the Epsom Park precinct over the last decade should be undertaken. This study should investigate the intentions of the TMAP (i.e. no car growth) as well as the planned infrastructure within the SESTS of which no commitments have been made. This comprehensive traffic and transport study should be undertaken by the proponent to support the planning proposal request. In line with Council's 13 December resolution, the planning proposal should not proceed until a complete and thorough traffic study has been undertaken.

Further investigations should be undertaken to better manage the existing traffic and future traffic growth in/through Kensington. A local area traffic study considering intersection capacity, minimising rat running in local streets and better managing the interfaces between traffic, pedestrians and cyclists may assist in improving the traffic situation in the Randwick LGA. This

study should be undertaken as part of the draft Planning Proposal. Any infrastructure upgrades within the Randwick LGA recommended by the study should be fully funded by the proponent by way of an agreement with CoS and Randwick Council.

Public and active transport measures

The 306 bus service along Epsom Road and Lenthall Street falls well short of what the South East Sydney Transport Strategy identified as a Rapid Bus Route for servicing the Green Square-Waterloo Precinct. This is particularly relevant for the parts of the precinct that the draft planning proposal site is in, especially as no bus priority measures are being planned. CoS should work closely with TfNSW to obtain a commitment to the extension of the Metro including the Zetland station and expansion of Rapid Bus Route as a matter of urgency.

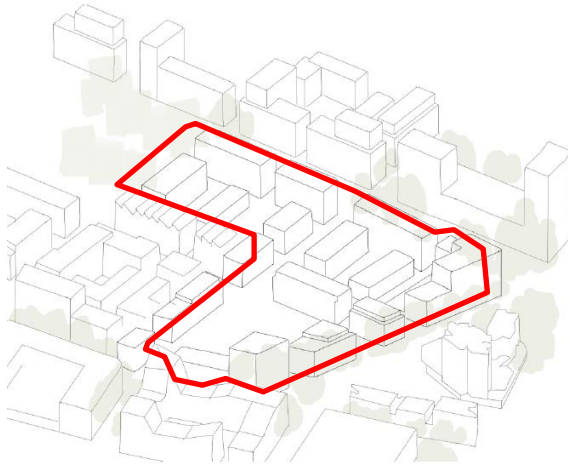
It is also recommended that CoS work with TfNSW and Randwick City Council to identify potential bus coverage, frequency and priority infrastructure improvements to better service further development of Green Square and to investigate the provision of continuous cycling facilities to better connect Green Square to the broader cycling network.

Height and built form

The planning proposal allows for a redistribution of height on the site, with additional height proposed in some locations, and reduction of height in others. The redistribution would allow for development ranging in height from 3m to 90m or 1 storey to 25 storeys.

The proposed distribution of heights concentrates taller towers at the corners of the site, with medium density around the periphery and lower density surrounding the central public open space of Mulga Park. The redistribution in heights is demonstrated in Figure 6.

Indicative built form under current controls



Indicative built form under proposed controls

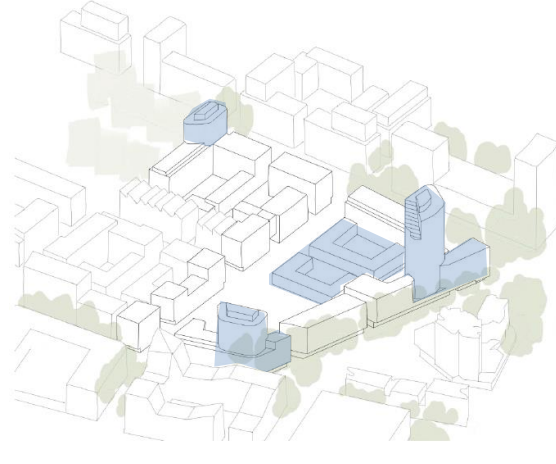


Figure 6: Redistribution in height and built form (blue areas denote key areas of change) (Source: CoS draft planning proposal 2023)

The planning proposal maintains that the redistribution in height:

- will facilitate a wider range of housing typologies, including low rise town houses for families and large households, and for medium to high-density mixed-use apartment buildings
- responds appropriately to other towers already constructed in the South Dowling Street corridor and their floorplate is controlled to maximise visual amenity
- will improve amenity in the public domain, relocating building mass from the ground plane allows for the provision of new publicly accessible open spaces throughout the site, linking various streets and key open spaces in the neighbourhood and an increase in solar access to Mulga Park

- demonstrates an acceptable impact on solar access to neighbouring developments, compared with current DCP envelopes.

The rationale behind the redistribution of heights is centrally focused on improving the benefits and amenity of the development site itself, with little to no regard to the impacts of the height redistribution on properties within the Randwick LGA. Considering this, concerns are raised over the following:

Visual impact

Concerns are raised over the potential visual impacts that could result from the draft planning proposal, particularly in relation to the West Kensington Heritage Conservation Area (HCA) and heritage items within. The West Kensington HCA comprises a large area of land located immediately to the east of the site and is bounded by Samuel Terry Avenue to the west, Todman Avenue to the north, and the Australian Golf Course to the south (Figure 7). The draft planning proposal with its inward focus fails to address the heritage items and HCA in its immediate vicinity that are located within the Randwick LGA.

CP13/23

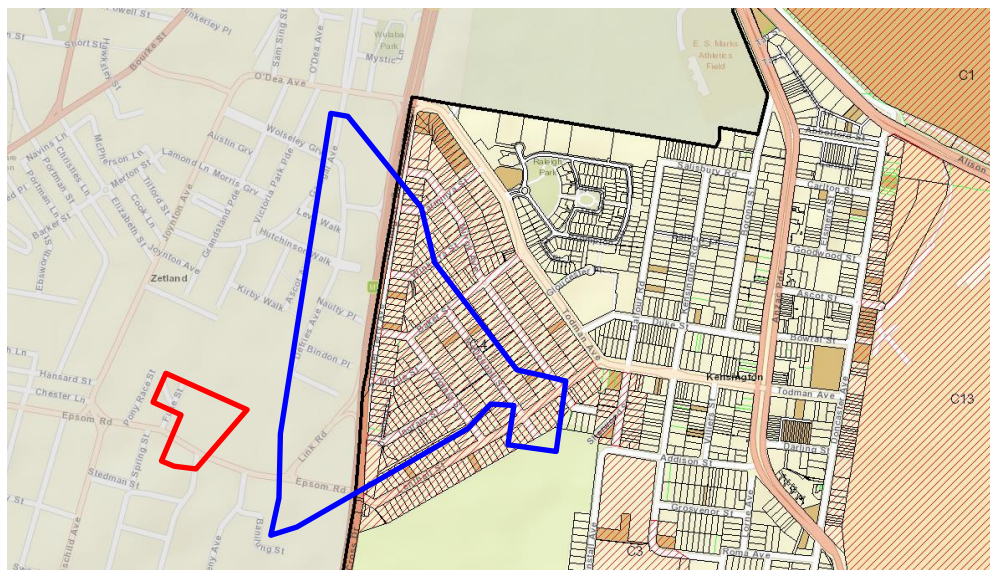


Figure 7: West Kensington Heritage Conservation Area (blue = HCA, red = site) (Source: Randwick Council 2023)

The West Randwick HCA is locally significant for its aesthetic, social and historic heritage values, representing highly consistent early twentieth century streetscapes. The unusual triangular street layout has produced a unique subdivision pattern featuring interesting street junctions, many of which are T-junctions, and streets which range in length. This results in a great variety of internal vistas, long and short.

The visual impact of the proposed redistribution in heights on the West Kensington HCA and heritage items within has not been assessed as part of the draft planning proposal. The draft planning proposal would result in an additional tower that would be clearly visible from many vantage points within the HCA. Unlike the current controls that allow a more consistent height of 25m (8 storeys) and up to 45m (14 storeys) along the Link Road frontage, the proposed 90m height control would result in a 26 storey tower being clearly viewed from significant internal vistas within the HCA.

In light of the above, it is Council’s view that the draft planning proposal not proceed until the potential visual impact of the tower on the HCA has been assessed and suitably resolved.



Figure 8: View from the intersection of Myrtle Street and Virginia Street looking southwest towards the site (Source: Randwick Council 2023)



Figure 9: View from Ingram Street near Dowling Lane looking west towards the site (Source: Randwick Council 2023)

Alignment of maximum height and FSR controls

The indicative reference scheme tests a maximum FSR of 2.2:1. It is noted that the planning proposal does not seek to amend the current FSR control, which is a consistent 1.5:1 across the entire site (Figure 10). As the site is located within the Green Square Urban Renewal Area, an additional 0.5:1 is available subject to the delivery of community infrastructure in the form of recreation areas, indoor and outdoor recreation facilities, public roads, drainage or flood mitigation works. A further 10% additional FSR is subject to demonstration of design excellence in line with the CoS competitive design process. The tested 2.2:1 FSR includes all potential floor space bonuses available to the site under Sydney LEP 2012.



Figure 10: Existing FSR map, Sydney LEP 2012

The draft DCP builds on the reference scheme and underpins the proposed alternative height of buildings map with height in storeys controls and primary and upper level setbacks to guide the bulk and scale of the development (Figure 11).



Figure 11: Extract from draft DCP – maximum number of above ground storeys (Source CoS draft DCP 2023)

The details included in the draft DCP will assist in guiding the development outcomes on the site, however concerns are raised over the potential for future development applications to redistribute the massing of the built form via departures to the DCP controls. Greater certainty of development outcomes on the site would be gained by determining alternative FSR controls specific to each development block within the site and that correspond to the alternative building heights, indicative height in storeys and setbacks.

Overshadowing

The planning proposal states that the revised building heights demonstrates an acceptable impact on solar access to neighbouring developments, compared with current DCP envelopes, however there are no supporting documents of shadow studies to demonstrate this.

The [Relevant Information for Memo](#) reported to the 8 December 2022 Central Sydney Planning Committee includes an assessment of the impacts of overshadowing on the Randwick LGA. This assessment states that four to six properties at the western end of Lenthall Street may experience some additional overshadowing between 2.30pm and 3pm in days in midwinter.

The draft DCP highlights the need for the proposed towers to address solar impact on neighbouring dwellings with respect to relevant existing Sydney DCP 2012 controls and the NSW Government's ADG standards. Concerns are raised that the Stage 1 and 2 development application assessment process will neglect to consider potential overshadowing impacts of the proposal on properties within the Randwick LGA.

The shadow diagrams have only been submitted for mid-winter. Additional shadow diagrams are needed to understand the overall solar access net benefit to the park and potential impacts of the proposed tower at all seasons of the year.

Sustainability

In support of the planning proposal request, the proponent has made a public benefit offer to enter into a Voluntary Planning Agreement (VPA) for the delivery of the following environmental benefits being delivered alongside the redevelopment of the site:

- achieving an energy and water BASIX score of at least five points above the required commitments for all BASIX-affected development on the site
- a commitment to design and construct all future buildings on the site so as to be capable of providing a dual reticulation water system for water consumption, and
- a commitment that all private residential parking spaces are capable of being fitted (by a future owner/occupier) with an electric vehicle charger.

The public benefits being provided from the planning proposal in the areas of sustainability are positive, however the following comments are made.

The requirement for futureproofing for electric vehicle chargers is considered best practice for new large scale residential development. While the initiative is supported, it is not considered a significant public benefit, rather an expected infrastructure component of new buildings to meet recent and expected future market trends in EV car ownership.

The requirement for dual reticulation may be positive, however given the absence of a recycled stormwater facility to service the site, the true benefit of this offer is diminished as the delivery is uncertain.

The increased BASIX requirements for all applicable development on the site is commended however BASIX requirements are minimum standards and developers can choose to exceed these to demonstrate sustainability excellence on their sites. The LEP drafting instructions contained in the planning proposal outline a site-specific local provision for the site that links the alternative building heights to the reach BASIX standard. Although this gives more weight to the requirements than the DCP provision, there is uncertainty that this can be legally achieved and therefore clarification is sought regarding:

- the relationship between the local provision and the minimum standards outlined in State Environmental Planning Policy (Sustainable Buildings) 2022, noting that the SEPP prevails over the LEP. It is unclear whether the Department will support the proposed LEP drafting, given the inconsistency of the proposed targets with the SEPP targets;
- the potential for this provision to be varied via a clause 4.6 raises considerable doubt as to its application. It is noted that clause 4.6(8)(b) does not allow development that contravenes the Sustainable Buildings SEPP, however as these reach BASIX

requirements are proposed to be laid out in the LEP, CoS should ensure that they are also protected from clause 4.6 variations.

Strategic justification

Need for the proposal

The planning proposal is not a result of an endorsed LSPS, strategic study or report, rather, it is applicant-initiated and site-specific, resulting directly from difficulties that the proponent found when trying to accommodate the current maximum permissible FSR within the current maximum building height.

The draft planning proposal notes that approved development on adjoining sites has put pressure on building envelopes within the site due to the required building separation requirements under the ADG. The proponent has demonstrated that the current height and footprint arrangement leads to potentially unacceptable levels of overshadowing of future public open space, Mulgu Park, which is also to be delivered on the site.

The draft planning proposal notes that the redistribution of heights allows for:

- greater than required solar access to Mulgu Park and additional public domain, including a plaza, a pocket park and a through-site link
- greater variety of building typologies and homes, leading to housing diversity ranging from low density townhouses to medium and high density apartment buildings with a mix of bedrooms.
- greater visual amenity for (the sites) public domain resulting from the variety of building forms and scales.

While internal site benefits have been identified by the proponent in the planning proposal as a result of the redistribution of heights, the need for the proposal is primarily driven by the proponent's desire to maximise existing densities, rather than a clear strategic justification. The maximum FSR for a site may not always be achieved and is dependent on a suite of environmental and built form controls that apply to a site.

Strategic merit

The draft planning proposal states that the site is well serviced by public transport, however as demonstrated in the transport and traffic section above, questions are raised over the success of the Green Square TMAP premise of 'no car growth', particularly if expected public transport improvements have not been delivered. The South East Sydney Transports Strategy clearly states the intention and need for the Zetland Metro and Bus Rapid route to supplement the Green Square Station which is already at capacity in peak period. Currently, the draft planning proposal has not demonstrated sufficient strategic merit given the transport shortcomings of the precinct and the lack of commitment for transport measures outlined in the SESTS.

Site specific merit

Council's submission outlines a number of concerns relating to the redistribution of height across the site that has not given adequate consideration to the adjoining low density residential area of Kensington. Currently, the draft planning proposal has not demonstrated sufficient site specific merit as required in the Local Environmental Plan Making Guideline (DPE September 2022) as it does not adequately consider the broader impacts on the adjoining residential area. Rather, the proposal is internally focused, with the resultant benefit being concentrated on maximising the amenity of future apartments, sun access to Mugul Park and sustainability improvements.

Affordable housing

The site is located within Green Square and will be subject to an affordable housing levy contribution of 3% and 1% depending on residential and non-residential floor area. While it is noted that the draft planning proposal does not propose any increase in density, the proposed increase in height will afford the proponent significant value in the form of high profit dwellings with

city and district views. The CoS is encouraged to seek additional affordable housing contributions, beyond the 1-3% levy to strengthen the overall public benefit of the proposal, in line with regional strategic objectives.

Randwick City Council Submission

Considering the above issues, a draft submission has been prepared and is attached to this report. Key points from Council's draft submission are summarised below:

- **Traffic and transport**
 - A full assessment of traffic impacts from the future redevelopment of the site as well as the cumulative impacts of the development of the Epsom Park precinct over the last decade should be undertaken. This study should investigate the intentions of the TMAP (i.e. no car growth) as well as the planned infrastructure with the SESTS of which no commitments have been made. This comprehensive traffic and transport study should be undertaken by the proponent to support the planning proposal request. In line with Council's 13 December resolution, the planning proposal should not proceed until a complete and thorough traffic study has been undertaken.
 - A local area traffic study should be undertaken with the aim of better managing the existing traffic and future traffic growth in/through Kensington. The scope of the local area traffic study should consider intersection capacity, minimising rat running in local streets and better managing the interfaces between traffic, pedestrians and cyclists to improve the traffic situation in the Randwick LGA. Any infrastructure upgrades within the Randwick LGA recommended by the study should be fully funded by the proponent by way of an agreement with CoS and Randwick Council.
 - CoS should work with TfNSW and Randwick Council to identify potential bus coverage, frequency and priority infrastructure improvements to better service further development of Green Square and to investigate the provision of continuous cycling facilities to better connect Green Square to the broader cycling network.
 - CoS should work closely with TfNSW to obtain a commitment to the SESTS recommendations including the extension of the Metro including the Zetland station and expansion of Rapid Bus Route as a matter of urgency.
- **Visual impact** – a Heritage Impact Assessment should be undertaken to determine the impact of the draft planning proposal on the West Kensington HCA and heritage items which are in the immediate vicinity of the proposal. The draft planning proposal and supporting documents should be amended to minimise identified heritage impacts on these items. It is Council's view that the draft planning proposal does not proceed until the potential visual impact of the tower on the HCA has been assessed and suitably resolved.
- **Alternative FSR controls and clause 4.6** – alternative FSR controls that support the DCP height in storey and setback controls should be developed to provide more certainty to the development outcomes for the site.
- **Overshadowing** – DCP provisions should be amended to ensure overshadowing is assessed for sites within the Randwick LGA.
- **Sustainability commitments** – clarification should be provided as to how the reach BASIX targets will be achieved in light of the Sustainable Buildings SEPP prevailing over the LEP and the potential to vary the reach BASIX targets via clause 4.6.
- **Strategic justification for the changes** – the proposal results in a number of concerns relating to the redistribution of height across the site that has not given adequate consideration to the impacts on the adjoining low density residential area of Kensington. At this stage it has not been demonstrated that the proposed changes offer an overall better planning outcome compared to the existing planning controls.

- **Affordable housing** – the negotiation of additional affordable housing contributions to strengthen the overall public benefit of the proposal is recommended.

Next steps

Following the outcome of the 23 May meeting, Council will forward the endorsed submission to the CoS. The CoS will then consider all stakeholder and public submissions to the draft planning proposal and make changes to the draft planning proposal as required. The post exhibition planning proposal will be considered by the Central Sydney Planning Commission and the CoS Council and if supported, will be submitted to the Department of Planning and Environment for drafting, finalisation and gazettal.

Estimated timeframes for the above steps, as outlined in the draft planning proposal are as follows:

- April to May 2023 - Consideration of government agency and public submissions
- July 2023 - Post exhibition consideration of proposal by CSPC and Council
- August 2023 - Drafting of LEP provisions
- September 2023 - Finalisation of LEP and DCP.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering the Outcomes of the Community Strategic Plan:	
Strategy	Housing
Outcome	A city with sustainable housing growth
Objective	Provide 4,300 new dwellings in 2021-2026, with 40% located in and around town centres
Delivery program commitment	Ensure future redevelopment sites are aligned with future transport investment as identified in the transport strategy.
Delivery program commitment	Ensure any future redevelopment is aligned with local infrastructure investment.
Delivery program commitment	Advocate for improved State Government infrastructure to support future housing growth.
Strategy	Integrated Transport
Outcome	A city with a transport network where sustainable transport options are the preferred choice for people
Objective	Reduce the proportion of private vehicle trips from the 2018-19 baseline of 58% to 45% by 2031
Delivery program commitment	Work with Transport for NSW to improve public transport service frequency and capacity by 2027.
Delivery program commitment	Work with Transport for NSW, bus operators and neighbouring Councils to enable implementation of the proposed rapid bus links identified in the South East Sydney Transport Strategy and Future Transport 2056.

Resourcing Strategy implications

The costs associated with this work is in accordance with the 2022/23 budget and allocations. Consultants Bitzios were engaged to provide expert advice in relation to the traffic and transport impacts of the proposal. Other work was completed in-house by Strategic Planning officers.

Policy and legislative requirements

- Environmental Planning and Assessment Act 1979
- Environmental Planning and Assessment Regulation 2000
- Randwick Local Environmental Plan 2012.

Conclusion

The CoS has prepared a draft planning proposal in response to a proponent-lead site-specific request by the site owner and applicant Meriton.

While the proposal includes sustainability and public domain initiatives aimed at providing some public benefit, concerns are raised regarding potential amenity impacts to adjoining residents within the West Kensington neighbourhood including the impacts of traffic and transport, height and built form, visual impact and overshadowing. Further clarification and information is also requested in relation to the alignment of proposed alternative heights and FSR and the implementation of sustainability measures. Taking the above into account, it is considered that the current draft planning proposal does not adequately address the strategic & site specific merit tests.

Council officers have prepared a draft submission (attached) in response to the draft proposal, including recommendations to address the above concerns.

The CoS will consider all public and government agency submissions resulting from the exhibition period in an upcoming report to Council.

Responsible officer: Natasha Ridler, Coordinator Strategic Planning

File Reference: F2022/00758

Director City Planning Report No. CP14/23

Subject: Appointment of a new delegate to the Sydney Eastern City Planning Panel

Executive Summary

- Council appointed Cr McCafferty and Cr Neilson as the delegates and Cr Burst, Cr Pandolfini and Cr Said as alternate delegates to the Sydney Eastern City Planning Panel at the Ordinary Council meeting on 27 September 2022. The appointment is effective until September 2023.
- Cr Neilson has tendered her resignation as a delegate for the Sydney Eastern City Planning Panel effective from 1 May 2023.
- The Planning Panel Secretariat has requested Council to nominate a new delegate to replace Cr Neilson.
- It is recommended that a new delegate be appointed for the Sydney Eastern City Planning Panel.

Recommendation

That Council appoints a new delegate for the Sydney Eastern City Planning Panel until September 2023 to align with the appointment of delegates to all other committees.

Attachment/s:

Nil

Purpose

Council has received resignation from Cr Neilson as a delegate for the Sydney Eastern City Planning Panel effective from 1 May 2023. This report is to allow Council to consider the appointment of a new delegate for the Sydney Eastern City Planning Panel.

Discussion

The following delegates and alternate delegates for the Sydney Eastern City Planning Panel were appointed at the Ordinary Council meeting on 27 September 2022. The appointment is effective until September 2023:

Committee	Delegates	Alternate Delegates
Sydney Planning Panel	Cr McCafferty Cr Neilson	Cr Burst Cr Pandolfini Cr Said

In accordance with the Sydney District & Regional Planning Panels Operational Procedures, two Council delegates are to be appointed by each Council. At least one Council delegate must have expertise in one or more of the following areas:

- Planning;
- Architecture;
- Heritage;
- Environment;
- Urban design;
- Land economic;
- Traffic and transport;
- Law;
- Engineering;
- Tourism; or
- Government and public administration

The Planning Panel Secretariat has requested Council to nominate a new delegate to replace Cr Neilson. In selecting the delegate, Council should have regard to any conflict of duties that would be created for a person nominated to the panel if the person would be in any way responsible or involved in the assessment of matters to be determined by the panel or involve in voting or deliberating on matters that come before the panel.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Customer Service & Governance Management
Function	Governance Management
Delivery program commitment	Manage Council's governance framework and controls to ensure accountability, transparency, integrity, equity and ethical Council decision making.

Resourcing Strategy implications

Nominated Councillors will need to make time to prepare for and attend the panel meetings.

Policy and legislative requirements

Local Government Act 1993
Local Government (General) Regulation 2021
Environmental Planning and Assessment Act 1979
Environmental Planning and Assessment Regulation 2021.

Conclusion

It is proposed that Council appoints a new delegate to the Sydney Eastern City Planning Panel for the period until September 2023 to align with all other committee appointments.

Responsible officer: Frank Ko, Manager Development Assessment

File Reference: F2005/00775

Director City Services Report No. CS14/23

Subject: Malabar Ocean Pool Amenities - Concept Design

Executive Summary

- Malabar Ocean Pool is in an area traditionally occupied by the Gadigal and Bidjigal peoples. The pool is popular with locals and visitors, in particular for its step-free access to, and into the pool. It currently does not have any toilet facilities or change room.
- A Concept Design for a new amenity building to serve the pool has been prepared. The building is located at the south end of the lower Malabar Ocean Pool carpark. This location is convenient for both the pool and for visitors using the Coastal Walk. The location is generally consistent with the 1994 Malabar Beach and Foreshore Plan of Management.
- As part of the proposal, a new shared pedestrian-vehicle zone will be established at the south end of carpark and a new compliant accessible parking space will be provided. Eight parking spaces will be lost due to the proposal.
- There is no impact on the natural coastal environment, as all surrounding bushland is retained. There is no impact on the views of neighbouring residential properties. There is limited impact on views from Randwick Golf Club as the top of the new amenities building is generally in line with the height of the club practice green. The building will not be prominent from the sea or from across the bay, in part due to its landscaped setting and proposed green roof.
- The cost estimate for the project is \$2.15 million. Should the proposal be endorsed, it will be added to the draft capital works program for the 2024-25 financial year.

Recommendation

That:

- a) Council notes the location and concept design of the proposed Malabar Pool Amenities including the project cost estimate of \$2.15 million
- b) the concept design for the new Malabar Pool Amenities proceeds to community consultation
- c) the results of the community consultation be reported back to Council.

Attachment/s:

1.  Malabar Ocean Pool Amenities - Concept Design

Purpose

This report presents the concept design for a new amenities building to serve the Malabar Ocean Pool and the Coastal Walk. It includes background to the project and a summary of the issues that informed the final concept plan.

The concept design is found in **Attachment 1**.

Discussion

Project background

Site

The site is in an area traditionally occupied by the Gadigal and Bidjigal peoples, and is located near Malabar Ocean Pool in Long Bay, directly below Randwick Golf Club. The land is Crown Land, known as 3-15R Howe Street (Lot 612 DP752015).

Malabar Ocean Pool has been enjoyed by swimmers since its establishment in the early 1900s until the 1970s, at which time the ocean pool was closed due to poor water quality resulting from the nearby sewer outfall. It did not reopen to the public until March 1997, more than two decades later. The ocean pool is now popular with locals and visitors alike and highly valued for the natural beauty of its setting.

Need for facilities

The nearest public amenities to Malabar Ocean Pool are located approximately 650 meters away in Cromwell Park, although there is anecdotally some informal use by the public of the Randwick Golf Club toilet facilities when available.

Randwick City Council's 1994 Malabar Beach and Foreshore Plan of Management planned for an amenities building at the site (p9 Figure 2, replicated below). This is the general location of the proposed new building.

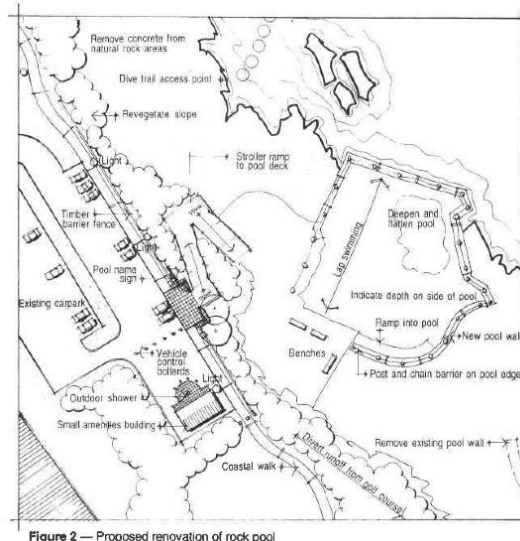


Figure 2 — Proposed renovation of rock pool

The Coastal Walk is planned to eventually extend south from the pool carpark through the Randwick Golf Course as part of the Clovelly to La Perouse connection. An amenities building in this location will also serve people using the Coastal Walk. Public toilet facilities south of this site are limited.

Council reporting to date

The project has come before Council several times for consideration, as outlined below.

Project inception

Council resolved to investigate the feasibility of providing an amenities facility at Malabar Ocean Pool following requests from the public (Ordinary Council, 25 June 2019).

NM42/19 Motion Pursuant to Notice - Notice of Motion from Cr Da Rocha - Proposed amenities facility and improvements to Malabar Pool and surrounds (F2004/07490)

RESOLUTION: (Da Rocha/Said) That:

- a) Council investigate the feasibility of providing an amenities facility at Malabar pool to cater to the users of the Malabar rock pool;
- b) Council undertake works that provide a smoother, even surface at all access points of the pool for those who use the facility;
- c) Council investigate opportunities to increase the accessibility of the pool for users of all ages and abilities; and
- d) A report be brought back to Council outlining the opportunities and costs of providing the above-mentioned works.

Initial community consultation

Following the 2019 Council resolution, the community was then consulted about their attitudes to a new building at the pool. Community consultation was held from July to August 2020 and results were reported to Council on 27 October 2020 (CS45/20: Malabar Ocean Pool Amenities Building).

Key outcomes were:

- Overall, the consultation found general support for building an amenities building with 70% support from 219 total survey respondents. Of those who identify as regular pool users, support is slightly lower at 62%
- There is some opposition with 24% of respondents indicating an amenities building is not important. Most of these respondents are concerned an amenities building is unnecessary and would change the local character of the pool.
- Of those who support an amenities building, the preferred location is at the car park level (37%) while there is some support for building at the pool level (21%).
- The top 5 most important features if Council were to build an amenities building are: disabled access, outdoor showers, drinking fountains, change rooms and family change rooms.
- There was a strong feeling amongst those who support an amenities building that it should be modest in size, minimise view impacts and (be) sympathetic to the environment.

At the October 2020 meeting, Council considered the results of the community consultation and resolved to continue with the project:

CS45/20 Director City Services Report - Malabar Ocean Pool Amenities Building (PROJ/10171/4)

RESOLUTION: (Parker/D'Souza) that Council considers the planning of the new Malabar Rockpool Amenities project in the 2021-22 Capital Works budget.

A funding allocation of \$750,000 was subsequently allocated in the 2021-22 Capital Works budget towards the project.

Community petition

When site investigations commenced, a general introduction to the project was given by Council officers and Sam Crawford Architects to the Malabar Precinct meeting on 10 May 2022.

A petition with over 450 signatures opposing the construction of an amenities building and requesting improvements at the Malabar Ocean Pool was tabled at the Ordinary Council meeting of July 26, 2022 (NM39/22 Notice of Motion):

NM39/22 Motion Pursuant to Notice - Notice of Motion from Cr D'Souza - Opposing the Proposed Construction of Public Toilets Adjacent to the Malabar Ocean Pool (PROJ/10961/4)

MOTION: (D'Souza/Burst) that Council consider the views of over four hundred local residents who are strongly opposed to the proposed construction of public toilets adjacent to the Malabar Ocean Pool. LOST.

Site Constraints and Opportunities

With the support of Council to date, Council officers have now progressed to develop a concept design sensitive to this unique coastal site. This has required a careful balance of significant constraints.

Environmental considerations:

- Maintaining the highly valued natural landscape setting of the existing pool and surrounds
- Consideration of remnant and regenerated bushland in the area
- Carefully considering the visual impact on neighbouring properties, and from across the bay
- Limiting the footprint of the building as much as practicable.

User amenity:

- Convenience for pool users, and for users of the Coastal Walk
- Good sightlines to the facility for passive surveillance
- Maintaining as many of the existing parking spaces as possible.

Existing conditions and other project constraints:

- Consideration of existing services, including a large sewer main under the lower carpark
- Lot boundaries and leased areas
- Cost considerations.

Concept Design

Sam Crawford Architects were selected through a competitive procurement process for the Malabar Ocean Pool Amenities project. The firm has experience with designing amenities at several prominent and sensitive coastal sites in Sydney.

Locations considered

Several locations were considered in the development of the concept design. These were:

- A. In the southern portion of the existing lower carpark, generally in the vicinity of the location identified in the Plan of Management
- B. On the access ramp down to the Malabar Ocean Pool
- C. In the northern portion of the existing lower carpark.

Location A has been selected as the preferred site – in the southern portion of the lower carpark.

- The location is generally consistent with the 1994 Malabar Beach and Foreshore Plan of Management
- It is convenient to the stair access to the pool, and to the future extended Coastal Walk
- There is no impact on the natural environment, with all surrounding bushland retained
- There is no impact on the views of neighbouring residential properties
- Due to the existing topography, there is limited impact on Golf Club views, with the top of the building generally in line with the height of the golf club practice green

- The carpark can be locally regraded and resurfaced to provide fully compliant carparking spaces, and a shared pedestrian-vehicle zone can be established within its dead-end aisle.



Location B - on the access ramp down to the pool - was not selected because:

- Extensive reshaping of the existing topography is required to provide accessible pathways to a building in this location
- This reshaping would lead to irreplaceable loss of areas of remnant bushland
- Challenging geotechnical conditions and extent of excavation make this a very expensive option.

Location C - in the northern portion of the lower carpark - was not selected because:

- The building would be visually prominent in the landscape
- It would impact the view of neighbouring properties
- The location is directly above the large sewer main underneath which will require Sydney Water approvals and potentially specific foundations to minimise impact on the sewer.

Description of the proposal

A key outcome of the 2020 community consultation was that the amenities building should be '*modest in size, minimise view impacts and (be) sympathetic to the environment*'. This has directly shaped the outcomes.

The concept design for the facility is small-scale and integrated into the landscape, and features:

- **1 x unisex accessible toilet / change area**
- **2 x unisex toilets** opening directly to the exterior to minimise the building footprint
- **2 x unisex change cubicles** to discourage use of the toilet cubicles for changing
- **Service areas** for cleaning and equipment
- **Accessible parking** with connections to existing pathways
- **Landscaped setting** including a green roof with low planting
- **Bike racks** located close to Bay Parade.

Showers are not provided as these would significantly increase the size of the new facility, and there are already existing showers at the pool deck.

Parking impact

Traffic engineering input shows there are 167 car parking spaces in the vicinity, a maximum of approximately 170m distance from the site. This includes the area bound by Napier Street and Prince Edward Street.

The breakdown of available parking is:

- 60 spaces in the existing carpark
- 107 on-street spaces in Bay Parade, Victoria Street and Howe Street.

A total of eight (8) parking spaces will be lost to accommodate the proposed amenities.

Parking counts were carried out in April 2022 in planning for the concept proposal. In addition, 76 NearMap aerial images captured between November 2009 and April 2022 were analysed for parking demands.

The data showed that the loss of eight parking spaces in the carpark is considered acceptable, as typical demand can be accommodated by on-street parking and in the reduced off-street carpark.

Further loss of parking has been avoided through the creation of a shared pedestrian-vehicle zone in the dead-end portion of the carpark at the southern end, in front of the new building. As there is no through traffic in this area, and a limited number of car spaces, vehicular movements are expected to be low. The use of a coloured asphalt parking surface identifies the shared zone nature of this area. A pedestrian-only path is also provided.

Sustainability measures

The building will feature the following sustainability measures:

- Water efficient taps and dual flush toilets
- Naturally ventilated interiors through high level screened openings
- Reduced reliance on artificial lighting by using translucent skylights
- Limiting applied materials and long-term maintenance through using base materials where appropriate, e.g., concrete rather than tiled floor, and limiting wall tiling to essential areas
- Longevity of materials such as use of stainless steel, concrete, and concrete blocks
- Specification of low carbon concrete
- Specification of anodized aluminum battens which can be fully recycled
- New bike racks to encourage people to cycle to the site
- Expanding the areas of indigenous planting and local habitat, supporting the number and diversity of local fauna.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering the Outcomes of the Community Strategic Plan:	
Strategy	Open Space and Recreation
Outcome	A community that is healthy and active
Objective	Maintain a community satisfaction* rating for coastal open spaces, coastal walkway, playgrounds and parks of 97%
Delivery program commitment	Upgrade amenity blocks along the coastline prioritising high use destinations and deliver amenities block at Malabar Ocean Pool, to increase amenity and cater for increased demand.

Resourcing Strategy implications

The cost estimate is **\$2.15 million** for the building, carpark re-grading and landscaped setting. This includes the cost of the construction as well as contingencies and authority fees.

Currently there is approximately \$418,000 left in the planning budget allocated to the project as previously endorsed by Council. Any savings realized prior to construction from this amount will be contributed towards the project cost as outlined above.

Funding for construction will be nominated in the 2024-25 capital works program if the proposal is endorsed.

Policy and legislative requirements

Due regard needs to be given to the relevant statutory instruments in the design, approval and construction of the new facility, including:

- Coastal Management Act 2016
- Crown Land Management Act 2016
- Local Government Act 1993
- Randwick Local Environmental Plan 2012.

Consideration must also be made to the controls and objectives of:

- Randwick Development Control Plan 2013.

The following State Environmental Planning Policies apply:

- State Environmental Planning Policy (Transport and Infrastructure) 2021.

The proposal will be subject to a Review of Environmental Factors.

Conclusion

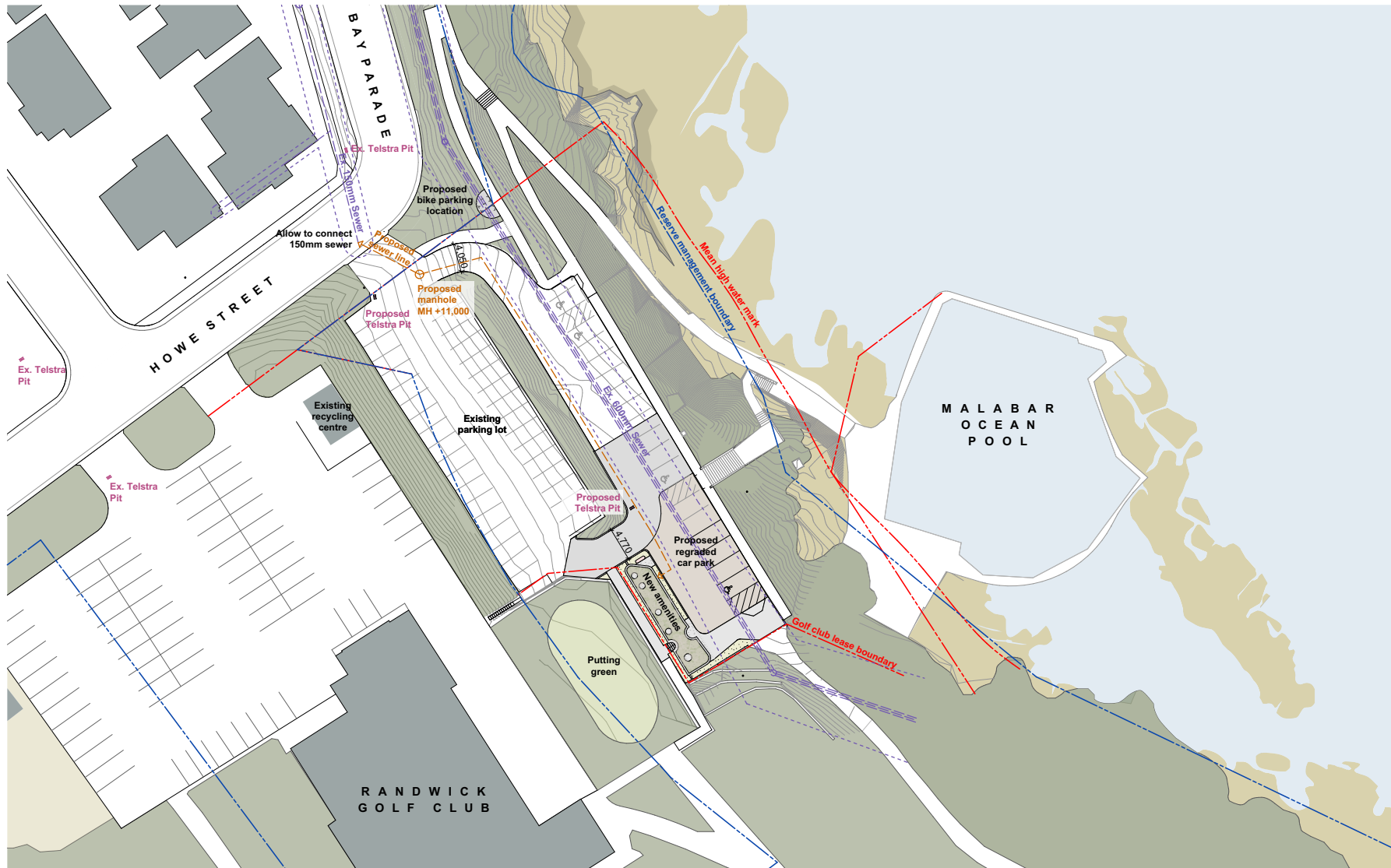
The Malabar Ocean Pool is a much-loved community facility, and one of the few pools along the coast with step-free access to, and into, the pool. Provision of toilets will enhance the use of the site for a broader range of people, including parents with very young children and those with mobility challenges. It will also provide a welcome facility for the growing number of walkers enjoying our coastline.

The spectacular nature of the site demanded a sensitive solution that will enhance the experience of the pool visitor without detracting from the coastal setting. The concept design - linear in nature and settled into the site topography and vegetation - meets the objectives identified in the 2020 community consultation, that is, that the new building be *modest in size, minimise view impacts and (be) sympathetic to the environment*.

Responsible officer: Sarah Harmston, Project Manager Major Projects

File Reference: PROJ/10961/4

CS14/23



context plan 1:500

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sam
crawford
 architects

ACN 161 429 987 Notarised Architect Sam Crawford 6488

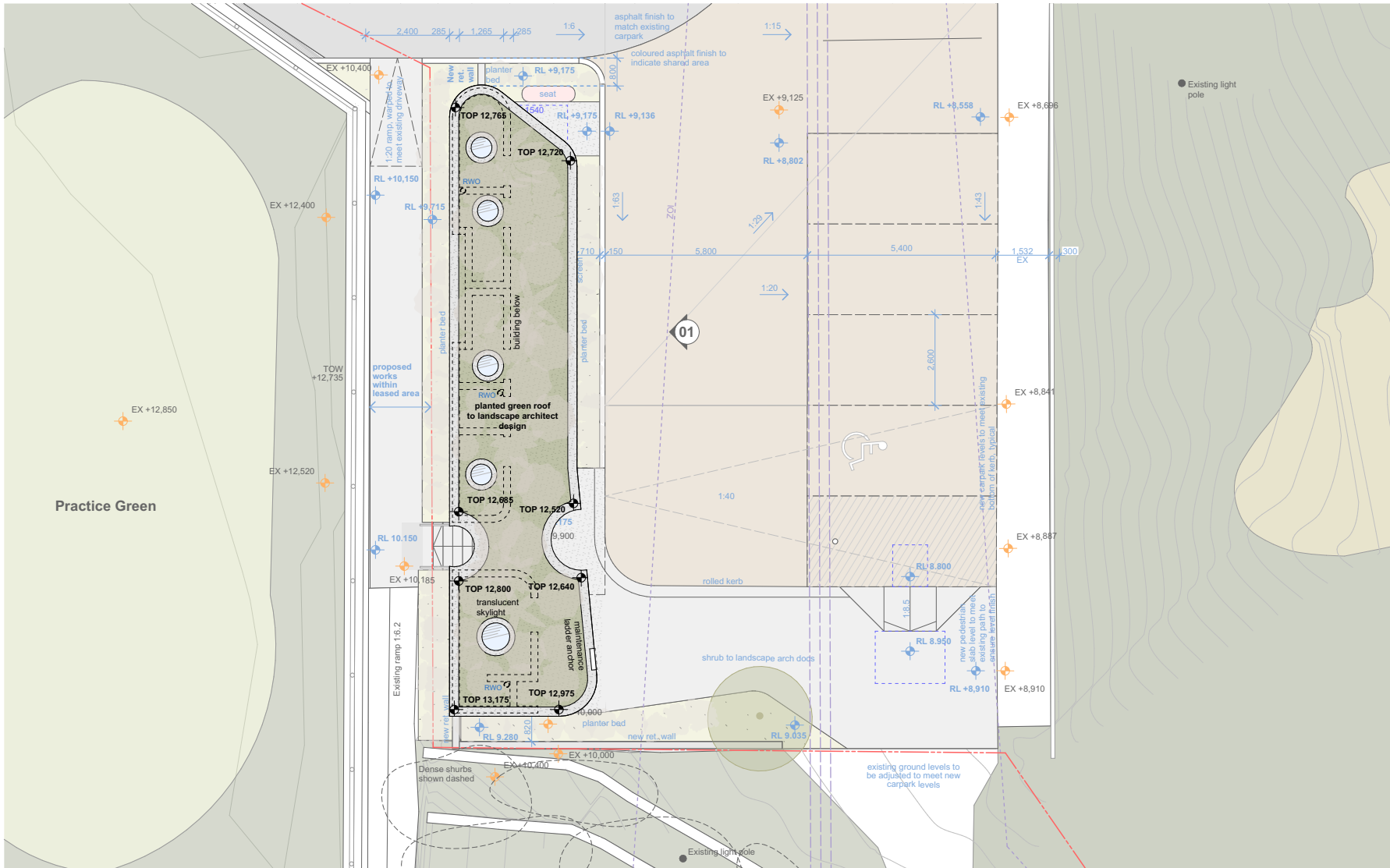


Not for Construction

MALABAR OCEAN POOL AMENITIES, MALABAR
 CONCEPT DESIGN PRESENTATION | 3/05/2023

01

CS14/23



proposed roof plan 1:100

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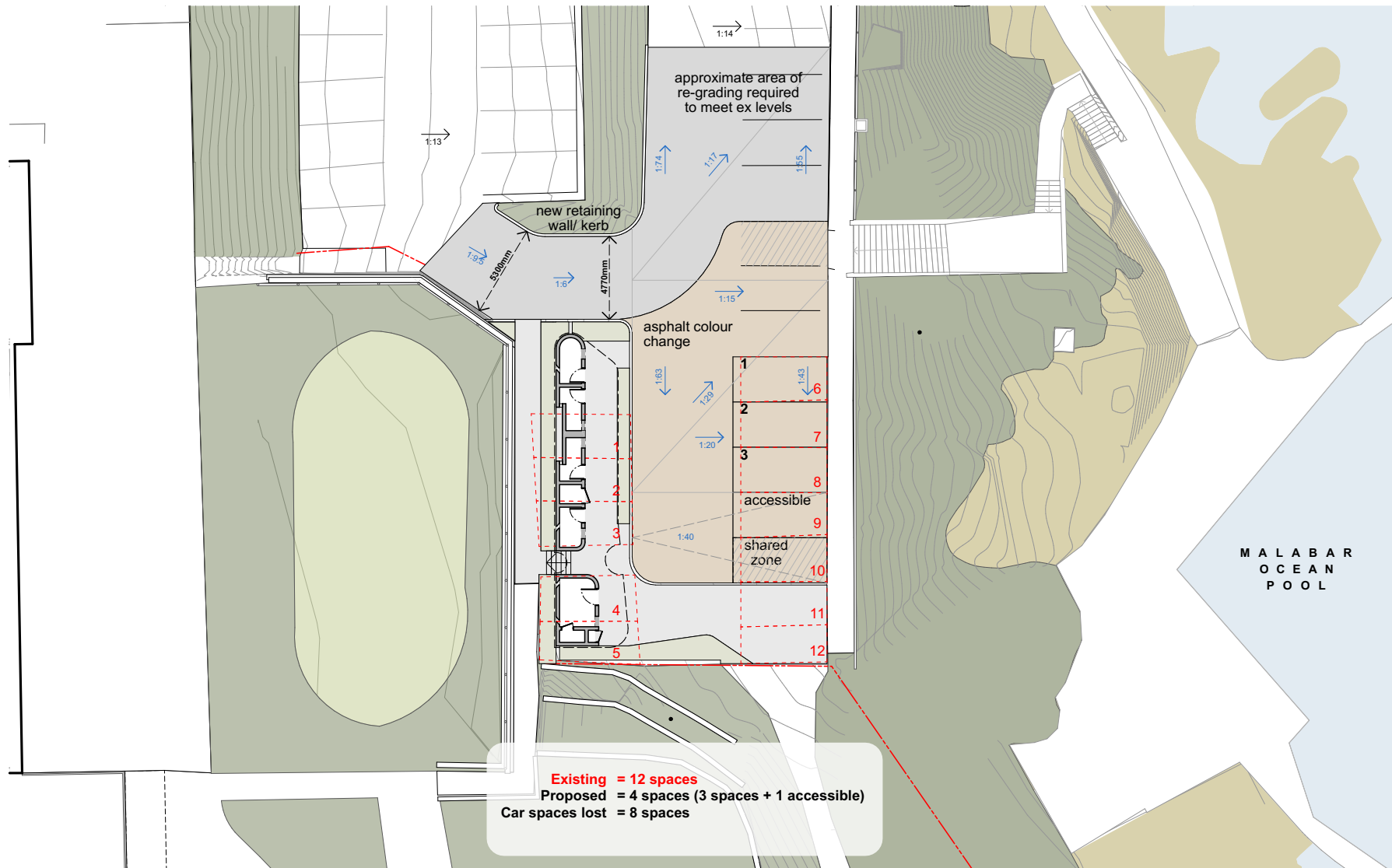


Not for Construction

ACC	Accessible		Proposed RL		TOP Top of Parapet RL
AMB	Ambulant cubicle		Existing RL		
CHANGE	Change cubicle		Compliance areas		
EX	Existing				
RET	Retaining				
ZOI	Zone of influence				

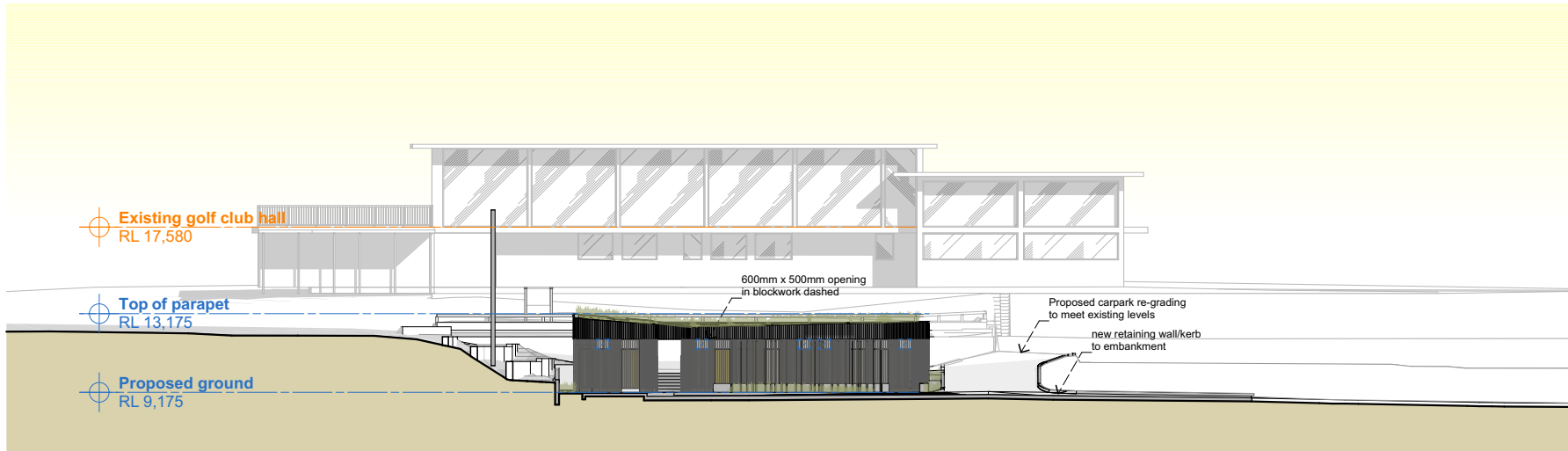
MALABAR OCEAN POOL AMENITIES, MALABAR
CONCEPT DESIGN PRESENTATION | 3/05/2023

03

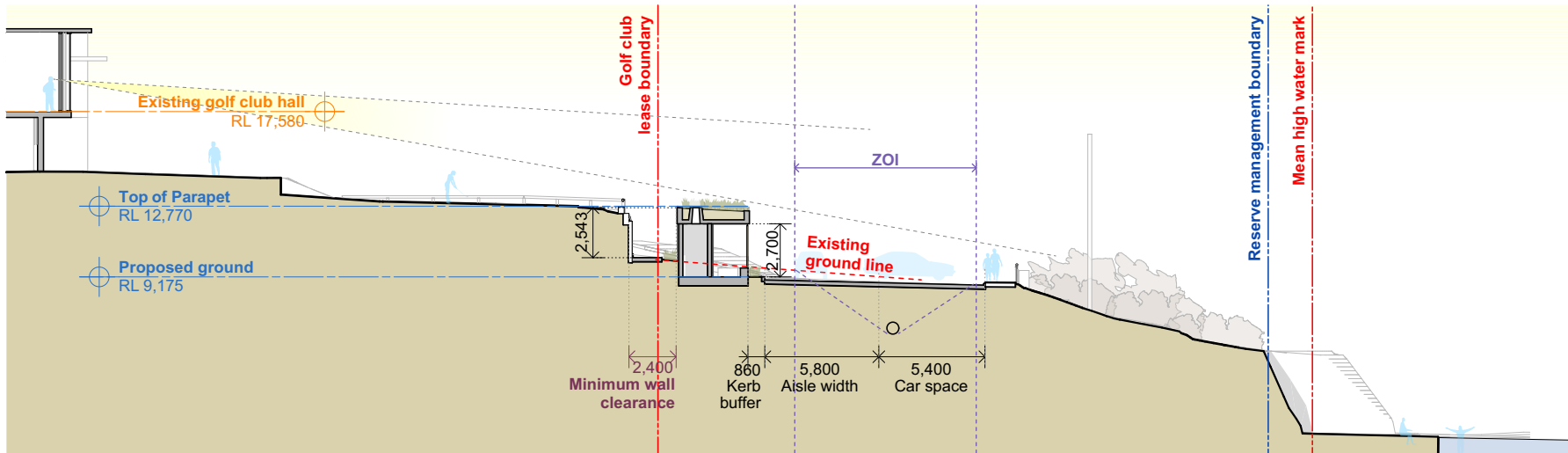


proposed carpark arrangement

CS14/23



01 East Elevation 1:200



02 Building section 1:200

elevation & section 1:200

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sam crawford architects

ACN 165 429 987 Notarised Architect Sam Crawford 6498



Not for Construction

MALABAR OCEAN POOL AMENITIES, MALABAR
CONCEPT DESIGN PRESENTATION | 3/05/2023

05



view from bay parade

Printed: 4:57 PM, 3/05/2023

sam
crawford
architects

ACN 165 409 987 Nominated Architect Sam Crawford 6498

Not for Construction

MALABAR OCEAN POOL AMENITIES, MALABAR
CONCEPT DESIGN PRESENTATION | 3/05/2023

06

CS14/23



view from north east

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sam
crawford
architects

ACN 165 409 987 Notarised Architect Sam Crawford 6498

Not for Construction

MALABAR OCEAN POOL AMENITIES, MALABAR
CONCEPT DESIGN PRESENTATION | 3/05/2023

07

Director City Services Report No. CS15/23

Subject: Wheelchair access matting at Frenchmans Bay

Executive Summary

- The Beach foreshore at Frenchman's Bay is a natural environment subject to tides, ocean currents, swells and onshore winds that make it an unstable environment, resulting in constant shifting of sand and severe erosion to transitional access points.
- The Accessible Beach Matting is a portable and removable rollout access pathway for wheelchair users, strollers and pedestrians which sits on the sand and enables access all the way to the water's edge.
- Frenchman's Bay Beach is not a suitable location to have the matting installed as a permanent fixture due to the constant change to weather conditions.
- Council is in the process of improving beach accessibility at Yarra Bay which includes the It is anticipated for this project to start in June 2023 and conclude in August 2023.

Recommendation

That Council:

- a) note the report;
- b) not proceed with the installation of Wheelchair Access matting at Frenchman's Bay; and
- c) Notes the Yarra Bay Beach accessibility works commencing in June 2023.

Attachment/s:

Nil

Purpose

To provide a response to Council regarding investigating the feasibility of installing an accessible Beach matting at Frenchman's Bay.

Background

At its Council Meeting held on 28 February 2023, Council resolved:

(Burst/Rosenfeld) that Council investigates a wheelchair access mat/path to run out to the water's edge at Frenchman's Bay, La Perouse.

Issue

To evaluate the feasibility and practicality of this request, discussions were held between internal departments (Technical Services, Aquatic Services and Waste Cleansing and Public Safety).

The following factors were considered and discussed:

Weather:

Considering the highly reactive nature of the beachfront (tides in excess of 2.1 metres, Southerly swells and high Westerly Winds) causing regular and extreme erosions of sand at the transition points to the Beach. These erosions have the capacity to undermine the sand beneath the matting leading to instability and damage.

Safety:

Currently Frenchman's Bay beach is not patrolled by lifeguards, which limits Council's ability to monitor the safe use of the matting.

Operational Teams:

Given the width of the beach, from the bushland to the high tide mark, the installation of the matting will have an impact on the operational teams responsible for grooming of Frenchman's Bay beach (creating access issues for the Beach Cleaner).

Yarra Bay Accessibility Works:

Council is in the process of improving accessibility at Yarra Bay in response to Council's resolution (CS40/20- Increased accessibility and patrols at Yarra Bay Beach).

This project includes the installation of twenty-five (25) metres of Beach matting, upgrade to mobility parking spaces, accessible concrete path, recycled plastic ramps and footpath to the beach and a new accessible picnic shelter. It is anticipated for this project to start in June 2023 and conclude in August 2023.

To complete these works Council upgraded and refurbished the amenities building at Bicentennial Park in 2022 this upgrade included accessible amenities and change room.

Considering the above factors, consensus is not to proceed with the installation of the Beach Matting at Frenchman's Bay Beach.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:

Service area	Waste & Cleansing Services
Function	Public Place Cleansing
Delivery program commitment	Clean the City's assets and infrastructure in business centres, beaches, parks and other public places.

Conclusion

Frenchman’s Bay Beach is not a suitable location to have the matting installed as a permanent fixture due to the constant change to weather conditions for this location (severe erosions caused to the Beach which impacts the entrance and exit points of this site).

Council is in the process of improving accessibility at Yarra Bay which includes the installation of twenty-five (25) metres of Beach matting, upgrade to mobility parking spaces, accessible concrete path, recycled plastic ramps and footpath to the beach and a new accessible picnic shelter. It is anticipated for this project to start in June 2023 and conclude in August 2023.

Responsible officer: Mark Bush, Manager Waste, Cleansing and Public Safety

File Reference: F2012/00584

Director City Services Report No. CS16/23

Subject: Review Lighting Hours at Nagle Park (response to Notice of Motion)

Executive Summary

- Council resolved to seek a trial on extending the lighting on Nagle Park sports field from April to September. The extended lighting would support more informal and passive recreation in the park during the winter months, including residents who walk their dogs in the park and make use of the off-leash dog sections of Nagle Park.
- There is a current Development Application in place with permissible lighting hours for three (3) days per week until 8.30pm. This proposal is contrary to this approval. As this is a trial for a specific period a DA amendment is not required if community consultation is supportive.
- As part of the proposal consultation with impacted residents was carried out.
- Within the report it is important to note the impacts to sporting groups, residents, and community because of this increased allowance in passive usage. Impacts can be derived from a range of factors, including for example increase in servicing, increased maintenance costs etc.
- The results of the consultation survey shows there has been an increased interest from sporting groups for additional use of the fields because of the community consultation process, noting that the trial is specifically aimed at passive recreation not sporting groups.
- The overall results of the community consultation process have been supportive of the trial with a significant portion of respondents in favour of the trial to be carried out.

Recommendation

That:

- a) the trialing of lights during all weeknights, Monday to Friday at Nagle Park Maroubra till 8.30pm occurs up until September 2023.
- b) if the trial is deemed successful, a modification to the current approved hours noted in the DA occurs to formalise the change, including the consideration to usage by sporting groups as well as the community.

Attachment/s: Use the link below to access the following attachment:

1. Community Consultation

Purpose

The purpose of this report is to provide a response to the request for a trial of increased lighting at Nagle Park during all weeknights i.e.. Monday to Friday till 7.30pm between April and September, including the outcomes of the community consultation.

Discussion

Council at its Ordinary Council Meeting on the 22 November 2023 Resolved:

(Rosenfeld/Burst) that Council:

- a) *request a report on trialing having lights on during all weeknights i.e., Monday to Friday at Nagle Park Maroubra till 7.30pm between April and September; and*
- b) *this report to involve consultation with impacted residents.*

This report is in response to the following Notice of Motion.

Background

Nagle Park is located at 28R Walsh Street Maroubra and is zoned RE1 for Public Recreation and is used as a sporting ground. The sports ground is centrally located within Maroubra and accommodates several sporting codes (predominantly Rugby Union and Cricket) who use this space in summer and winter. As well as people undertaking passive recreation, from the surrounding houses.



Development consent (DA/370/2007) provides that the flood lights in Nagle Park can be used three (3) days per week until 8.30pm for sporting activities. This schedule is rigorously adhered to ensure that operations and the utilization of this space do not detrimentally affect the adjoining residents.

The issue of the use of sports field lighting as a way of accommodating passive recreational usage of the site has been raised several times with affected groups. The addition of extra days and times of lighting to the park more than the permissible hours would be in breach of the current DA conditions.

In discussions with Councils Planning Department regarding the best approach to implement the request it was concluded that because of the Notice of Motion and the fact that this initiative is only a trial, it could be implemented following a successful community consultation process. If the trial is deemed a success overall an amendment would be required to the DA to formalize the change in lighting operations.

During the Winter Season, this field experiences peak usage, where the sporting groups will be using the fields for training and games three (3) nights a week as per the permissible hours. When considering the proposal there are several considerations related to this request that need to be raised that will directly impact the operation of the fields.

- Light Spill from the lights; some fields have very specific limits set on usage of lights.
- Noise Pollution generated from passive and active recreation activities upon the fields.
- Parking issues being prolonged throughout the week/weekend due to the increased patronage.
- Increased servicing requirements; waste, cleaning, field maintenance etc. from Council though the demand for increased services.
- Increased confrontational issues with social games versus organised sporting teams with the increased number of people in attendance onsite.

The extended lighting would support more informal and passive recreation in the park during the winter months, including residents who walk their dogs in the park and make use of the off-leash dog sections of Nagle Park. Although not specifically identified within the resolution and consultation, sports group usage of the field during this time has been raised as a consideration. Due to the community consultation process, the sporting clubs have been supportive of this initiative as there have been several requests to increase the ability to utilise this space throughout the week because of the trial. The clubs are requesting access to the sports fields on the additional two nights. With the current field capacity high this could accommodate additional training.

One of the most critical issues is the increased servicing requirements to the playing surface from the increased activities. We are currently experiencing a higher-than-normal usage of our fields from both bookings and passive/social usage.

As per the Resolution, Council officers have sought feedback from the community through a community consultation process, see poster and letter contents below. The aim of the consultation process was to identify within the community the sentiment regarding this space for sports and for passive recreation.

Do you support turning the lights on five days a week?

Randwick City Council is proposing to trial extended lighting of the sports fields at Nagle Park.

The lights currently operate three nights a week until 8.30pm, April to September.

We are proposing to trial lighting the fields five days a week (Monday to Friday) until 8.30pm to support informal and passive recreation in the park during the winter months.

HAVE YOUR SAY

For more information and to take our quick survey visit yoursay.randwick.nsw.gov.au

Survey closes 9am, Monday 3 May 2023

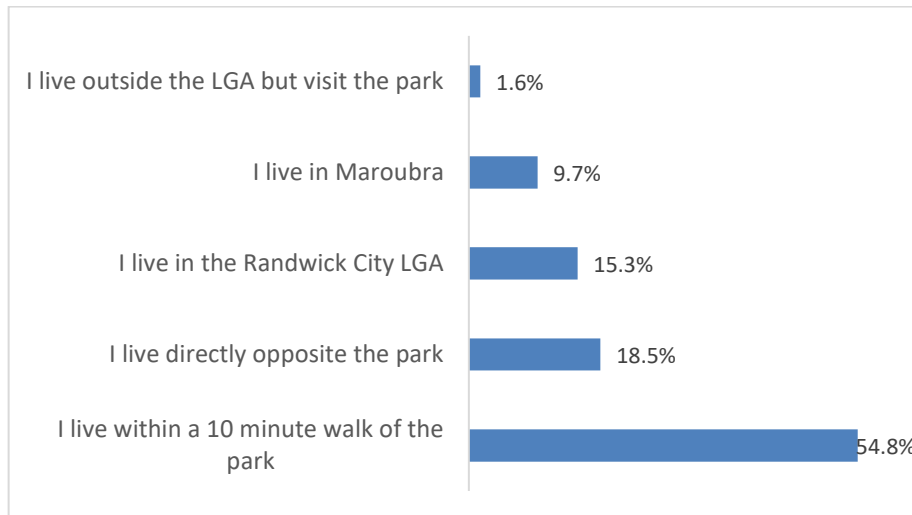
SCAN FOR MORE INFORMATION

Randwick City Council
Council of Community

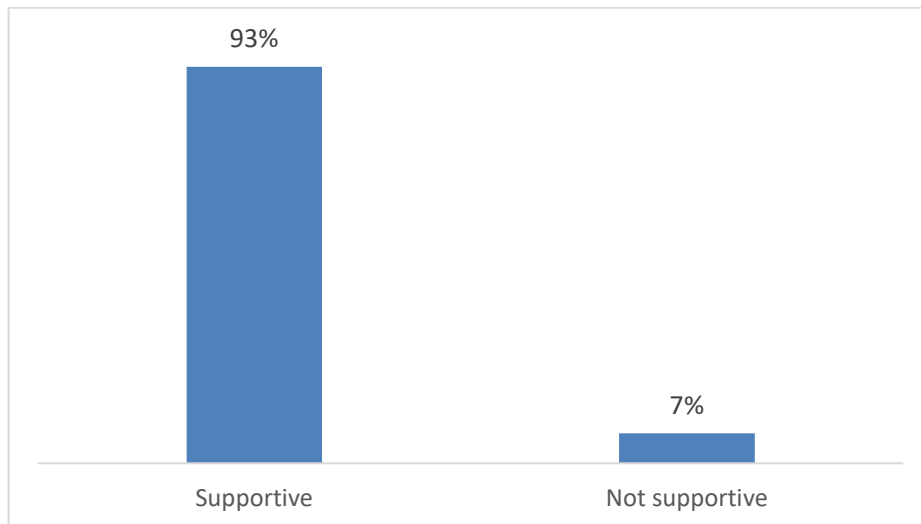
1300 722 542
randwick.nsw.gov.au

Consultation poster

A consultation process was undertaken and the results of the survey, see attachments, provide the following insights into this park and the sentiment of the community. During this time, there were 630 visits to the Your Say site and 124 surveys completed.



Connect to Nagle Park



Support for the proposed trial

The outcome of this consultation is 93% supportive of the trial and overall deem this initiative to be a positive action by Council.

Positive commentary from the survey participants (15% of respondents) living within the vicinity of the park was they feel safer using the park, it was successful during COVID and that there are no issues when the lights are on 3 nights currently.

Negative commentary from the survey participants (3% of respondents) living within the vicinity of the park was that Council originally committed to only having the lights on 3 nights per week and the negative impact on parking, increased traffic, and noise

To note that the hours of lighting are to be amended to 8.30pm not 7.30pm as noted in the resolution, to be in line with current hours of operation. This will enable easier management of the lighting changes through Councils systems.

The full community consultation report is **attached**.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering the Outcomes of the Community Strategic Plan:	
Strategy	Open Space and Recreation
Outcome	A community that is healthy and active
Objective	Maintain a community satisfaction* rating for coastal open spaces, coastal walkway, playgrounds and parks of 97%
Delivery program commitment	Activate appropriate regional parks at night with creative and smart lighting, to increase use and safety.
Delivery program commitment	Optimise existing sports field layouts to increase number of fields provided and diversity of codes catered for.

CS16/23

Resourcing Strategy implications

At present there is not direct financial implication, but there is a direct impact upon the fields. This is contingent upon the volume of patronage the fields get within this timeframe and whether the trial becomes permanent. The costs are associated with the additional requirements for increased maintenance of the site from dogs, sports, and usage by the community. If the trial is a success and becomes formalised, it is recommended to investigate the increased financial impacts from maintenance and potential increase in revenues from increased bookings.

Policy and legislative requirements

Local Government Act 1993.

Conclusion

Based upon the outcomes of the community consultation, it is recommended to proceed with the trial to occur up until September 2023, however the time being to 8.30pm not 7.30pm as previously noted, this to be in line with current hours of operation.

Responsible officer: Ryan Zammit, Manager Infrastructure Services

File Reference: F2005/00446

Director Community & Culture Report No. CC8/23

Subject: Review of the Community Investment Program

Executive Summary

- The Community Investment Program was adopted in June 2020 to replace the Cultural and Community Grants.
- Both the Community Connect and Community Creative Streams have seen significant growth in funds requested and application numbers in the 22-23 FY, indicating the demand and appreciation for this program.
- 42% of connect funded activities and 7% of Creative funded activities have been for 'in-kind' fee support and waivers.
- The Community Partnerships stream remains an important funding stream for our social services and there are no recommended changes to this within this report.
- Based on the data provided in this report an increase to the connect and creative budgets for 23-24 is recommended.
- Following the inclusion of the additional funding in the 2023-24 budget a further report will come back to Council with a review of the guidelines for the Community Investment Program.

Recommendation

That Council:

- a) increase the total budget for Community Connect and Community Creative by \$70 000.00, that being made up by:
 - i. an increase of \$60,000 to the Current Community Connect budget of \$120,000, bringing the new total budget to \$180, 000
 - ii. an increase of \$10,000 to the Current Community Creative budget of \$170,000, bringing the new total budget to \$180, 000
- b) approve to fund the overall increase of \$70,000 from the Community Development Reserve Fund.
- c) approve moving the current annualised donations of \$29,000 in the Mayor's contingency to the donations budget in Community Development, as per previous Council resolution.
- d) note that a further briefing and report will come back on the guidelines for the Community Investment Funding Streams, by the August 2023 Council meeting.

Attachment/s:

Nil

Purpose

1. To provide an analysis, supported by data, with recommendations for the continual improvement of the Community Investment Program.
2. To respond to Council's resolution at the 28 March 2023 meeting, part d) & e) (ii) (iii) (iv) & f):

RESOLUTION: (Hamilton/Luxford) that Council:

- a) approve the Community Connect funds allocation of **\$34,989.20** (\$13,330 in-kind, inclusive of one Rapid Response; and \$21,659.20 in cash;) to the recommended projects;
- b) approve the Community Creative funds allocation of **\$55,929** (cash contributions only) to the recommended projects;
- c) note the status of the Mayor's Contingency Fund allocations for 2022-23 as of February 2023;
- d) **enhance the Community Investment Program by providing assistance and feedback to worthy but unsuccessful (or misdirected) applications so they have the opportunity to resubmit later with a better understanding of the requirements;**
- e) **bring back to Council a review of the Community Investment Program for 2022/23, including but limited to the following;**
 - (i) a review of the guidelines of all three facets of the Community Investment Program, with the intention of creating a rules-based policy;
 - (ii) **review of the in-kind allocations, including investigating the discounting or waiving of fees and charges of Council's community centres for not-for-profits (and limit the use of Councils commercial centres);**
 - (iii) **current annualised donations in the Mayor's contingency to be moved into the community donations line and a relevant adjustment made; and**
 - (iv) **consider the funding of a dedicated Grants officer to be responsible for Policy, Guidelines, Eligibility, Program Objectives, Criteria and Final Acquittal and assisting of applicants any future Community Investment Program; and**
- f) **hold a briefing on the review before the next Council Meeting**

A briefing was held with Councillors on 11th April to discuss the proposed budget increase to the Community Investment Program.

Part e) (i) will be the subject of a further Council report and briefing and has no budgetary consideration for the 23/24 budget.

Discussion and Evaluation

In June 2020, the Community Investment Program was adopted by Council to replace the Cultural and Community Grants program and provide an overall framework for community funding. The aims of the Community Investment Program are to provide more diverse and flexible opportunities for the community to seek support, enhance council's ability to capture the benefits and impact of community initiatives and to report on achievements.

The Community Investment Program is made up of multiple funding streams, these include:

- **Community Connect** – supporting events, activities and projects which enrich the lives of our residents and cultivate engagement, belonging and social cohesion.
 - Budget allocation of \$120,000
 - 3 funding rounds per year

- **Community Creative** – supporting the growth of creativity by funding a range of projects, programs and activities that provide opportunities for artists, art organisations and community to showcase and experience arts and culture within the city.
 - Budget allocation of \$170,000
 - 3 funding rounds per year
- **Community Partnerships** – supporting not-for-profit and community based social services to deliver programs and services to disadvantaged residents
 - Budget allocation of \$200,000
 - 1 funding round per year

Sitting as an application option under Connect and Creative:

- **Rapid response** - for 'in-kind' venue/ hall hire when a community event or activity does not fit within a funding round cycle or the organisation misses the application timing of Connect or Creative.
 - No separate allocated budget, applications received through rapid response are funded from Connect or Creative budgets based on the activity.
 - No set funding rounds – applications always open

In addition to the public facing streams, the Community Investment Program includes the funding components for the Mayor’s Contingency budget and The Community Donations budget.

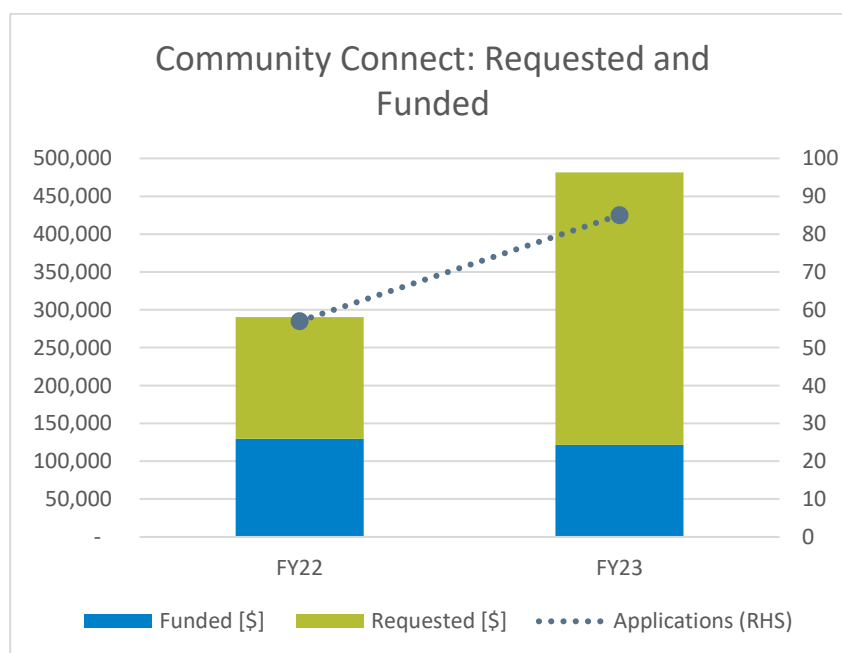
For the purposes of this report, the recommendations concentrate on Community Connect, Community Creative and the Rapid Response option related to these streams.

Community Connect

The Community Connect investment stream is committed to fostering a connected and cohesive community which is empowered and thrives. Community Connect supports projects, events or activities which enrich the lives of our residents and cultivate connection, inclusion, participation, belonging and social cohesion.

As shown in the graph below, we have seen significant growth in the number of applications and funds requested over the past 2 years.

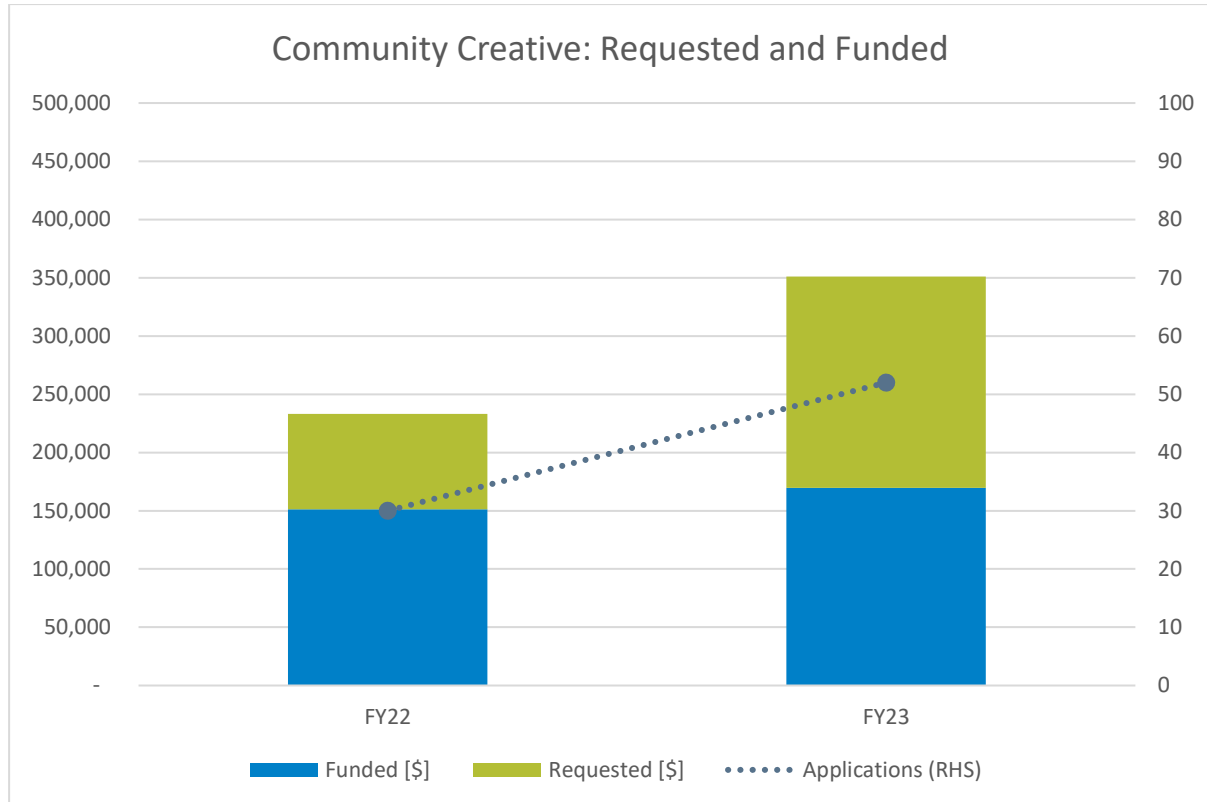
Applications are competitively assessed, and who are not all applications would receive funding, there are several which are unsuccessful based on the volume of applications and available budget.



Community Creative

The ‘Community Creative’ funding stream was designed to support the creative arts sector to enable a vibrant mix of events, exhibitions, innovation, and partnerships.

The funding for this stream has seen consistent growth and due to budget, we have not been able to fund all the great initiatives presented, with some being allocated through the Mayor’s contingency or via non-budgeted ‘sponsorship’ through the Council’s communications department.

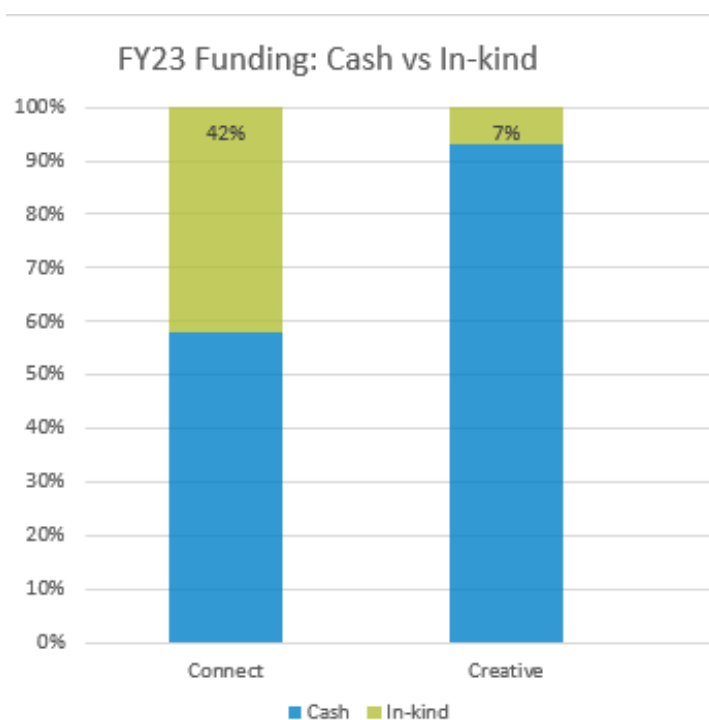


Fee support

The Community Investment Program has fee support/waivers for hall hire and open space built in through Connect and to a lesser extent the Creative stream. The rapid response function has regularly been implemented for this purpose.

The Mayor also receives regular requests for fee support, which is not always related to hall hire, rather other council services such as waste services, lifeguards and nursery.

As shown in the below graph, fee support makes up 42% of the funded activities through Community Connect funding, and 7% through Community Creative.



So far this financial year Council has provided \$62,602 toward fee support/waiver activities through the Community Investment program:

Funding Stream	Amount
Connect	\$51,003
Creative	\$11,599
TOTAL	\$62,602

Analysis

Based on the data above and the demonstrated need for funding of programs and fee support activities, it is recommended that an additional \$60 000.00 be added to the budget for the Community Connect stream.

It is recommended that an additional \$10 000.00 be added to the budget for the Community Creative stream.

These additional budget amounts make the two funding streams consistent with each other, respond to the growth data and increase each stream in line with the fee support/waiver amounts.

Dedicated Grants Officer

In responding to Council’s resolution part d) and part e) (iv) it is proposed that in FY 23/24 an additional resource will be provided to focus on closer liaison with grant applicants and recipients, to provide feedback to unsuccessful applicants and assist with the overall delivery of the grants program. This role will work with the existing staff who run the program to provide greater exposure and customer service. This will lead to better outcomes, constructive feedback and more promotion of the program and successful projects funded by Council.

Guidelines

In response to Council’s resolution to review the guidelines of the Community Investment Program, a further briefing and Council report will be provided by the August Council meeting. This will be done in consultation with relevant stakeholders including the Arts & Culture Committee and through review of past grant recipients.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering the Outcomes of the Community Strategic Plan:

Strategy	Inclusive Randwick
Outcome	A resilient city where people are engaged, informed, connected and feel a sense of community and belonging
Objective	The percentage of residents who feel a part of their community will remain above the metro benchmark through to 2031
Delivery program commitment	Increase the promotion of annual grant funding which invests in community ideas, initiatives and events.
Delivery program commitment	Undertake an audit on the community use of council halls and facilities and prepare a report to council on recommendations for use by 2023.
Strategy	Arts and Culture
Outcome	A city where everyone can develop, express and enjoy creativity throughout their life
Objective	Increase the number of places by 20% that are available for people to participate in art and culture by 2031, using the 2019 cultural mapping baseline
Delivery program commitment	Identify and provide a minimum of 10 new Council venues and/or open space areas for people to participate in the creative and performing arts by 2031.
Delivery program commitment	Increase the utilisation of all existing Council venues and spaces by cultural arts by 10% from the 2021 baseline.

Resourcing Strategy implications

The funding source for the additional \$70 000.00 will be allocated from the Community Development Reserve and added to the Community Development operational budget as an ongoing amount from 24-25. The money in reserves came from unspent Community Investment Program budget which allows us to use this money as it is for the same purpose.

Funding for a Grants Officer has been included in the 23-24 budget currently on exhibition.

Conclusion

The Community Investment Program has proven to be a successful vehicle for delivering support and funding into the community and has seen significant growth since its implementation in 2020. Further support of projects through the program will enable groups and residents to deliver initiatives and activities that benefit our community through increased connection, creative expression, and service provision.

Responsible officer: Jodi Tweed, Manager Community Development

File Reference: F2020/00336

Director Corporate Services Report No. CO18/23

Subject: Investment Report - March 2023

Executive Summary

- This report outlines Council's investment portfolio and performance as at 31 March 2023.
- All investments have been made in accordance with the Act, Regulations and Council's Investment Policy.
- For the month of March, the total portfolio (T/Ds, FRNs and Bonds) provided a return of +0.31% (actual) or +3.76% p.a. (annualised), marginally outperforming the benchmark AusBond Bank Bill Index return of +0.28% (actual) or +3.39% p.a. (annualised).
- Our current margins in comparison to benchmark may decline given our long-term tenure in term deposits. Our overall investment return remains solid due to interest rate increases. The total revised interest on investments on current budget will be \$2,570,504. Investment income received to 31 March is \$2,712,659 representing 105.53% of the budget year to date.
- Cashflow will continue to be monitored closely, as the RBA expects to take further steps in the process of normalising monetary conditions over the coming months. Investments will continue to be managed to ensure liquidity to meet operational requirements.

Recommendation

That the Investment Report for March 2023 be received and noted.

Attachment/s:

1.   Certificate by Responsible Accounting Officer - March 2023

Purpose

The Local Government (General) Regulation requires a written report to be provided to the Ordinary meeting of the Council giving details of all monies invested and a certificate as to whether, or not, the investments have been made in accordance with the Act, the regulations, and the Council's Investment Policy.

Discussion

As at 31 March 2023, Council held investments with a market value of \$155.94 million. The portfolio value decreased during March by \$5.21 million. The decrease is representative of a negative cash flow for the month reflecting the net effect of revenue receipts, rates, grants, and miscellaneous payments, offset by capital works expenditure and other operational payments.

The size of the investment portfolio varies significantly from month to month because of cash flows for the period. Cash outflows (expenditure) are typically relatively stable from one month to another. Cash inflows (income) are cyclical and are largely dependent on the rates instalment due dates and the timing of grant payments including receipt of the Financial Assistance Grants.

Cashflow continues to be closely monitored, ensuring that there is enough cash in the business to operate on a day-to-day basis, to:

- Ensure that Council maintains a balanced operating result,
- Ensure that payments are received on time to control debtors; and
- Manage and finance capital projects.

At the RBA's last meeting on 04 April 2023, the RBA:

- Decided to leave the cash rate target unchanged at 3.60 per cent.

The cash rate has increased materially since May 2022. The RBA is seeking to *"return inflation to the 2–3 per cent range while keeping the economy on an even keel, but the path to achieving a soft landing remains a narrow one."*

According to the latest data from the Australian Bureau of Statistics (ABS), the CPI rose 1.9 percent in the December 2022 quarter and 7.8 percent annually. Inflation is expected to decline this year and next, to around 3 percent by mid-2025.

The growth in the Australian economy has slowed with GDP increasing by 0.5 percent in the December quarter and 2.7 percent over the year. The labour market remains very tight, and the unemployment rate has been steady at around 3.5 percent over recent months, which is a near 50-year low. As economic growth slows, the unemployment rate is expected to increase to 3 percent by the end of this year and 4.5 percent by mid-2025. A further wage growth pick-up is expected due to the tight labour market and higher inflation.

The RBA expects that further increases in interest rates will be needed over the months ahead to ensure that inflation returns to target and that this period of high inflation is only temporary. The Board will be *"paying close attention to developments in the global economy, trends in household spending and the outlook for inflation and the labour market"*.

On Call Funds

On call funds are held to meet Council's immediate cash flow requirements. The on-call funds' balance has now gradually been reduced as the economic outlook from the pandemic has improved but will continue to be monitored and reviewed in line with anticipated operational requirements.

The on-call balance at month end is \$7.40 million or 4.74% of the total portfolio.

Investment	Rating	Balance - 1 March 2023	Movement	Balance – 31 March 2023	Interest Rate
CBA	AA-	\$7,583,823	-\$190,789	\$7,393,035	3.70%
Macquarie Bank	A+	\$2,345	\$7	\$2,352	3.60%

Term Deposits

- At month's end, the portfolio included \$122 million in term deposits.
- Term Deposits made up 78.23% of the total investment portfolio.
- Four term deposits totaling \$6.5 million matured in March 2023.
- One new term deposit for \$1.5 million was placed.
- As at the end of March 2023, the term deposit portfolio was yielding 3.64% p.a. (up 9bp from the previous month).

	Rating	Balance 1 March 2023	Movement	Balance 31 March 2023	Date Invested	Date Maturity	Interest Rate
ICBC	A	\$1,500,000	-\$1,500,000	0	11/02/2021	29/03/2023	0.62%
ICBC	A	\$2,000,000	0	\$2,000,000	11/02/2021	28/06/2023	0.65%
ICBC	A	\$2,000,000	0	\$2,000,000	9/09/2021	18/09/2024	0.94%
ICBC	A	\$1,500,000	0	\$1,500,000	27/09/2021	27/09/2023	0.60%
Westpac	AA-	\$1,000,000	0	\$1,000,000	10/11/2021	3/12/2025	1.70%
Westpac	AA-	\$1,000,000	0	\$1,000,000	10/11/2021	9/12/2026	1.88%
ICBC	AA-	\$2,000,000	0	\$2,000,000	11/11/2021	13/12/2023	1.22%
CBA	AA-	\$1,500,000	-\$1,500,000	0	12/11/2021	15/03/2023	0.84%
ICBC	A	\$1,500,000	0	\$1,500,000	18/11/2021	26/04/2023	0.83%
ICBC	A	\$2,000,000	0	\$2,000,000	18/11/2021	14/06/2023	0.95%
ICBC	A	\$1,500,000	0	\$1,500,000	18/11/2021	21/06/2023	0.96%
ICBC	A	\$1,000,000	0	\$1,000,000	18/11/2021	5/07/2023	1.00%
ICBC	A	\$2,000,000	0	\$2,000,000	2/12/2021	5/07/2023	1.00%
ICBC	A	\$2,000,000	0	\$2,000,000	2/12/2021	11/10/2023	1.10%
ICBC	A	\$2,000,000	0	\$2,000,000	2/12/2021	24/01/2024	1.36%
ICBC	A	\$2,000,000	0	\$2,000,000	28/02/2022	12/07/2023	1.20%
ICBC	A	\$1,500,000	0	\$1,500,000	9/03/2022	25/10/2023	1.74%
CBA	AA-	\$1,500,000	0	\$1,500,000	20/04/2022	26/07/2023	2.44%
CBA	AA-	\$1,500,000	0	\$1,500,000	20/04/2022	4/10/2023	2.60%
ICBC	A	\$1,000,000	0	\$1,000,000	20/04/2022	24/04/2024	3.13%
CBA	AA-	\$2,000,000	0	\$2,000,000	2/05/2022	3/05/2023	2.71%
CBA	AA-	\$2,000,000	0	\$2,000,000	2/05/2022	1/11/2023	3.08%
CBA	AA-	\$1,500,000	-\$1,500,000	0	31/05/2022	22/03/2023	2.78%
ICBC	A	\$1,500,000	0	\$1,500,000	1/06/2022	31/01/2024	3.40%
SunCorp	A+	\$2,000,000	0	\$2,000,000	12/07/2022	17/01/2024	4.05%
Westpac	AA-	\$1,000,000	0	\$1,000,000	28/07/2022	13/03/2024	3.80%

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	Rating	Balance 1 March 2023	Movement	Balance 31 March 2023	Date Invested	Date Maturity	Interest Rate
Suncorp	A+	\$1,500,000	0	\$1,500,000	11/08/2022	3/04/2024	4.04%
NAB	AA-	\$1,500,000	0	\$1,500,000	11/08/2022	8/05/2024	4.05%
NAB	AA-	\$2,000,000	0	\$2,000,000	17/08/2022	27/03/2024	4.03%
NAB	AA-	\$2,000,000	0	\$2,000,000	17/08/2022	17/04/2024	4.03%
Westpac	AA-	\$1,500,000	0	\$1,500,000	24/08/2022	8/11/2023	4.16%
Westpac	AA-	\$1,500,000	0	\$1,500,000	24/08/2022	7/02/2024	4.22%
ICBC	A	\$2,000,000	0	\$2,000,000	24/08/2022	10/04/2024	4.30%
Suncorp	A+	\$2,000,000	0	\$2,000,000	31/08/2022	20/12/2023	4.16%
Westpac	AA-	\$2,000,000	0	\$2,000,000	31/08/2022	1/05/2024	4.24%
Westpac	AA-	\$2,000,000	0	\$2,000,000	31/08/2022	19/06/2024	4.25%
Westpac	AA-	\$2,000,000	0	\$2,000,000	31/08/2022	26/06/2024	4.25%
NAB	AA-	\$2,000,000	0	\$2,000,000	1/09/2022	20/03/2024	4.30%
Westpac	AA-	\$2,000,000	0	\$2,000,000	1/09/2022	12/06/2024	4.35%
Suncorp	A+	\$2,000,000	0	\$2,000,000	27/10/2022	14/06/2023	4.28%
Suncorp	A+	\$2,000,000	0	\$2,000,000	27/10/2022	21/06/2023	4.29%
Suncorp	A+	\$2,000,000	-\$2,000,000	0	31/10/2022	29/03/2023	4.00%
Suncorp	A+	\$2,000,000	0	\$2,000,000	30/11/2022	19/07/2023	4.24%
Suncorp	A+	\$2,000,000	0	\$2,000,000	1/12/2022	5/04/2023	3.87%
Suncorp	A+	\$2,000,000	0	\$2,000,000	1/12/2022	12/04/2023	3.90%
Suncorp	A+	\$2,000,000	0	\$2,000,000	1/12/2022	19/04/2023	3.94%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	13/09/2023	4.51%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	18/10/2023	4.58%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	27/12/2023	4.71%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	3/01/2024	4.74%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	10/01/2024	4.74%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	23/12/2024	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	31/12/2024	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	8/01/2025	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	15/01/2025	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	22/01/2025	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	17/07/2024	4.67%
CBA	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	25/09/2024	4.67%
CBA	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	16/10/2024	4.67%
Suncorp	A+	\$2,000,000	0	\$2,000,000	12/01/2023	20/09/2023	4.45%
Westpac	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	3/07/2024	4.60%
Westpac	AA-	\$1,500,000	0	\$1,500,000	25/01/2023	24/07/2024	4.40%
Westpac	AA-	\$1,500,000	0	\$1,500,000	25/01/2023	9/10/2024	4.38%

	Rating	Balance 1 March 2023	Movement	Balance 31 March 2023	Date Invested	Date Maturity	Interest Rate
CBA	AA-	\$1,500,000	0	\$1,500,000	31/01/2023	15/11/2023	4.56%
CBA	AA-	\$1,500,000	0	\$1,500,000	31/01/2023	10/07/2024	4.63%
CBA	AA-	\$2,000,000	0	\$2,000,000	21/02/2023	31/07/2024	4.98%
CBA	AA-	\$2,000,000	0	\$2,000,000	21/02/2023	2/10/2024	4.98%
CBA	AA-	\$2,000,000	0	\$2,000,000	28/02/2023	10/05/2023	4.00%
CBA	AA-	\$1,000,000	0	\$1,000,000	28/02/2023	12/03/2025	4.98%
Westpac	AA-	\$2,000,000	0	\$2,000,000	28/02/2023	18/06/2025	4.94%
Westpac	AA-	\$2,000,000	0	\$2,000,000	28/02/2023	25/06/2025	4.94%
NAB	AA-	0	\$1,500,000	\$1,500,000	2/03/2023	9/04/2025	4.95%
Total		\$127,000,000	-\$5,000,000	\$122,000,000			

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Floating Rate Notes (FRNs)

- The portfolio includes \$24.933 million in floating rate notes, making up 15.99% of the total portfolio.
- FRNs are classified as “held for trading” and are required to be reported at the latest indicative market valuations at month end.
- The indicative market value of the FRNs as at 31 March 2023 decreased by ~\$50 thousand.
- There is no new floating rate note placed during the month
- Council will continue to look at opportunities and new issuances as they become available, and switch if viable.

Investment	Rating	Purchase Price	Indicative Value 31 March 2023	Date Invested	Maturity Date	Interest Rate
Macquarie Bank	A+	\$2,000,000	\$2,002,471	07/08/2019	07/08/2024	90D BBSW + 80 bpts
Citibank	A+	\$1,000,000	\$999,647	14/11/2019	14/11/2024	90D BBSW + 88 bpts
NAB	AA-	\$2,000,000	\$2,005,445	21/01/2021	21/01/2025	90D BBSW + 77 bpts
Macquarie Bank	A+	\$2,000,000	\$1,999,099	12/02/2020	12/02/2025	90D BBSW + 84 bpts
UBS	A+	\$1,300,000	\$1,293,525	30/7/2020	30/07/2025	90D BBSW + 87 bpts
Bank of China	A	\$1,000,000	\$998,880	18/08/2020	18/08/2023	90D BBSW + 80 bpts
UBS	A+	\$3,000,000	\$2,941,929	26/02/2021	26/02/2026	90D BBSW + 50 bpts
CCB	A	\$1,000,000	\$995,365	11/03/2021	11/03/2024	90D BBSW + 58 bpts
ICBC	A	\$1,700,000	\$1,666,240	18/06/2021	18/06/2026	90D BBSW + 66 bpts
NAB	AA-	\$3,100,000	\$3,054,806	24/08/2021	24/08/2026	90D BBSW + 41 bpts
Suncorp	A+	\$1,750,000	\$1,718,829	15/09/2021	15/9/2026	90D BBSW + 48 bpts
CBA	AA-	\$1,500,000	\$1,489,495	14/1/2022	14/1/2027	90D BBSW + 77 bpts
Suncorp	A+	\$1,800,000	\$1,784,434	25/1/2022	25/1/2027	90D BBSW + 78 bpts
Rabobank Australia	A+	\$2,000,000	\$1,982,537	27/1/2022	27/1/2027	90D BBSW + 73 bpts
Total		\$25,150,000	\$24,932,702			

Fixed Bonds

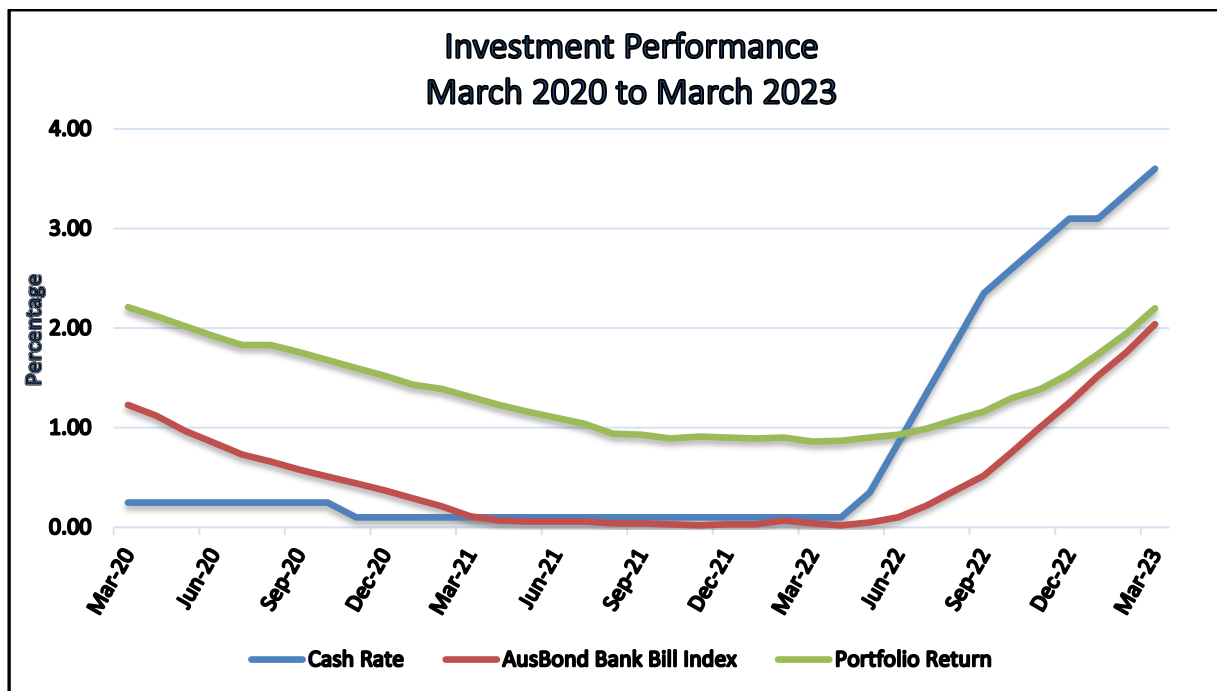
In August 2021, Council purchased at a discount \$1.8 million (face value) of the AAA-rated covered fixed bond with ING Bank Australia. An attractive fixed coupon rate of 1.10% will be paid on a semi-annual basis on the \$1.8 million face value.

The indicative value is the value Council would receive at 31 March 2023 if it were to consider selling this investment prior to its maturity date. Selling prior to maturity would only be considered if a capital gain resulted while holding to maturity ensures a return of the full amount invested along with quarterly interest payments over the life of the investment.

Investment	Rating	Purchase Price	Indicative Value 31 March 2023	Date Invested	Maturity Date	Interest Rate
ING Bank	AAA	\$1,794,762	\$1,614,409	19/08/2021	19/08/2026	1.10%
Total		\$1,794,762	\$1,614,409			

Performance

The following graph shows the investment returns achieved against the AusBond Bank Bill Index and the official Reserve Bank of Australia (RBA) cash interest rate for the period March 2020 to March 2023.



For the month of March, solid return of +0.31% (actual) or +3.76% p.a. (annualised), marginally outperforming the benchmark AusBond Bank Bill Index return of +0.28% (actual) or +3.39% p.a. (annualised).

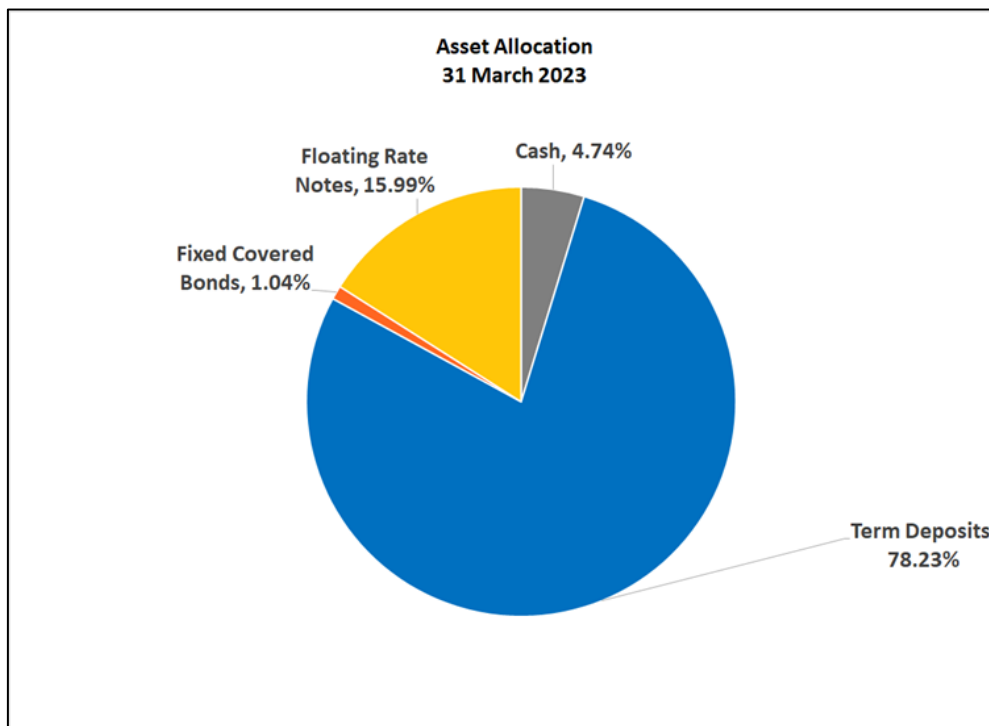
Over the past year, the combined term deposit and FRN portfolio returned +2.20% p.a., outperforming bank bills by 0.16% p.a. Our current margins in comparison to benchmark may decline given our long-term tenure in term deposits.

Performance	1 month	3 months	6 months	FYTD	1 year	2 year	3 year
Official Cash Rate	0.30%	0.82%	1.53%	2.00%	2.11%	1.10%	0.80%
AusBond Bank Bill Index	0.28%	0.79%	1.54%	1.97%	2.04%	1.03%	0.73%
Council's T/D Portfolio	0.31%	0.84%	1.39%	1.79%	2.05%	1.36%	1.35%
Council's FRN Portfolio	0.36%	1.01%	1.94%	2.65%	2.98%	2.09%	1.83%
Council's Bond Portfolio	0.09%	0.27%	0.55%	0.82%	1.10%	-	-
Council's Portfolio	0.31%	0.86%	1.47%	1.92%	2.20%	1.53%	1.45%
Outperformance	0.03%	0.07%	-0.07%	-0.05%	0.16%	0.49%	0.73%

Council's Portfolio and Compliance

Asset Allocation

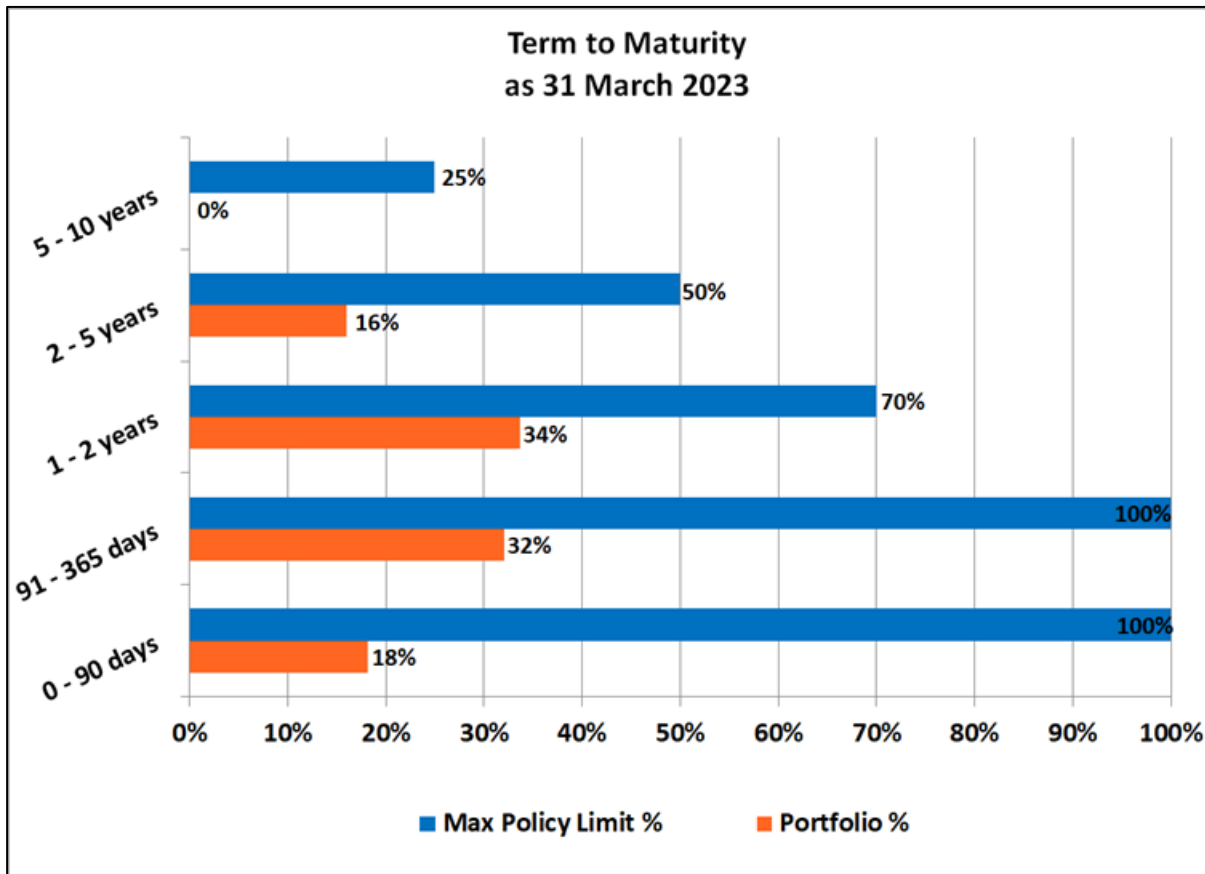
Most of the portfolio is spread between term deposits (78.23%) and senior floating rate notes (15.99%). The remainder of the portfolio is held in the overnight cash accounts with CBA and Macquarie Bank (4.74%) and the "AAA" rated fixed covered bond (1.04%). The FRNs add additional liquidity and are generally accessible within 2-3 business days. FRNs are also dominated by the higher-rated ADIs which allows Council to maintain a bias towards the higher-rated banks.



Term to Maturity

The portfolio remains diversified from a maturity perspective with a spread of maturities out to 5 years. Medium-term (2-5 years) assets account for around 16.06% of the total investment portfolio.

Compliant	Horizon	Invested	%	Min Limit	Max Limit
✓	0-90 days	\$28,395,387	18.21%	10%	100%
✓	91-365 days	\$49,994,245	32.06%	20%	100%
✓	1-2 years	\$52,506,662	33.67%	0%	70%
✓	2-5 years	\$25,046,203	16.06%	0%	50%
✓	5-10 years	\$0	0.00%	0%	25%



The investment portfolio is regularly reviewed to maximise investment performance and minimise risk. Independent advice is sought on new investment opportunities.

Credit Quality

As at the end of March, applying the long-term S&P ratings only, Council is compliant across all individual counterparties. The investment portfolio is entirely directly to assets rated “A” or higher, as per Council’s adopted policy framework.

Compliant	Rating	Invested	Invested	Max. Limit	Available
✓	AAA Category	\$1,614,409	1.04%	100%	\$154,328,089
✓	AA Category	\$88,942,781	57.04%	100%	\$66,999,716
✓	A Category	\$65,385,308	41.93%	80%	\$59,368,690
✓	Unrated ADIs	\$0	0.00%	0%	\$0

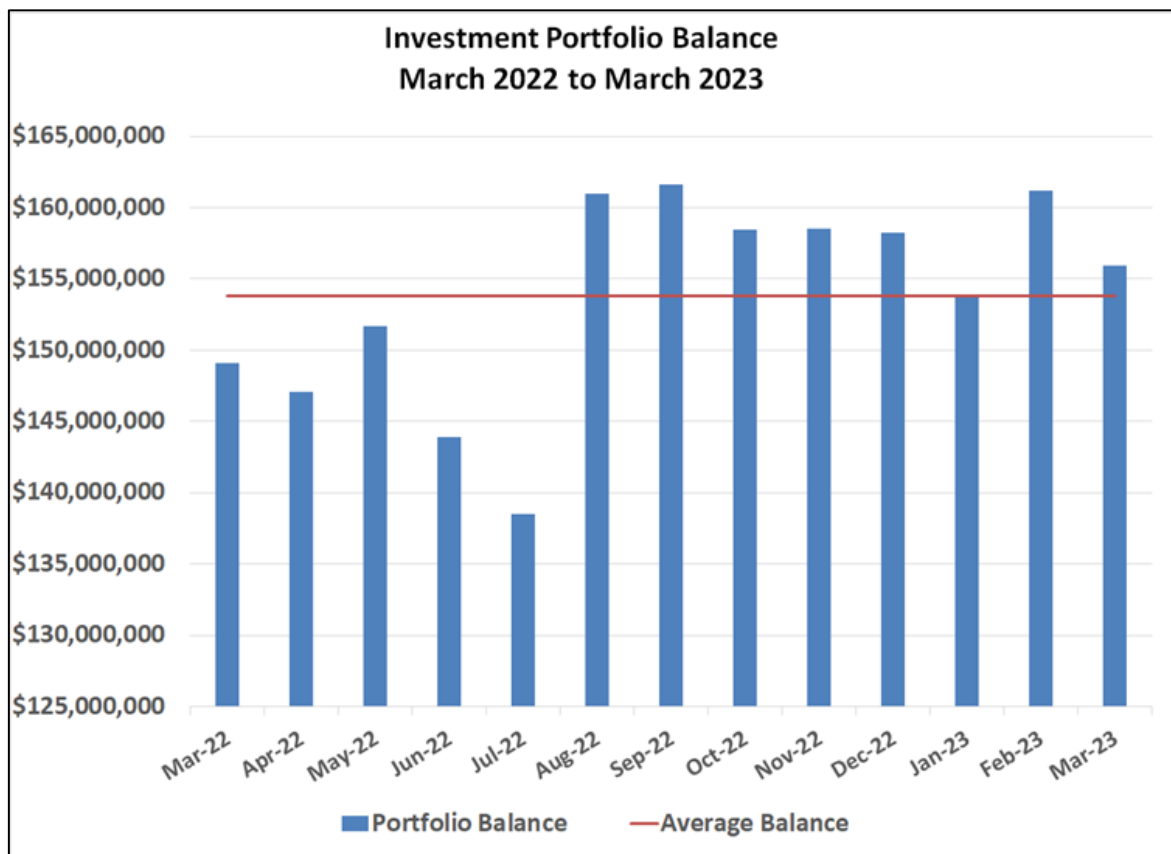
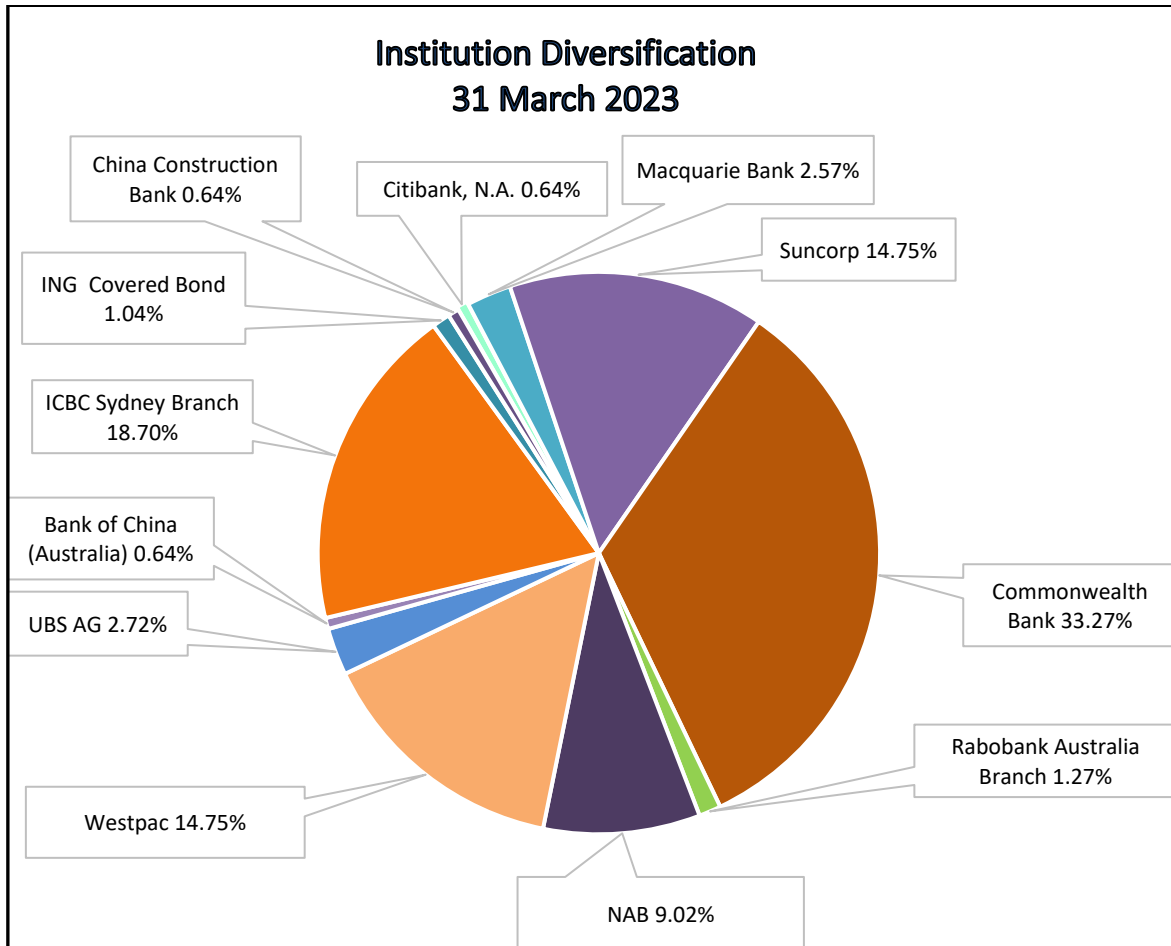
Counterparty

The table below shows the individual counterparty exposures against Council’s current investment policy based on long-term S&P ratings.

Compliant	Issuer	Rating	Invested	%	Max. Limit	Available
✓	ING Covered	AAA	\$1,614,409	1.04%	40%	\$60,762,590
✓	CBA	AA-	\$51,882,530	33.27%	40%	\$10,494,469
✓	NAB	AA-	\$14,060,251	9.02%	40%	\$48,316,748
✓	Westpac	AA-	\$23,000,000	14.75%	40%	\$39,376,999
✓	Citibank	A+	\$999,647	0.64%	25%	\$37,985,977
✓	Macquarie Bank	A+	\$4,003,922	2.57%	25%	\$34,981,702
✓	Rabobank Australia Branch	A+	\$1,982,537	1.27%	25%	\$37,003,087
✓	Suncorp	A+	\$23,003,263	14.75%	25%	\$15,982,362
✓	UBS AG	A+	\$4,235,454	2.72%	25%	\$34,750,171
✓	Bank of China	A	\$998,880	0.64%	25%	\$37,986,745
✓	China Construction Bank	A	\$995,365	0.64%	25%	\$37,990,259
✓	ICBC Sydney	A	\$29,166,240	18.70%	25%	\$9,819,384

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Restricted Funds (*Local Government Act 1993 s 409*)

Councils restricted and unrestricted funds as at 31 March 2023 are shown below. Unrestricted Cash is the cash that is readily available or convertible to cash for Councils' day-to-day management. The restricted cash is either externally or internally restricted. Externally restricted cash can only be spent as permitted in line with legislative responsibilities and/or contractual obligations, while internally restricted cash is to be spent on Council-specific funding commitments as per the operational plan and adopted Council budget.

Investment Portfolio Balance as at 31 March 2023		\$155,942,497.23
Restricted Cash	Internal	\$85,857,688.33
	External	\$49,291,727.53
Unrestricted Cash		\$20,793,081.37
Total Restricted & Unrestricted		\$155,942,497.23

Loan Funds

The total loan funds were drawn down on 10 November 2021 for \$33.5 million at 2.22%. The loan funded the following:

- \$14.5M Capital Works
 - \$6.7M of Building Works which included Blenheim House, La Perouse Museum, Malabar Pool, Dunningham Reserve, Burrows Park and Southern Suburbs Youth Facilities
 - \$5.5M of Parks Projects which included Playground upgrade, Coral Sea Park, Coastal Walkways, Snape Park outdoor gym, and Pioneers Park
 - \$3.8M of Roads Projects which include drainage capital works and footpath construction
- \$19.5M for the Heffron Centre Project

The payment frequency is semi-annually with the first loan repayment made on the 10 May 2022. The repayment amount is \$1,877,039.92 and the next payment will be due on 10 May 2023.

The current interest rates offered on term deposits currently have far exceeded our cost of funds in obtaining the \$33.5m loan. Indicative term deposit rates offered currently at CBA are as follows:

- For 1 Year – 4.34%
- For 2 Years – 4.22%
- For 3 Years – 4.14%
- For 4 Years – 4.14%
- For 5 Years – 4.19%

As such, the Council is in a notionally advantageous position in earning interest income on our loan. In addition, the delay in the use of loan funds with the deferral of capital works projects into the next financial year enables the council to invest these surplus funds in the short to medium-term investment offerings.

Green Investment

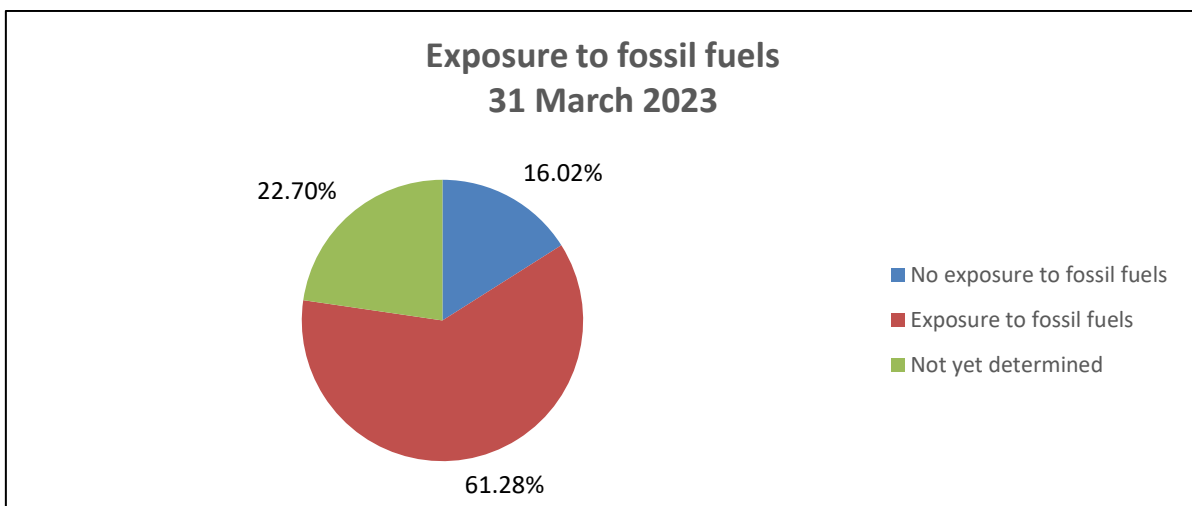
Council's investment policy includes guidelines that give preference to placing funds with institutions identified as not dealing with fossil fuel companies, where financial institutions offer equivalent investment returns with the same credit rating. The big four banks and other institutions rated A- and above have some exposure to fossil fuels. The banks with little or no exposure to fossil fuels are the lower-rated institutions. The current policy does not permit investments in these BBB-rated institutions.

Council's exposure to fossil fuel funds is shown below:

Counterparty	Credit rating	Funding fossil fuel	Position
ING Covered Bond	AAA	Yes	Loaned to fossil fuels in Australia since 2016
Commonwealth Bank	AA-	Yes	Loaned to fossil fuels globally since 2016
Nab	AA-	Yes	Loaned to fossil fuels globally since 2016
Westpac	AA-	Yes	Loaned to fossil fuels globally since 2016
Citibank	A+	Yes	Loaned to fossil fuels since 2016
Macquarie Bank	A+	Yes	Loaned to fossil fuels globally since 2016 and holds more than \$2.5 billion of shares in numerous coal, oil and gas companies
Rabobank	A+	No	Does not finance the primary production of fossil fuels
Suncorp	A+	No	Loans to fossil fuels in 2008/2009, but released the position statement that they have withdrawn from the sector
UBS	A+	Not yet determined	No Position provided
Bank of China (Australia)	A	Not yet determined	No Position provided
China Construction Bank	A	Not yet determined	No Position provided
ICBC, Sydney Branch	A	Not yet determined	No Position provided

Based on the portfolio balance of \$155.94 million at 31 March 2023, funding with green initiatives banks made up 16.02 percent of total investment, or \$24.96 million. Funding with banks that have exposure to fossil fuels constitutes 61.28 percent, or \$95.56 million. The remaining 22.70 percent is not yet determined as no position has been provided by the financial institutions.

Institutions	Invested	Invested %
No exposure to fossil fuels	\$24,985,799.80	16.02%
Exposure to fossil fuels	\$95,560,758.79	61.28%
Not yet determined	\$35,395,938.64	22.70%



Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Financial Management
Function	Financial Management and Control
Delivery program commitment	Support Council's sustainable delivery of projects and services through sound Financial Management and Control, including long term financial planning, budget preparation, and financial performance monitoring.

Resourcing Strategy implications

The Original budget provision for investment income is \$1,270,504. The September and December quarterly budget reviews have been reported to Council with an additional of \$300,000 and \$1,000,000 respectively. The total revised interest on investments budget will be \$2,570,504. Investment income received to 31 March is \$2,712,659.48 representing 105.53% of the budget year to date. The increased portfolio balance and the recent rise in interest rates continue to result in overall improved returns.

Policy and legislative requirements

Council is authorised by Section 625 of the Local Government Act to invest its surplus funds. Funds will only be invested in the form of investment notified by Order of the Minister dated 12 January 2011. The Local Government (General) Regulation prescribes the records that must be maintained in relation to Council's Investment Policy.

Conclusion

Funds are invested with the aim of achieving budgeted income in the 2022-23 financial year and outperforming the AusBond Bank Bill Index over a 12-month period.

All investments as at 31 March 2023 have been made in accordance with the Local Government Act, the regulations and Council's Investment Policy.

Responsible officer: Zorica Whitby, Financial Accountant

File Reference: F2016/06527

Randwick City Council

Investments

for the period ending 31 March 2023

Certificate by Responsible Accounting Officer

made pursuant to Clause 212(1)(b) of the Local Government (General) Regulations 2005

I hereby certify that all investments as at 31 March 2023 have been made in accordance with Council's Investment Policy (adopted Nov 2019).

I hereby certify that all investments as at 31 March 2023 meet the requirements of section 625 of the *Local Government Act 1993* including the Ministerial Investment Order (2011).

I hereby certify that all investments as at 31 March 2023, and this investment report, meet the requirements of clause 212 of the *Local Government (General) Regulation 2005*.



Stephen Wong
RESPONSIBLE ACCOUNTING OFFICER

4 April 2023

Date

CO18/23

Director Corporate Services Report No. CO19/23

Subject: Investment Report - April 2023


Executive Summary

- This report outlines Council's investment portfolio and performance as at 30 April 2023.
- All investments have been made in accordance with the Act, Regulations and Council's Investment Policy.
- For the month of April, the total portfolio (T/Ds, FRNs and Bonds) provided a return of +0.31% (actual) or +3.83% p.a. (annualised), marginally outperforming the benchmark AusBond Bank Bill Index return of +0.30% (actual) or +3.77% p.a. (annualised).
- Our current margins in comparison to benchmark may decline given our long-term tenure in term deposits. Our overall investment return remains solid. Investment income received to 30 April is \$3,178,709 representing 123.66% of the current budget year to date.
- Cashflow will continue to be monitored closely, as the RBA expects to take further steps in the process of normalising monetary conditions over the coming months. Investments will continue to be managed to ensure liquidity to meet operational requirements.

Recommendation

That the Investment Report for April 2023 be received and noted.

Attachment/s:

1.  Certificate by Responsible Accounting Officer - April 2023

Purpose

The Local Government (General) Regulation requires a written report to be provided to the Ordinary meeting of the Council giving details of all monies invested and a certificate as to whether, or not, the investments have been made in accordance with the Act, the regulations, and the Council's Investment Policy.

Discussion

As at 30 April 2023, Council held investments with a market value of \$146.26 million. The portfolio value decreased during April by \$9.68 million. The decrease is representative of a negative cash flow for the month reflecting the net effect of revenue receipts, rates, grants, and miscellaneous payments, offset by capital works expenditure and other operational payments.

The size of the investment portfolio varies significantly from month to month because of cash flows for the period. Cash outflows (expenditure) are typically relatively stable from one month to another. Cash inflows (income) are cyclical and are largely dependent on the rates instalment due dates and the timing of grant payments including receipt of the Financial Assistance Grants.

Cashflow continues to be closely monitored, ensuring that there is enough cash in the business to operate on a day-to-day basis, to:

- Ensure that Council maintains a balanced operating result,
- Ensure that payments are received on time to control debtors; and
- Manage and finance capital projects.

At the RBA's last meeting on 02 May 2023, the RBA:

- Decided to increase the cash rate target by 25 basis points to 3.85 per cent.

The cash rate has increased materially since May 2022. The RBA states that *"while the recent data showed a welcome decline in inflation, the central forecast remains that it takes a couple of years before inflation returns to the top of the target range"*.

According to the latest data from the Australian Bureau of Statistics (ABS), the CPI rose 1.4 per cent in the March 2023 quarter and 7 percent annually. Inflation is expected to be 4.5 per cent in 2023 and next to around 3 percent by mid-2025.

The growth in the Australian economy has slowed with GDP forecast to increase by 1¼ per cent this year and around 2 per cent over the year to mid-2025. The labour market remains very tight, and the unemployment rate has been steady at around 3.5 percent over recent months, which is a near 50-year low. As economic growth slows, the unemployment rate is forecast to increase gradually to be around 4.5 percent by mid-2025.

The RBA expects that further increases in interest rates likely ahead to ensure that inflation returns to target and that this period of high inflation is only temporary. The Board will continue to *"pay close attention to developments in the global economy, trends in household spending and the outlook for inflation and the labour market"*.

On Call Funds

On call funds are held to meet Council's immediate cash flow requirements. The on-call funds' balance has now gradually been reduced as the economic outlook from the pandemic has improved but will continue to be monitored and reviewed in line with anticipated operational requirements.

The on-call balance at month end is \$5.18 million or 3.54% of the total portfolio.

Investment	Rating	Balance - 1 April 2023	Movement	Balance – 30 April 2023	Interest Rate
CBA	AA-	\$7,393,035	-\$2,214,744	\$5,178,291	3.70%
Macquarie Bank	A+	\$2,352	\$6	\$2,359	3.60%

Term Deposits

- At month’s end, the portfolio included \$114.5 million in term deposits.
- Term Deposits made up 78.28% of the total investment portfolio.
- Four term deposits totaling \$7.5 million matured in April 2023.
- No new term deposits were placed.
- As at the end of April 2023, the term deposit portfolio was yielding 3.66% p.a. (up 2bp from the previous month).

	Rating	Balance 1 April 2023	Movement	Balance 30 April 2023	Date Invested	Date Maturity	Interest Rate
ICBC	A	\$2,000,000	0	\$2,000,000	11/02/2021	28/06/2023	0.65%
ICBC	A	\$2,000,000	0	\$2,000,000	9/09/2021	18/09/2024	0.94%
ICBC	A	\$1,500,000	0	\$1,500,000	27/09/2021	27/09/2023	0.60%
Westpac	AA-	\$1,000,000	0	\$1,000,000	10/11/2021	3/12/2025	1.70%
Westpac	AA-	\$1,000,000	0	\$1,000,000	10/11/2021	9/12/2026	1.88%
ICBC	AA-	\$2,000,000	0	\$2,000,000	11/11/2021	13/12/2023	1.22%
ICBC	A	\$1,500,000	-\$1,500,000	0	18/11/2021	26/04/2023	0.83%
ICBC	A	\$2,000,000	0	\$2,000,000	18/11/2021	14/06/2023	0.95%
ICBC	A	\$1,500,000	0	\$1,500,000	18/11/2021	21/06/2023	0.96%
ICBC	A	\$1,000,000	0	\$1,000,000	18/11/2021	5/07/2023	1.00%
ICBC	A	\$2,000,000	0	\$2,000,000	2/12/2021	5/07/2023	1.00%
ICBC	A	\$2,000,000	0	\$2,000,000	2/12/2021	11/10/2023	1.10%
ICBC	A	\$2,000,000	0	\$2,000,000	2/12/2021	24/01/2024	1.36%
ICBC	A	\$2,000,000	0	\$2,000,000	28/02/2022	12/07/2023	1.20%
ICBC	A	\$1,500,000	0	\$1,500,000	9/03/2022	25/10/2023	1.74%
CBA	AA-	\$1,500,000	0	\$1,500,000	20/04/2022	26/07/2023	2.44%
CBA	AA-	\$1,500,000	0	\$1,500,000	20/04/2022	4/10/2023	2.60%
ICBC	A	\$1,000,000	0	\$1,000,000	20/04/2022	24/04/2024	3.13%
CBA	AA-	\$2,000,000	0	\$2,000,000	2/05/2022	3/05/2023	2.71%
CBA	AA-	\$2,000,000	0	\$2,000,000	2/05/2022	1/11/2023	3.08%
ICBC	A	\$1,500,000	0	\$1,500,000	1/06/2022	31/01/2024	3.40%
SunCorp	A+	\$2,000,000	0	\$2,000,000	12/07/2022	17/01/2024	4.05%
Westpac	AA-	\$1,000,000	0	\$1,000,000	28/07/2022	13/03/2024	3.80%
Suncorp	A+	\$1,500,000	0	\$1,500,000	11/08/2022	3/04/2024	4.04%
NAB	AA-	\$1,500,000	0	\$1,500,000	11/08/2022	8/05/2024	4.05%
NAB	AA-	\$2,000,000	0	\$2,000,000	17/08/2022	27/03/2024	4.03%

CO19/23

CO19/23

	Rating	Balance 1 April 2023	Movement	Balance 30 April 2023	Date Invested	Date Maturity	Interest Rate
NAB	AA-	\$2,000,000	0	\$2,000,000	17/08/2022	17/04/2024	4.03%
Westpac	AA-	\$1,500,000	0	\$1,500,000	24/08/2022	8/11/2023	4.16%
Westpac	AA-	\$1,500,000	0	\$1,500,000	24/08/2022	7/02/2024	4.22%
ICBC	A	\$2,000,000	0	\$2,000,000	24/08/2022	10/04/2024	4.30%
Suncorp	A+	\$2,000,000	0	\$2,000,000	31/08/2022	20/12/2023	4.16%
Westpac	AA-	\$2,000,000	0	\$2,000,000	31/08/2022	1/05/2024	4.24%
Westpac	AA-	\$2,000,000	0	\$2,000,000	31/08/2022	19/06/2024	4.25%
Westpac	AA-	\$2,000,000	0	\$2,000,000	31/08/2022	26/06/2024	4.25%
NAB	AA-	\$2,000,000	0	\$2,000,000	1/09/2022	20/03/2024	4.30%
Westpac	AA-	\$2,000,000	0	\$2,000,000	1/09/2022	12/06/2024	4.35%
Suncorp	A+	\$2,000,000	0	\$2,000,000	27/10/2022	14/06/2023	4.28%
Suncorp	A+	\$2,000,000	0	\$2,000,000	27/10/2022	21/06/2023	4.29%
Suncorp	A+	\$2,000,000	0	\$2,000,000	30/11/2022	19/07/2023	4.24%
Suncorp	A+	\$2,000,000	-\$2,000,000	0	1/12/2022	5/04/2023	3.87%
Suncorp	A+	\$2,000,000	-\$2,000,000	0	1/12/2022	12/04/2023	3.90%
Suncorp	A+	\$2,000,000	-\$2,000,000	0	1/12/2022	19/04/2023	3.94%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	13/09/2023	4.51%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	18/10/2023	4.58%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	27/12/2023	4.71%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	3/01/2024	4.74%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	10/01/2024	4.74%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	23/12/2024	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	31/12/2024	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	8/01/2025	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	15/01/2025	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	9/01/2023	22/01/2025	4.80%
CBA	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	17/07/2024	4.67%
CBA	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	25/09/2024	4.67%
CBA	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	16/10/2024	4.67%
Suncorp	A+	\$2,000,000	0	\$2,000,000	12/01/2023	20/09/2023	4.45%
Westpac	AA-	\$2,000,000	0	\$2,000,000	12/01/2023	3/07/2024	4.60%
Westpac	AA-	\$1,500,000	0	\$1,500,000	25/01/2023	24/07/2024	4.40%
Westpac	AA-	\$1,500,000	0	\$1,500,000	25/01/2023	9/10/2024	4.38%
CBA	AA-	\$1,500,000	0	\$1,500,000	31/01/2023	15/11/2023	4.56%
CBA	AA-	\$1,500,000	0	\$1,500,000	31/01/2023	10/07/2024	4.63%
CBA	AA-	\$2,000,000	0	\$2,000,000	21/02/2023	31/07/2024	4.98%
CBA	AA-	\$2,000,000	0	\$2,000,000	21/02/2023	2/10/2024	4.98%

	Rating	Balance 1 April 2023	Movement	Balance 30 April 2023	Date Invested	Date Maturity	Interest Rate
CBA	AA-	\$2,000,000	0	\$2,000,000	28/02/2023	10/05/2023	4.00%
CBA	AA-	\$1,000,000	0	\$1,000,000	28/02/2023	12/03/2025	4.98%
Westpac	AA-	\$2,000,000	0	\$2,000,000	28/02/2023	18/06/2025	4.94%
Westpac	AA-	\$2,000,000	0	\$2,000,000	28/02/2023	25/06/2025	4.94%
NAB	AA-	\$1,500,000	0	\$1,500,000	2/03/2023	9/04/2025	4.95%
Total		\$122,000,000	-\$7,500,000	\$114,500,000			

Floating Rate Notes (FRNs)

- The portfolio includes \$24.960 million in floating rate notes, making up 17.07% of the total portfolio.
- FRNs are classified as “held for trading” and are required to be reported at the latest indicative market valuations at month end.
- The indicative market value of the FRNs as at 30 April 2023 increased by ~\$27 thousand.
- There is no new floating rate note placed during the month.
- Council will continue to look at opportunities and new issuances as they become available, and switch if viable.

Investment	Rating	Purchase Price	Indicative Value 30 April 2023	Date Invested	Maturity Date	Interest Rate
Macquarie Bank	A+	\$2,000,000	\$2,003,219	07/08/2019	07/08/2024	90D BBSW + 80 bpts
Citibank	A+	\$1,000,000	\$999,827	14/11/2019	14/11/2024	90D BBSW + 88 bpts
NAB	AA-	\$2,000,000	\$2,007,008	21/01/2021	21/01/2025	90D BBSW + 77 bpts
Macquarie Bank	A+	\$2,000,000	\$2,000,126	12/02/2020	12/02/2025	90D BBSW + 84 bpts
UBS	A+	\$1,300,000	\$1,294,071	30/7/2020	30/07/2025	90D BBSW + 87 bpts
Bank of China	A	\$1,000,000	\$999,248	18/08/2020	18/08/2023	90D BBSW + 80 bpts
UBS	A+	\$3,000,000	\$2,946,275	26/02/2021	26/02/2026	90D BBSW + 50 bpts
CCB	A	\$1,000,000	\$995,767	11/03/2021	11/03/2024	90D BBSW + 58 bpts
ICBC	A	\$1,700,000	\$1,668,393	18/06/2021	18/06/2026	90D BBSW + 66 bpts
NAB	AA-	\$3,100,000	\$3,062,689	24/08/2021	24/08/2026	90D BBSW + 41 bpts
Suncorp	A+	\$1,750,000	\$1,718,829	15/09/2021	15/9/2026	90D BBSW + 48 bpts
CBA	AA-	\$1,500,000	\$1,493,273	14/1/2022	14/1/2027	90D BBSW + 77 bpts
Suncorp	A+	\$1,800,000	\$1,784,434	25/1/2022	25/1/2027	90D BBSW + 78 bpts
Rabobank Australia	A+	\$2,000,000	\$1,986,519	27/1/2022	27/1/2027	90D BBSW + 73 bpts
Total		\$25,150,000	\$24,959,678			

Fixed Bonds

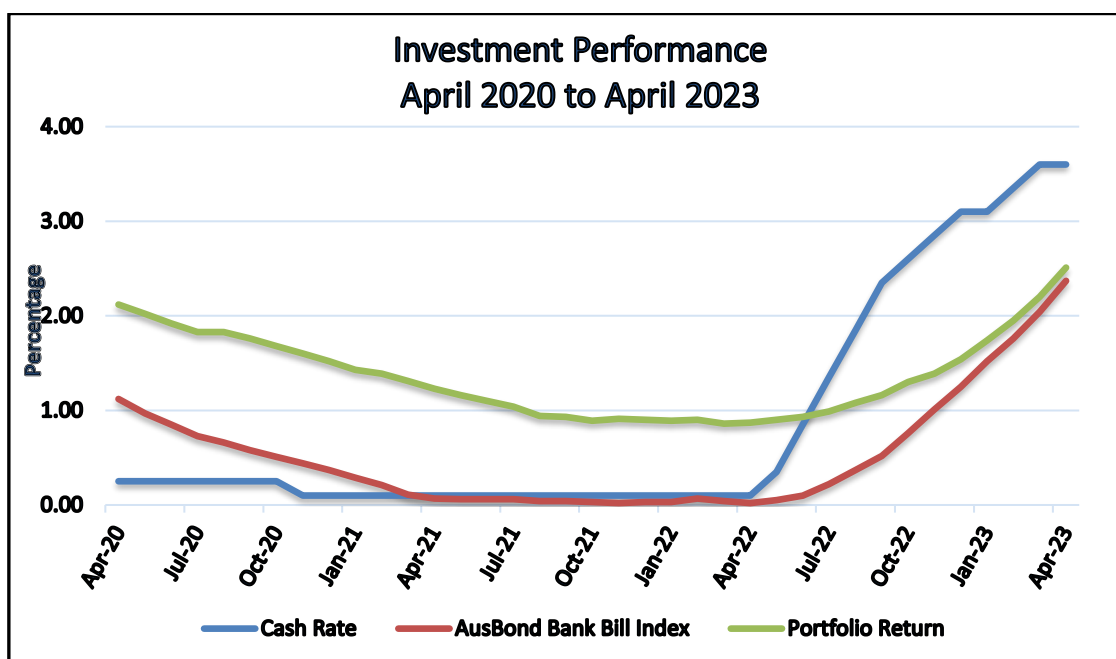
In August 2021, Council purchased at a discount \$1.8 million (face value) of the AAA-rated covered fixed bond with ING Bank Australia. An attractive fixed coupon rate of 1.10% will be paid on a semi-annual basis on the \$1.8 million face value.

The indicative value is the value Council would receive at 30 April 2023 if it were to consider selling this investment prior to its maturity date. Selling prior to maturity would only be considered if a capital gain resulted while holding to maturity ensures a return of the full amount invested along with quarterly interest payments over the life of the investment.

Investment	Rating	Purchase Price	Indicative Value 30 April 2023	Date Invested	Maturity Date	Interest Rate
ING Bank	AAA	\$1,794,762	\$1,622,035	19/08/2021	19/08/2026	1.10%
Total		\$1,794,762	\$1,622,035			

Performance

The following graph shows the investment returns achieved against the AusBond Bank Bill Index and the official Reserve Bank of Australia (RBA) cash interest rate for the period April 2020 to April 2023.



For the month of April, solid return of +0.31% (actual) or +3.83% p.a. (annualised), marginally outperforming the benchmark AusBond Bank Bill Index return of +0.30% (actual) or +3.77% p.a. (annualised).

Over the past year, the combined term deposit and FRN portfolio returned +2.51% p.a., outperforming bank bills by 0.14% p.a. Our current margins in comparison to benchmark may decline given our long-term tenure in term deposits.

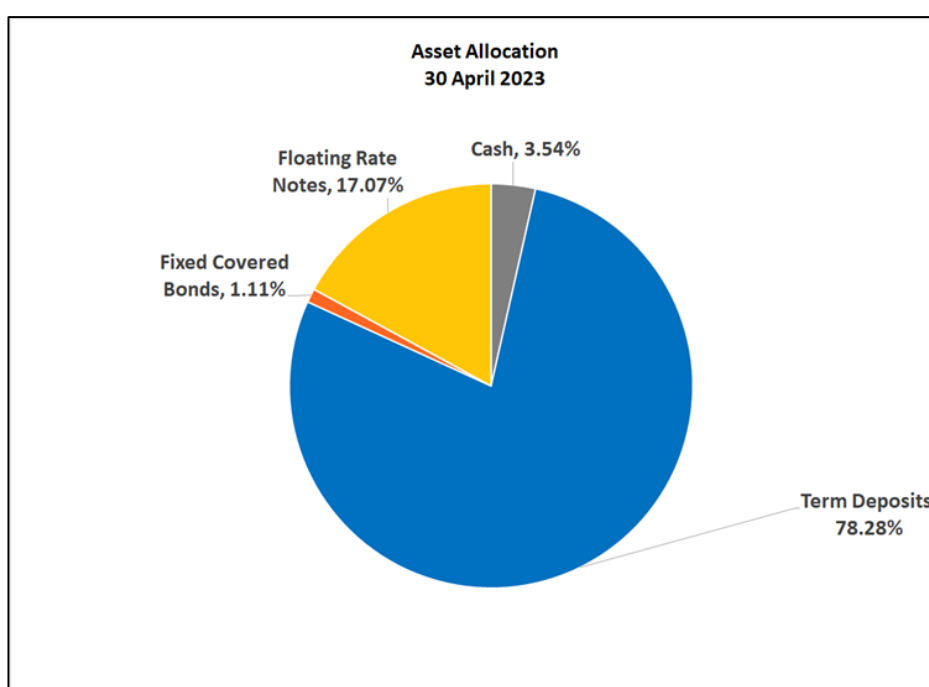
Performance	1 month	3 months	6 months	FYTD	1 year	2 year	3 year
Official Cash Rate	0.29%	0.85%	1.61%	2.30%	2.40%	1.24%	0.89%
AusBond Bank Bill Index	0.30%	0.83%	1.60%	2.28%	2.37%	1.19%	0.81%
Council's T/D Portfolio	0.30%	0.88%	1.52%	2.10%	2.28%	1.49%	1.40%
Council's FRN Portfolio	0.35%	1.03%	2.00%	3.01%	3.34%	2.24%	1.90%

Council's Bond Portfolio	0.09%	0.27%	0.54%	0.92%	1.19%	-	-
Council's Portfolio	0.31%	0.90%	1.59%	2.24%	2.51%	1.68%	1.51%
Outperformance	0.00%	0.07%	-0.01%	-0.04%	0.14%	0.50%	0.70%

Council's Portfolio and Compliance

Asset Allocation

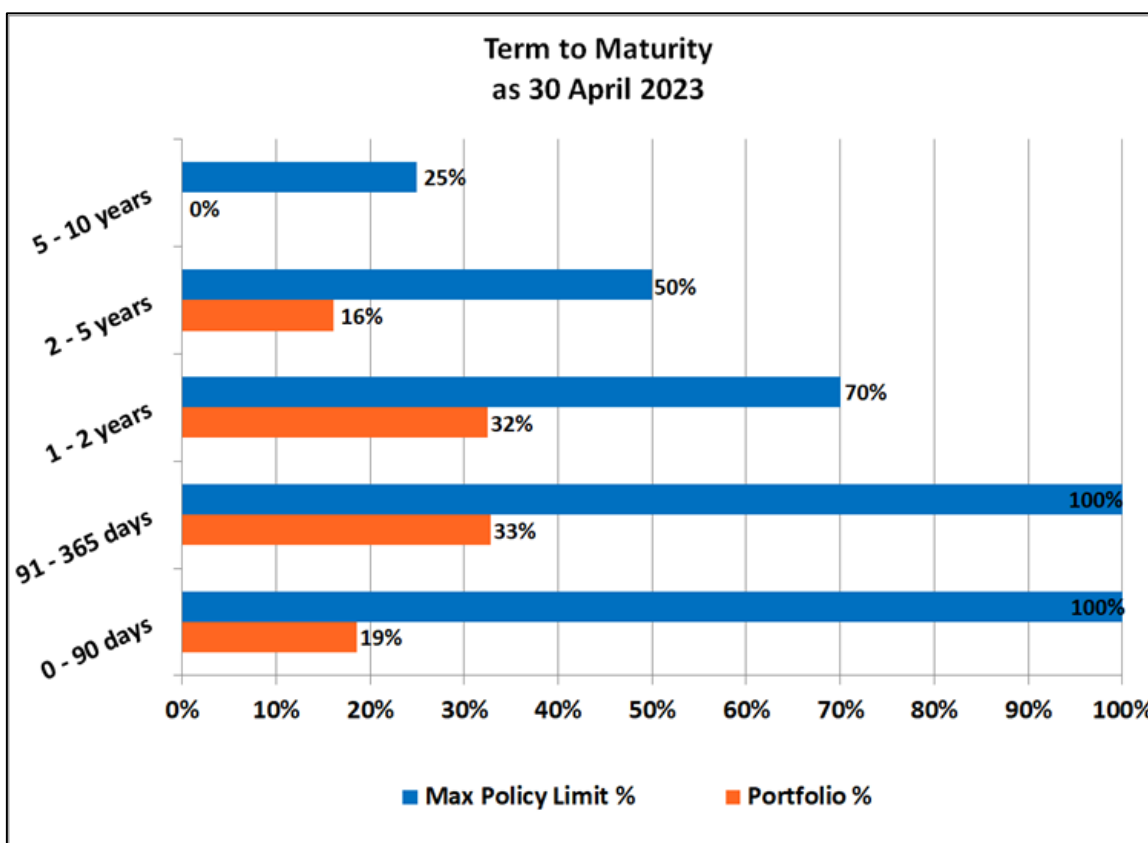
The majority of the portfolio is spread between term deposits (78.28%) and senior floating rate notes (17.07%). The remainder of the portfolio is held in the overnight cash accounts with CBA and Macquarie Bank (3.54%) and the "AAA" rated fixed covered bond (1.11%). The FRNs add additional liquidity and are generally accessible within 2-3 business days. FRNs are also dominated by the higher-rated ADIs which allows Council to maintain a bias towards the higher-rated banks.



Term to Maturity

The portfolio remains diversified from a maturity perspective with a spread of maturities out to 5 years. Medium-term (2-5 years) assets account for around 16.12% of the total investment portfolio.

Compliant	Horizon	Invested	%	Min Limit	Max Limit
✓	0-90 days	\$27,180,650	18.58%	10%	100%
✓	91-365 days	\$47,995,015	32.81%	20%	100%
✓	1-2 years	\$47,510,181	32.48%	0%	70%
✓	2-5 years	\$23,576,516	16.12%	0%	50%
✓	5-10 years	\$0	0.00%	0%	25%



The investment portfolio is regularly reviewed to maximise investment performance and minimise risk. Comparisons are made between existing investments with available products that are not part of the Council’s portfolio. Independent advice is sought on new investment opportunities.

Credit Quality

As at the end of April, applying the long-term S&P ratings only, Council is compliant across all individual counterparties. The investment portfolio is entirely directly to assets rated “A” or higher, as per Council’s adopted policy framework.

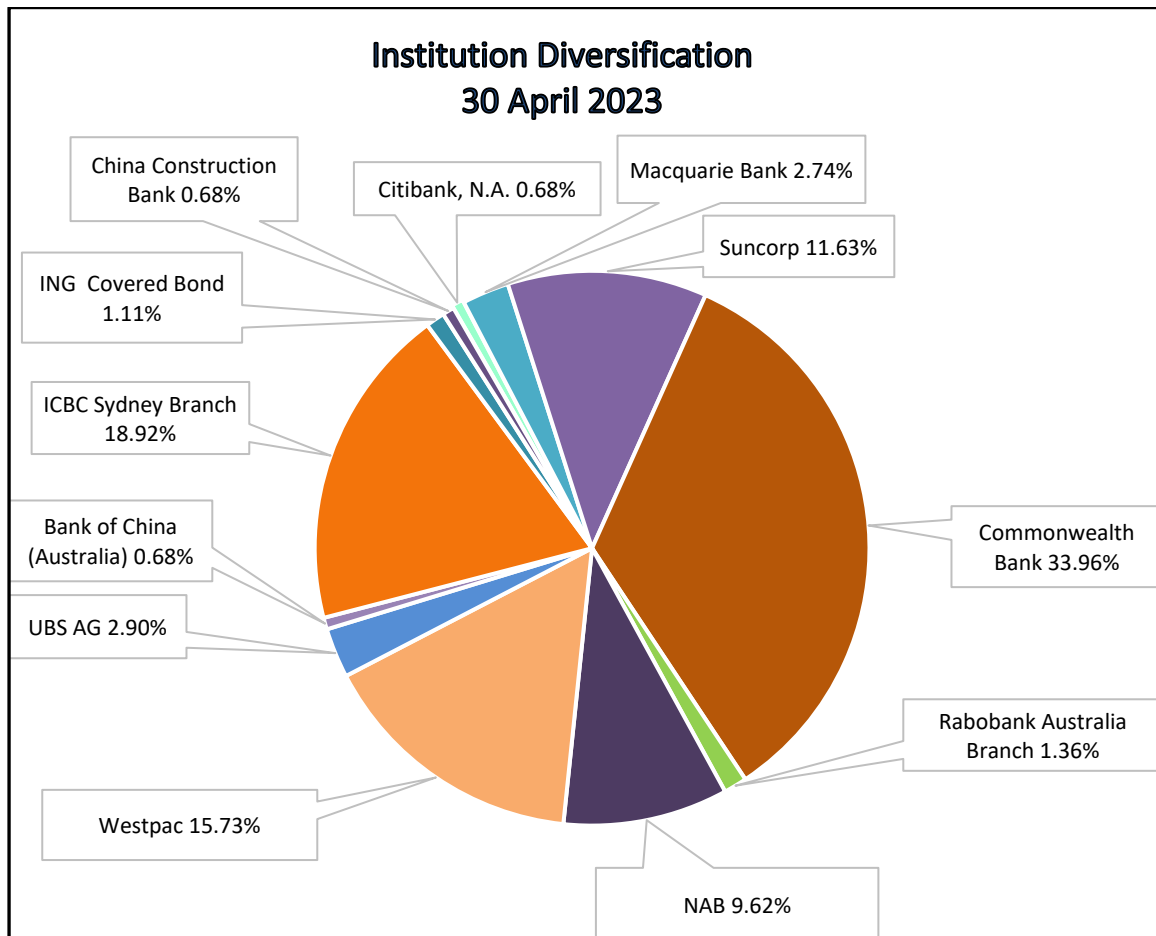
Compliant	Rating	Invested	Invested	Max. Limit	Available
✓	AAA Category	\$1,622,035	1.11%	100%	\$144,640,327
✓	AA Category	\$86,741,260	59.31%	100%	\$59,521,102
✓	A Category	\$57,899,067	39.59%	80%	\$59,110,822
✓	Unrated ADIs	\$0	0.00%	0%	\$144,640,327

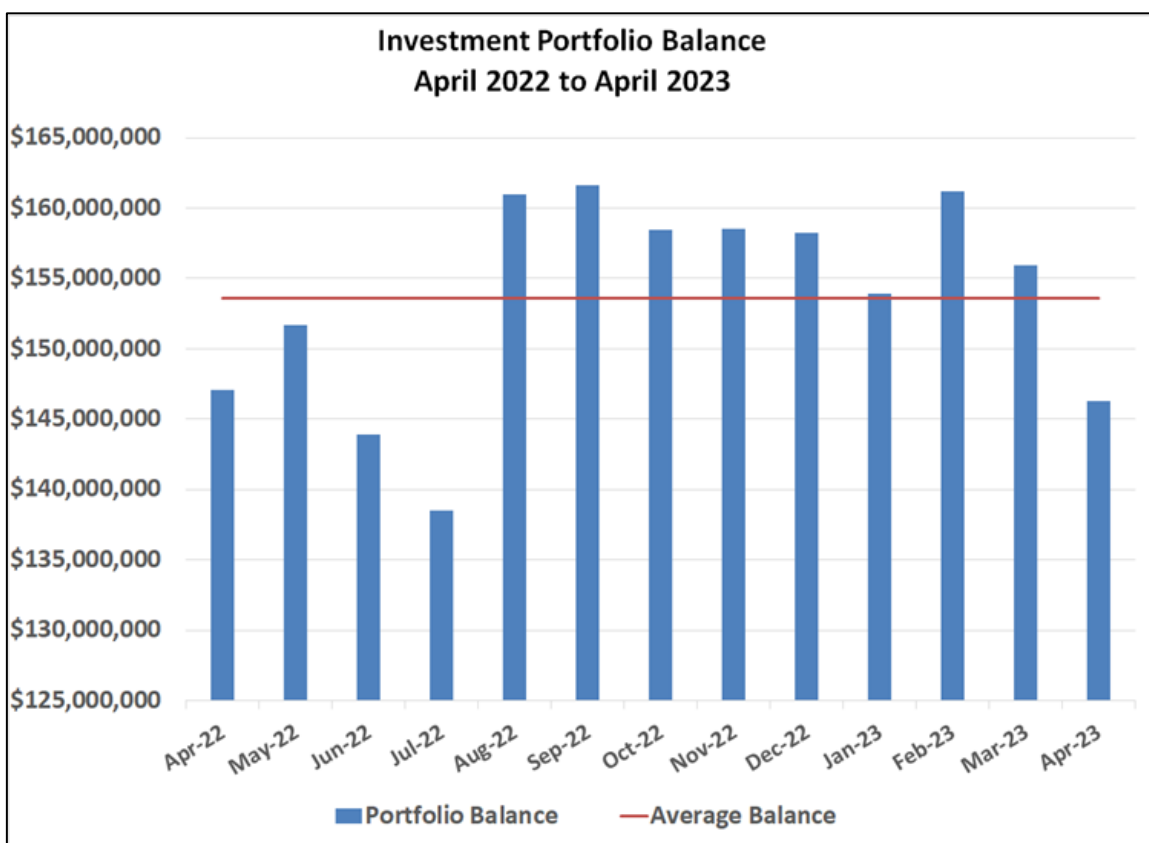
Counterparty

The table below shows the individual counterparty exposures against Council’s current investment policy based on long-term S&P ratings.

Compliant	Issuer	Rating	Invested	%	Max. Limit	Available
✓	ING Covered	AAA	\$1,622,035	1.11%	40%	\$56,882,910
✓	CBA	AA-	\$49,671,563	33.96%	40%	\$8,833,381

Compliant	Issuer	Rating	Invested	%	Max. Limit	Available
✓	NAB	AA-	\$14,069,697	9.62%	40%	\$44,435,248
✓	Westpac	AA-	\$23,000,000	15.73%	40%	\$35,504,945
✓	Citibank	A+	\$999,827	0.68%	25%	\$35,565,763
✓	Macquarie Bank	A+	\$4,005,704	2.74%	25%	\$32,559,886
✓	Rabobank Australia Branch	A+	\$1,986,519	1.36%	25%	\$34,579,072
✓	Suncorp	A+	\$17,003,263	11.63%	25%	\$19,562,328
✓	UBS AG	A+	\$4,240,346	2.90%	25%	\$32,325,244
✓	Bank of China	A	\$999,248	0.68%	25%	\$35,566,342
✓	China Construction Bank	A	\$995,767	0.68%	25%	\$35,569,823
✓	ICBC Sydney	A	\$27,668,393	18.92%	25%	\$8,897,198





Restricted Funds (*Local Government Act 1993 s 409*)

Councils restricted and unrestricted funds as at 30 April 2023 are shown below. Unrestricted Cash is the cash that is readily available or convertible to cash for Councils’ day-to-day management. The restricted cash is either externally or internally restricted. Externally restricted cash can only be spent as permitted in line with legislative responsibilities and/or contractual obligations, while internally restricted cash is to be spent on Council-specific funding commitments as per the operational plan and adopted Council budget.

Investment Portfolio Balance as at 30 April 2023		\$146,262,361.99
Restricted Cash	Internal	\$86,285,352.47
	External	\$47,391,625.60
Unrestricted Cash		\$12,585,383.92
Total Restricted & Unrestricted		\$146,262,361.99

Loan Funds

The total loan funds were drawn down on 10 November 2021 for \$33.5 million at 2.22%. The loan funded the following:

- \$14.5M Capital Works
 - \$6.7M of Building Works which included Blenheim House, La Perouse Museum, Malabar Pool, Dunningham Reserve, Burrows Park and Southern Suburbs Youth Facilities
 - \$5.5M of Parks Projects which included Playground upgrade, Coral Sea Park, Coastal Walkways, Snape Park outdoor gym, and Pioneers Park
 - \$3.8M of Roads Projects which include drainage capital works and footpath construction

- \$19.5M for the Heffron Centre Project

The payment frequency is semi-annually with the first loan repayment made on the 10 May 2022. The repayment amount is \$1,877,039.92 and the next payment will be due on 10 May 2023.

The current interest rates offered on term deposits currently have far exceeded our cost of funds in obtaining the \$33.5m loan. Indicative term deposit rates offered currently at CBA are as follows:

- For 1 Year – 4.46%
- For 2 Years – 4.31%
- For 3 Years – 4.22%
- For 4 Years – 4.19%
- For 5 Years – 4.24%

As such, the Council is in a notionally advantageous position in earning interest income on our loan. In addition, the delay in the use of loan funds with the deferral of capital works projects into the next financial year enables the council to invest these surplus funds in the short to medium-term investment offerings.

Green Investment

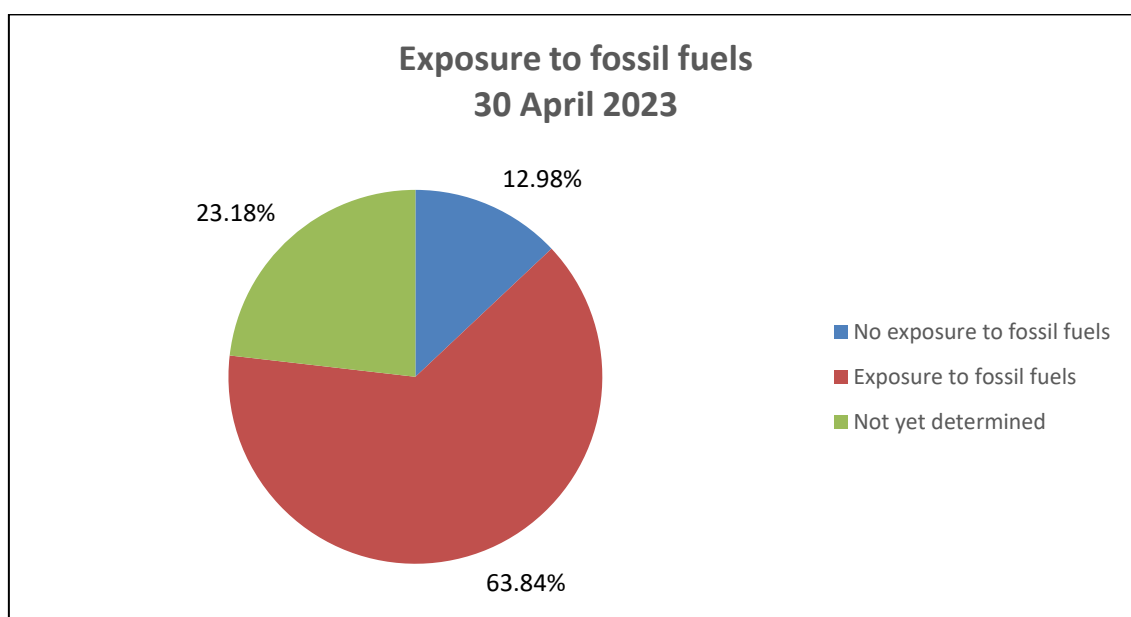
Council’s investment policy includes guidelines that give preference to placing funds with institutions identified as not dealing with fossil fuel companies, where financial institutions offer equivalent investment returns with the same credit rating. The big four banks and other institutions rated A- and above have some exposure to fossil fuels. The banks with little or no exposure to fossil fuels are the lower-rated institutions. The current policy does not permit investments in these BBB-rated institutions.

Council’s exposure to fossil fuel funds is shown below:

Counterparty	Credit rating	Funding fossil fuel	Position
ING Covered Bond	AAA	Yes	Loaned to fossil fuels in Australia since 2016
Commonwealth Bank	AA-	Yes	Loaned to fossil fuels globally since 2016
Nab	AA-	Yes	Loaned to fossil fuels globally since 2016
Westpac	AA-	Yes	Loaned to fossil fuels globally since 2016
Citibank	A+	Yes	Loaned to fossil fuels since 2016
Macquarie Bank	A+	Yes	Loaned to fossil fuels globally since 2016 and holds more than \$2.5 billion of shares in numerous coal, oil and gas companies
Rabobank	A+	No	Does not finance the primary production of fossil fuels
Suncorp	A+	No	Loans to fossil fuels in 2008/2009, but released the position statement that they have withdrawn from the sector
UBS	A+	Not yet determined	No Position provided
Bank of China (Australia)	A	Not yet determined	No Position provided
China Construction Bank	A	Not yet determined	No Position provided
ICBC, Sydney Branch	A	Not yet determined	No Position provided

Based on the portfolio balance of \$146.26 million at 30 April 2023, funding with green initiatives banks made up 12.98 per cent of total investment, or \$18.99 million. Funding with banks that have exposure to fossil fuels constitutes 63.84 per cent, or \$93.37 million. The remaining 23.18 per cent is not yet determined as no position has been provided by the financial institutions.

Institutions	Invested	Invested %
No exposure to fossil fuels	\$18,989,781.61	12.98%
Exposure to fossil fuels	\$93,368,826.53	63.84%
Not yet determined	\$33,903,753.85	23.18%



Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Financial Management
Function	Financial Management and Control
Delivery program commitment	Support Council's sustainable delivery of projects and services through sound Financial Management and Control, including long term financial planning, budget preparation, and financial performance monitoring.

Resourcing Strategy implications

The Original budget provision for investment income is \$1,270,504. The September and December quarterly budget reviews have been reported to Council with an additional of \$300,000 and \$1,000,000 respectively. The total current revised interest on investments budget is \$2,570,504, with an additional \$1,000,000.00 included in the March quarterly review being reported to Council this month. Investment income received to 30 April is \$3,178,709.18 representing 123.66% of the budget year to date. The increased portfolio balance and the recent rise in interest rates continue to result in overall improved returns.

Policy and legislative requirements

Council is authorised by Section 625 of the Local Government Act to invest its surplus funds. Funds will only be invested in the form of investment notified by Order of the Minister dated 12 January 2011. The Local Government (General) Regulation prescribes the records that must be maintained in relation to Council's Investment Policy.

Conclusion

Funds are invested with the aim of achieving budgeted income in the 2022-23 financial year and outperforming the AusBond Bank Bill Index over a 12-month period.

All investments as at 30 April 2023 have been made in accordance with the Local Government Act, the regulations and Council's Investment Policy.

Responsible officer: Zorica Whitby, Financial Accountant

File Reference: F2016/06527

CO19/23

Randwick City Council

Investments

for the period ending 30 April 2023

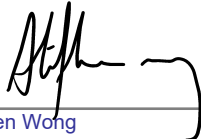
Certificate by Responsible Accounting Officer

made pursuant to Clause 212(1)(b) of the Local Government (General) Regulations 2005

I hereby certify that all investments as at 30 April 2023 have been made in accordance with Council's Investment Policy (adopted Nov 2019).

I hereby certify that all investments as at 30 April 2023 meet the requirements of section 625 of the *Local Government Act 1993* including the Ministerial Investment Order (2011).

I hereby certify that all investments as at 30 April 2023, and this investment report, meet the requirements of clause 212 of the *Local Government (General) Regulation 2005*.



Stephen Wong
RESPONSIBLE ACCOUNTING OFFICER

8 May 2023

Date

Director Corporate Services Report No. CO20/23

Subject: Monthly Financial Report as at 31 March 2023







Executive Summary

- Monthly Financial Reports are produced as a means of monitoring the financial performance of the Council and ensuring that all appropriate financial controls are being adhered to.
- Council's liquidity remains sound as at 31 March 2023, with capacity to meet short term obligations as they fall due.
- Council's Chief Financial Officer, as the Responsible Accounting Officer, advises that the projected financial position is satisfactory.

Recommendation

That the Monthly Financial Report as at 31 March 2023 be received and noted.

Attachment/s:

1.   Monthly Financial Statements - Income Statement - March 2023
2.   Monthly Financial Statements - Balance Sheet - March 2023
3.   Monthly Financial Statements - Cash Flow Statement - March 2023

Purpose

Section 202 of Local Government (General) Regulation 2005 requires that the Responsible Accounting Officer of a council must:

- a) establish and maintain a system of budgetary control that will enable the council's actual income and expenditure to be monitored each month and to be compared with the estimate of the council's income and expenditure, and
- b) if any instance arises where the actual income or expenditure of the council is materially different from its estimated income or expenditure, report the instance to the next meeting of the council.

Discussion

This report provides the financial results of the Council as at 31 March 2023.

- **Income Statement** (Attachment 1):
The Income Statement summarizes the Council's financial performance year to date (YTD). The income statement presents the financial results for a stated period. The statement quantifies the amount of revenue generated and the expenses incurred by the Council as well as any resulting net surplus or deficit.
 - Other operating expenses exceeded year-to-date trends due to timing of payment of the State Emergency Services levy. This has been budgeted for in our current budget and in line with our expectations.

2022-23 Financial Performance Summary

	Current 2022-23 Budget (\$'000)	2022-23 March YTD (\$'000)
Income from continuing operations	\$193,840	\$148,717
Expenses from continuing operations	\$175,064	\$130,292
Net operating result for 2022-23	\$18,776	\$18,425
Net operating result before Capital Grants and Contributions for 2022-23	\$2,458	\$5,970

- **Balance Sheet Statement** (Attachment 2):
A Balance Sheet is a statement of the financial position of the Council that lists the assets, liabilities, and equity at a particular point in time. In other words, the balance sheet illustrates a Council's net worth. The balance sheet provides a snapshot of the finances (what it owns and owes) as of a specific date.
 - Cash, cash equivalents and investments have decreased from previous period due to negative cash flow because of the timing of higher payments to suppliers than income received from rates, grants, and user charges in the current period. This is expected and aligns with our financial trends.
- **Cash Flow Statement** (Attachment 3):
The Cash Flow Statement is a financial statement that shows how cash moves in and out of a Council's accounts via three main channels: operating, investing, and financing activities. The sum of these three segments is called net cash flow. The cash flow statements measure how well the Council manages its cash position, meaning how well the Council generates cash to pay its debt obligations and fund its operating expenses.

The current ratio is a liquidity ratio that measures Council's ability to pay short-term obligations or those due within one year. The current ratio as at 31 March 2023 is 3.63 compared to 3.03 as at 30 June 2022. The Council's target is a ratio equal to or greater than 1.5 based on the Long-Term Financial Plan. Our current ratio meets this target and indicates Council's liquidity remains sound at the end of March 2023. Together with a positive net operating result before Capital Grants and Contributions of \$6.0M, the financial position of the Council remains satisfactory.

Performance Ratio Summary

The purpose of the Performance Ratio Summary table is to display key Financial Performance indicators as outlined by the Office of Local Government (OLG). It also provides indication of Council's financial performance, liquidity, and management of debt recovery. The indicators are as follows:

	Industry Benchmark	Original 2022-23 Budget	March 2023 YTD Actuals
Cash Expense Cover Ratio	>3 months	4 months	12.90 Months
Operating Performance Ratio	>=0.00%	1.72%	4.38%
Own Source Operating Revenue Ratio	>=60.00%	92.01%	88.02%
Unrestricted Current Ratio	>1.5	2.44	3.15
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	<5.00%	3.80%	4.50%*

- CECR is a liquidity indicator which indicates the number of months Council can continue paying for its immediate expenses without additional cash flow. With recent events in the financial industry following the demise of Silicon Valley Bank (SVB) in March 2023, the importance of monitoring liquidity for all business types is paramount. The Council measures liquidity on key performance indicators including the unrestricted Current Ratio (measure Council's ability to meet short term obligations as they fall due), Rates, Annual Charges, Interest Outstanding percentage (measurement of total rates and charges for collection) monthly, the Annual Budget and in our 10-year Long Term Financial Plans.

In general, a higher liquidity ratio shows the availability of higher cashflows which lead to a better coverage of outstanding debts. Liquidity refers to how easily or efficiently cash can be obtained to pay bills and other short-term obligations for the council. Assets that can be readily sold, like FRNs and bonds, are liquid. Councils need enough liquidity on hand to cover their bills and obligations so they can pay vendors, keep up with payroll, and maintain their daily operations. The Council's current liquidity health indicators exceed all benchmarks held by the OLG.

- Operating Performance Ratio measures Council's achievement of containing operating expenditure within operating revenue.
- Own Source Operating Revenue Ratio measures the degree of reliance on external funding sources such as operating grants and contributions.
- Unrestricted Current Ratio is to assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.
- Rates, Annual Charges, Interest and Extra Charges Outstanding Ratio assesses the impact of uncollected rates, annual charges, interest and extra charges on a council's liquidity and the adequacy of debt recovery efforts.

*3.80% is the anticipated target that will be achieved towards the end of this financial year as debt recovery management has been strong and on track to reach target.

The Heffron Centre Project

As of 31 March 2023, the Heffron Centre Project is showing a total of \$47.7M actual expense from an approved budget of \$57.8M.

Des Renford Leisure Centre – DRLC

The Des Renford Leisure Centre’s 2022-23 budget remains on target, with March producing the highest monthly income to date for the financial. This proved to be an excellent month for the centre with income from continuing operations up over 7% from what was previously a financial year high in February.

The Financial year up until 31 March sees User Charges & Fees finishing at 74% of the annual budget and Materials & Contracts expenses at 66% overall. These results see the DRLC P&L performing strongly as the Centre comes out of a busy February and March with school swimming carnivals and increased Centre attendance due to the favourable weather conditions. It should be noted however, the ongoing effects of the recruitment of qualified staff to provide a full contingent of programs and services though the current skills shortage is showing signs of improvement.

While Term enrolments in Learn To Swim (LTS) programs continue to grow, we are seeing the strongest growth in demand for adult and private lessons. While birthday party bookings at the centre are also tracking well ahead of budget forecasts.

A new promotional campaign focused on the centres learn to swim program is currently in development, this will be supported by ongoing social media and other marketing initiatives to boost LTS which are still recovering. These combine to increase DRLC’s exposure to the local community, drive membership numbers and improve Centre attendance numbers.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Financial Management
Function	Financial Management and Control
Delivery program commitment	Support Council's sustainable delivery of projects and services through sound Financial Management and Control, including long term financial planning, budget preparation, and financial performance monitoring.
Function	Accounting
Delivery program commitment	Manage and record the financial transactions arising from Council's activities, including the levy and collection of rates and charges, and the preparation of financial statements and returns.

Resourcing Strategy implications

The recommended Budget for 2022-23 is balanced and sustainable with a current budget operating result before capital contributions of \$2.5M. The Council’s financial position remains sound. The Council continues to have a strong balance sheet demonstrated through the robustness of working capital and sound liquidity through healthy cash generation

Policy and legislative requirements

Section 202 of Local Government (General) Regulation 2005.

Conclusion

The Council’s Chief Financial Officer, as the Responsible Accounting Officer, advises that the projected financial position is satisfactory.

Responsible officer: Stephen Wong, Chief Financial Officer

File Reference: F2021/00364

CO20/23



INCOME STATEMENT

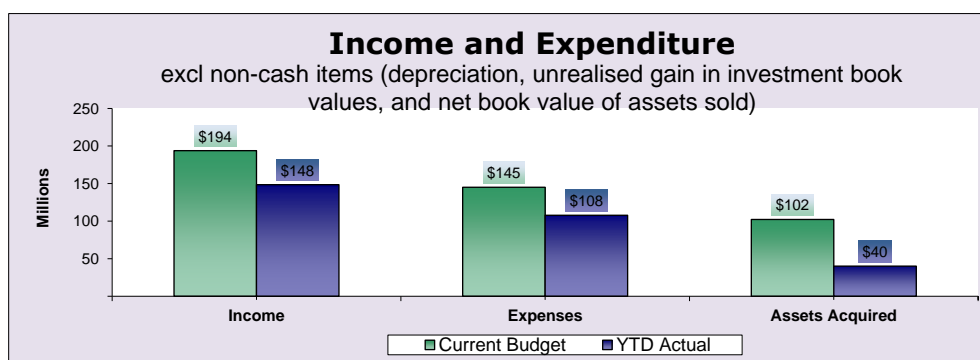
For the period ended 31 March 2023

% OF YEAR EXPIRED
AT 31 Mar 2023 **75%**

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% Spent or Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	76,305	76,695	53,331	69.5%
Borrowing Costs	693	693	355	51.2%
Materials and Contracts	61,078	63,139	50,109	79.4%
Depreciation and Amortisation	29,965	29,965	22,474	75.0%
Other Operating Expenses	4,596	4,572	3,675	80.4%
Loss on Disposal of Infrastructure Assets	-	-	348	0.0%
Total Expenses from Continuing Operations	172,637	175,064	130,292	74.4%
INCOME FROM CONTINUING OPERATIONS				
Rates and Annual Charges	135,771	135,771	102,055	75.2%
User Charges and Fees	20,555	20,717	17,387	83.9%
Interest	1,471	2,771	3,245	117.1%
Other Revenues	6,212	6,392	5,364	83.9%
Other Income	4,012	4,012	2,787	69.5%
Operating Grants and Contributions	7,250	7,860	5,363	68.2%
Capital Grants and Contributions	7,350	16,318	12,455	76.3%
Gain on Disposal of Plant & Fleet Assets	-	-	61	0.0%
Total Income from Continuing Operations	182,620	193,840	148,717	76.7%
Net Operating Result - Surplus/(Deficit)	9,984	18,775	18,425	

FUNDING STATEMENT

SOURCE OF FUNDS				
Surplus/(Deficit) from Operations - Accrual	9,984	18,775	18,425	98.1%
Add Back Non-Funded Transactions included in Operations above				
- Special Contributions	14,752	14,752	8,003	54.2%
- Depreciation	29,965	29,965	22,474	75.0%
- Sales of Assets (Book Value)	2,553	856	644	75.2%
- Transfer - Internal Reserves	19,288	43,379	15,549	35.8%
- Transfer - External Reserves	9,385	15,465	8,440	54.6%
- Unrealised Gain/(Loss) on Market Value of Investments	-	-	220	0.0%
- Loan Borrowings	-	-	-	0.0%
Net Funds Available	85,927	123,193	73,315	59.5%
APPLICATION OF FUNDS				
Assets Acquired	65,595	102,229	40,105	39.2%
Loan Principal Repayment	3,454	3,454	1,522	44.1%
Transfer - Internal Reserves	4,743	4,743	6,364	134.2%
Transfer - External Reserves	11,786	11,786	1,906	16.2%
Total Funds Applied	85,578	122,212	49,897	40.8%
Total Funds Surplus/(Deficit)	349	981	23,418	





BALANCE SHEET

CO20/23

	Actual as at 31 March 2023 (\$'000s)	Actual as at 30 June 2022 (\$'000s)
CURRENT ASSETS		
Cash, Cash Equivalents & Investments	155,952	144,920
Receivables	4,805	13,472
Inventories & Other	640	1,538
TOTAL CURRENT ASSETS	161,397	159,931
NON-CURRENT ASSETS		
Investments	-	-
Receivables	674	674
Infrastructure, Property, Plant & Equipment	1,876,394	1,860,119
Right of Use Asset	231	231
TOTAL NON-CURRENT ASSETS	1,877,299	1,861,024
TOTAL ASSETS	2,038,696	2,020,955
CURRENT LIABILITIES		
Payables & Prepayments	24,932	32,715
Provisions	19,585	20,496
TOTAL CURRENT LIABILITIES	44,517	53,211
NON-CURRENT LIABILITIES		
Income received in advance	18,427	10,424
Borrowings	28,934	28,934
Lease Liabilities	244	237
Provisions	651	651
TOTAL NON-CURRENT LIABILITIES	48,256	40,246
TOTAL LIABILITIES	92,773	93,457
NET ASSETS	1,945,923	1,927,498
EQUITY		
Retained Earnings	885,150	866,725
Revaluation Reserves	1,060,773	1,060,773
TOTAL EQUITY	1,945,923	1,927,498



STATEMENT OF CASH FLOW

	For the period ended 31 March 2023 (\$'000)	Actual for the year ended 30 June 2022 (\$'000)
Cash Flows from Operating Activities		
Receipts:		
Rates & Annual Charges	109,715	131,464
User Charges & Fees	18,707	25,723
Investment & Interest Revenue Received	2,199	854
Grants & Contributions	26,454	24,373
Bonds, Deposits & Retention amounts received	1,690	1,876
Other	9,676	17,694
Payments:		
Employee Benefits & On-Costs	(54,865)	(69,406)
Materials & Contracts	(52,159)	(67,629)
Borrowing Costs	(355)	(379)
Bonds, Deposits & Retention amounts refunded	(1,422)	(1,302)
Other	(7,698)	(562)
Net Cash provided (or used in) Operating Activities	51,941	62,706
Cash Flows from Investing Activities		
Receipts:		
Sale of Investment Securities	80,727	78,013
Sale of Infrastructure, Property, Plant & Equipment	(104)	1,137
Distribution of net share of interest from ventures and associates	-	7
Payments:		
Purchase of Investment Securities	(97,727)	(132,745)
Acquisition of term deposits	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(39,429)	(45,928)
Net Cash provided (or used in) Investing Activities	(56,533)	(99,516)
Cash Flows from Financing Activities		
Receipts:		
Proceeds from Borrowings	-	33,500
Payments:		
Repayment of Borrowings	(1,522)	(1,505)
Principal component of lease payments	-	2
Net Cash Flow provided (used in) Financing Activities	(1,522)	31,997
Net Increase/(Decrease) in Cash & Cash Equivalents	(6,115)	(4,813)
plus: Cash & Cash Equivalents - beginning of year	13,519	18,332
Cash & Cash Equivalents - end of the period/year	7,404	13,519
Additional Information:		
plus: Investments on hand	148,547	131,401
Total Cash, Cash Equivalents & Investments	155,951	144,920

Director Corporate Services Report No. CO21/23

Subject: Monthly Financial Report as at 30 April 2023







Executive Summary

- Monthly Financial Reports are produced as a means of monitoring the financial performance of the Council and ensuring that all appropriate financial controls are being adhered to.
- Council's liquidity remains sound as at 30 April 2023, with capacity to meet short term obligations as they fall due.
- Council's Chief Financial Officer, as the Responsible Accounting Officer, advises that the projected financial position is satisfactory.

Recommendation

That the Monthly Financial Report as at 30 April 2023 be received and noted.

Attachment/s:

1.   Monthly Financial Statements - Income Statement - April 2023
2.   Monthly Financial Statements - Balance Sheet - April 2023
3.   Monthly Financial Statements - Cash Flow Statement - April 2023

Purpose

Section 202 of Local Government (General) Regulation 2005 requires that the Responsible Accounting Officer of a council must:

- a) establish and maintain a system of budgetary control that will enable the council's actual income and expenditure to be monitored each month and to be compared with the estimate of the council's income and expenditure, and
- b) if any instance arises where the actual income or expenditure of the council is materially different from its estimated income or expenditure, report the instance to the next meeting of the council.

Discussion

This report provides the financial results of the Council as at 30 April 2023.

- **Income Statement** (Attachment 1):
The Income Statement summarizes the Council's financial performance year to date (YTD). The income statement presents the financial results for a stated period. The statement quantifies the amount of revenue generated and the expenses incurred by the Council as well as any resulting net surplus or deficit.
 - Total Interest income received from long-term investment exceeded budget due to higher than budgeted investment returns and investment amounts in the current period.

2022-23 Financial Performance Summary

	Current 2022-23 Budget (\$'000)	2022-23 April YTD (\$'000)
Income from continuing operations	\$193,840	\$165,180
Expenses from continuing operations	\$175,064	\$143,087
Net operating result for 2022-23	\$18,776	\$22,093
Net operating result before Capital Grants and Contributions for 2022-23	\$2,458	\$7,889

- **Balance Sheet Statement** (Attachment 2):
A Balance Sheet is a statement of the financial position of the Council that lists the assets, liabilities, and equity at a particular point in time. In other words, the balance sheet illustrates a Council's net worth. The balance sheet provides a snapshot of the finances (what it owns and owes) as of a specific date.
 - Payables and prepayments have reduced due to rates prepayments being earned (recognised) in the current period.
- **Cash Flow Statement** (Attachment 3):
The Cash Flow Statement is a financial statement that shows how cash moves in and out of a Council's accounts via three main channels: operating, investing, and financing activities. The sum of these three segments is called net cash flow. The cash flow statement measures how well the Council manages its cash position, meaning how well the Council generates cash to pay its debt obligations and fund its operating expenses.

The current ratio is a liquidity ratio that measures Council's ability to pay short-term obligations or those due within one year. The current ratio as at 30 April 2023 is 4.35 compared to 3.03 as at 30 June 2022. The Council's target is a ratio equal to or greater than 1.5 based on the Long-Term Financial Plan. Our current ratio meets this target and indicates Council's liquidity remains sound

at the end of April 2023. Together with a positive net operating result before Capital Grants and Contributions of \$7.9M, the financial position of the Council remains satisfactory.

Performance Ratio Summary

The purpose of the Performance Ratio Summary table is that it displays the key Financial Performance indicators as outlined by the Office of Local Government. It also provides indication of Council's financial performance, liquidity, and management of debt recovery. The indicators are as follows:

	Industry Benchmark	Original 2022-23 Budget	April 2023 YTD Actuals
Cash Expense Cover Ratio	>3 months	4 months	13.63 Months
Operating Performance Ratio	>=0.00%	1.72%	5.23%
Own Source Operating Revenue Ratio	>=60.00%	92.01%	88.06%
Unrestricted Current Ratio	>1.5	2.44	4.02
Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage	<5.00%	3.80%	4.50%*

- CECR is a liquidity indicator which indicates the number of months Council can continue paying for its immediate expenses without additional cash flow. With recent events in the financial industry following the demise of Silicon Valley Bank (SVB) in March 2023, the importance of monitoring liquidity for all business types is paramount. The Council measures liquidity on key performance indicators including the unrestricted Current Ratio (measure Council's ability to meet short term obligations as they fall due), Rates, Annual Charges, Interest Outstanding percentage (measurement of total rates and charges for collection) monthly, the Annual Budget and in our 10-year Long Term Financial Plans.

In general, a higher liquidity ratio shows the availability of higher cashflows which lead to a better coverage of outstanding debts. Liquidity refers to how easily or efficiently cash can be obtained to pay bills and other short-term obligations for the council. Assets that can be readily sold, like FRNs and bonds, are liquid. Councils need enough liquidity on hand to cover their bills and obligations so they can pay vendors, keep up with payroll, and maintain their daily operations. The Council's current liquidity health indicators exceed all benchmarks held by the OLG.

- Operating Performance Ratio measures Council's achievement of containing operating expenditure within operating revenue.
- Own Source Operating Revenue Ratio measures the degree of reliance on external funding sources such as operating grants and contributions.
- Unrestricted Current Ratio is to assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.
- Rates, Annual Charges, Interest and Extra Charges Outstanding Ratio assesses the impact of uncollected rates, annual charges, interest and extra charges on a council's liquidity and the adequacy of debt recovery efforts.

*3.80% is the anticipated target that will be achieved towards the end of this financial year as debt recovery management has been strong and on track to reach target.

The Heffron Centre Project

As of 30 April 2023, the Heffron Centre Project is showing a total of \$51.2M actual expense from an approved budget of \$57.8M.

Des Renford Leisure Centre – DRLC

The Des Renford Leisure Centre’s 2022-23 budget remains on target. April is traditionally a quieter month overall due to the school holidays and many members being away over easter break. That said, April results have finished strongly with the financial year up until 30 April seeing *User Charges & Fees* finishing at 78% of the annual budget while *Materials & Contracts* expenses sit at 71% overall leaving the DRLC P&L in a healthy position.

Learn to Swim enrolments for Term 1 2023 finished at 3,792 which is 78% of the pre-covid average. Facility Membership numbers continuing their strong recovery post COVID to reach 2,415 with term memberships far exceeding expectations at over 200% of the forecast budget. Casual aquatic visits to the pools have jumped to 66% of annual budget, while Personal Training and Birthday Parties are also exceeding budget expectations.

The end of April sees the centre promoting ‘Group fitness fiesta’ along with a new promotional campaign, supported by ongoing social media and other marketing initiatives. Construction is also set to commence on DRLC’s new splash park which is set to open in September 2023. This will be a strong addition to the centre and is expected to drive strong attendance numbers when it opens.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Financial Management
Function	Financial Management and Control
Delivery program commitment	Support Council's sustainable delivery of projects and services through sound Financial Management and Control, including long term financial planning, budget preparation, and financial performance monitoring.
Function	Accounting
Delivery program commitment	Manage and record the financial transactions arising from Council's activities, including the levy and collection of rates and charges, and the preparation of financial statements and returns.

Resourcing Strategy implications

The recommended Budget for 2022-23 is balanced and sustainable with a current budget operating result before capital contributions of \$2.5M. The Council’s financial position remains sound. The Council continues to have a strong balance sheet demonstrated through the robustness of working capital and sound liquidity through healthy cash generation.

Policy and legislative requirements

Section 202 of Local Government (General) Regulation 2005.

Conclusion

The Council’s Chief Financial Officer, as the Responsible Accounting Officer, advises that the projected financial position is satisfactory.

Responsible officer: Stephen Wong, Chief Financial Officer

File Reference: F2021/00364

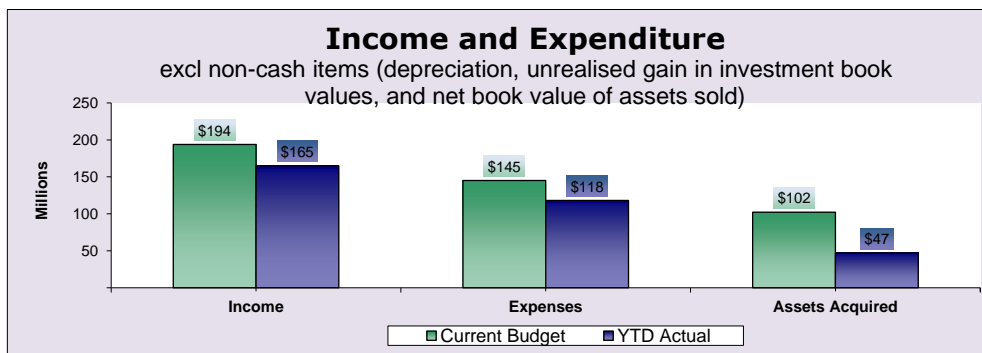


INCOME STATEMENT

For the period ended 30 April 2023

% OF YEAR EXPIRED AT 30 Apr 2023 **83%**

	Original Budget (\$'000s)	Current Budget (\$'000s)	YTD Actuals (\$'000s)	% Spent or Earned
EXPENSES FROM CONTINUING OPERATIONS				
Employee Costs	76,305	76,695	58,935	76.8%
Borrowing Costs	693	693	355	51.2%
Materials and Contracts	61,078	63,139	54,660	86.6%
Depreciation and Amortisation	29,965	29,965	24,971	83.3%
Other Operating Expenses	4,596	4,572	3,769	82.4%
Loss on Disposal of Infrastructure Assets	-	-	397	0.0%
Total Expenses from Continuing Operations	172,637	175,064	143,087	81.7%
INCOME FROM CONTINUING OPERATIONS				
Rates and Annual Charges	135,771	135,771	113,372	83.5%
User Charges and Fees	20,555	20,717	19,135	92.4%
Interest	1,471	2,771	3,778	136.3%
Other Revenues	6,212	6,392	6,030	94.3%
Other Income	4,012	4,012	3,086	76.9%
Operating Grants and Contributions	7,250	7,860	5,515	70.2%
Capital Grants and Contributions	7,350	16,318	14,204	87.0%
Gain on Disposal of Plant & Fleet Assets	-	-	61	0.0%
Total Income from Continuing Operations	182,620	193,840	165,180	85.2%
Net Operating Result - Surplus/(Deficit)	9,984	18,775	22,093	
FUNDING STATEMENT				
SOURCE OF FUNDS				
Surplus/(Deficit) from Operations - Accrual	9,984	18,775	22,093	117.7%
Add Back Non-Funded Transactions included in Operations above				
- Special Contributions	14,752	14,752	9,092	61.6%
- Depreciation	29,965	29,965	24,971	83.3%
- Sales of Assets (Book Value)	2,553	856	644	75.2%
- Transfer - Internal Reserves	19,288	43,379	16,056	37.0%
- Transfer - External Reserves	9,385	15,465	9,577	61.9%
- Unrealised Gain/(Loss) on Market Value of Investments	-	-	220	0.0%
- Loan Borrowings	-	-	-	0.0%
Net Funds Available	85,927	123,193	82,214	66.7%
APPLICATION OF FUNDS				
Assets Acquired	65,595	102,229	47,081	46.1%
Loan Principal Repayment	3,454	3,454	1,522	44.1%
Transfer - Internal Reserves	4,743	4,743	7,299	153.9%
Transfer - External Reserves	11,786	11,786	3,024	25.7%
Total Funds Applied	85,578	122,212	58,926	48.2%
Total Funds Surplus/(Deficit)	349	981	23,287	





BALANCE SHEET

	Actual as at 30 April 2023 (\$'000s)	Actual as at 30 June 2022 (\$'000s)
CURRENT ASSETS		
Cash, Cash Equivalents & Investments	146,344	144,920
Receivables	5,540	13,472
Inventories & Other	607	1,538
TOTAL CURRENT ASSETS	152,491	159,931
NON-CURRENT ASSETS		
Investments	-	-
Receivables	674	674
Infrastructure, Property, Plant & Equipment	1,880,566	1,860,119
Right of Use Asset	231	231
TOTAL NON-CURRENT ASSETS	1,881,471	1,861,024
TOTAL ASSETS	2,033,961	2,020,955
CURRENT LIABILITIES		
Payables & Prepayments	15,500	32,715
Provisions	19,526	20,496
TOTAL CURRENT LIABILITIES	35,025	53,211
NON-CURRENT LIABILITIES		
Income received in advance	19,516	10,424
Borrowings	28,934	28,934
Lease Liabilities	244	237
Provisions	651	651
TOTAL NON-CURRENT LIABILITIES	49,344	40,246
TOTAL LIABILITIES	84,370	93,457
NET ASSETS	1,949,592	1,927,498
EQUITY		
Retained Earnings	888,818	866,725
Revaluation Reserves	1,060,773	1,060,773
TOTAL EQUITY	1,949,592	1,927,498



STATEMENT OF CASH FLOW

	For the period ended 30 April 2023 (\$'000)	Actual for the year ended 30 June 2022 (\$'000)
Cash Flows from Operating Activities		
Receipts:		
Rates & Annual Charges	112,563	131,464
User Charges & Fees	19,887	25,723
Investment & Interest Revenue Received	2,423	854
Grants & Contributions	29,444	24,373
Bonds, Deposits & Retention amounts received	1,784	1,876
Other	9,640	17,694
Payments:		
Employee Benefits & On-Costs	(60,531)	(69,406)
Materials & Contracts	(55,057)	(67,629)
Borrowing Costs	(355)	(379)
Bonds, Deposits & Retention amounts refunded	(1,408)	(1,302)
Other	(9,116)	(562)
Net Cash provided (or used in) Operating Activities	49,274	62,706
Cash Flows from Investing Activities		
Receipts:		
Sale of Investment Securities	88,227	78,013
Sale of Infrastructure, Property, Plant & Equipment	(336)	1,137
Distribution of net share of interest from ventures and associates	-	7
Payments:		
Purchase of Investment Securities	(97,727)	(132,745)
Acquisition of term deposits	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(46,173)	(45,928)
Net Cash provided (or used in) Investing Activities	(56,009)	(99,516)
Cash Flows from Financing Activities		
Receipts:		
Proceeds from Borrowings	-	33,500
Payments:		
Repayment of Borrowings	(1,522)	(1,505)
Principal component of lease payments	-	2
Net Cash Flow provided (used in) Financing Activities	(1,522)	31,997
Net Increase/(Decrease) in Cash & Cash Equivalents	(8,257)	(4,813)
plus: Cash & Cash Equivalents - beginning of year	13,519	18,332
Cash & Cash Equivalents - end of the period/year	5,262	13,519
Additional Information:		
plus: Investments on hand	141,082	131,401
Total Cash, Cash Equivalents & Investments	146,344	144,920

Director Corporate Services Report No. CO22/23

Subject: Quarterly Budget Review - March 2023

Executive Summary

- The Quarterly Budget Review Statements (QBRS) standard set of budget review statements are designed to assist Council in meeting its charter relating to its finances and related responsibilities in respect of its management plan / operational plan.
- The QBRS have been prepared for the third quarter ended 31 March 2023 in accordance with the Regulations.
- As of 31 March 2023, through careful financial management and governance, Council is pleased to advise:
 - An increase of \$1.5m in Net Operating Result before Capital Items bringing the projected 22-23 FY result to \$4m; and
 - An increase of \$1.5m in budget result (available cash/working funds) to a projected 22-23 FY result of \$2.5m
- Council's Chief Financial Officer, as the Responsible Accounting Officer, advises that the projected financial position is satisfactory, and adoption of the report will satisfy statutory obligations.

Recommendation

That Council:

- a) receives and notes the report of March 2023 Quarterly Budget Review Statements (QBRS).
- b) adopts the proposed March 2023 budget variations shown in the QBRS attachment to this report.

Attachment/s:

1.   Quarterly Budget Review Statements (March 2023)

Purpose

The purpose of this report is to present the QBRS for the third quarter of the 2022-23 financial year and inform Council of any variations to the adopted budget.

Discussion

The Office of Local Government has published guidelines to Councils in respect to the preparation of Quarterly Budget Review Statements (QBRS) and clause 203(1) of the Local Government Regulation 2005 requires the responsible accounting officer to prepare and submit a QBRS to Council.

This Quarterly Budget Review informs the Council's third quarter of FY22/23 progress against the current budget, together with recommendations for changes and reasons for any budget variations.

The March budget review resulted in an increase of \$1.565m with the 2022-23 projected net operating position before capital increasing to favourable result at \$4.023m.

Operating Result - Income Statements

	2022-23 Original Budget (\$'000)	2022-23 Carryover (\$'000)	2022-23 Sep Budget Revision (\$'000)	2022-23 Dec Budget Revision (\$'000)	2022-23 Mar Budget Revision (\$'000)	2022-23 Projected Budget (\$'000)
Revenue from continuing operations	182,620	2,406	6,674	2,140	2,166	196,006
Expense from continuing operations	172,636	0	1,638	790	101	175,165
Net Operating Result-Surplus	9,984	2,406	5,036	1,350	2,065	20,841
Net Operating Position Before Capital	2,634	0	(968)	792	1,565	4,023

The key proposed budget adjustments for March Quarter include:

User Charges and Fees

- During the March Quarter, the number of work zone applications has increased, forecasted work zone fees is now expected to increase by \$500k. Parking fees is also expected to increase by \$150k for the 22-23 financial year.
- For Health, Building and Regulatory Services, major hoarding applications processed brought an increase of \$210k in fees for Articles on Public Roads for the 22-23 financial year.

Interest income

- The official cash rate has increased substantially in a short period of time. The last interest rate increase of 25 basis points was on the 2nd of May, taking the cash rate to 3.85 per cent, which has seen it rises from a historic low of 0.10 per cent in the beginning of 2022. The RBA has stated that further tightening of monetary policy may be required but that the board is not on a pre-set path.

- As of 31st March, Council held investments with a market value of \$155.94m. The higher interest rate environment and the amount of funds invested resulted in a favourable budget review increase in interest income of \$1m.

Capital Grants and Contributions

- During March Quarter, Council secured an additional \$500k grants for Coogee Beach Stormwater Diversion Program.

Employee Cost

FBT stands for Fringe Benefits Tax and it is a tax generally on non-salary benefits that employers provide to their employees. Employers, like the Council, are required to pay FBT on benefits such as cars, parking, and some expenses normally provided to employees as part of their salary package. The FBT year runs from 1 April to 31 March. FBT Return for 22-23 FY was finalised resulting in \$342k tax payable. The current budget for FBT is \$400k, resulting in savings of \$58k.

Observations and Insights

Capital Works Transfers from Infrastructure Loan Reserve

A comprehensive review was completed by the Director of City Services for the infrastructure loan funded budgeted capital works for the remainder of the 2022-23 financial period.

During November 2021, Council secured \$14.5m infrastructure loan with TCorp. The approved purpose is for general capital infrastructure works including:

- Upgrades of La Perouse Museum, Blenheim House Culture Centre and South Suburbs Youth Facility and Anzac Parade Monument
- Beach works, including Sea Pools and Baths, Changerooms and Amenities, Costal Walkway, Dune Restoration
- Parks, including Playground Equipment, Outdoor Gym, Amenities
- Bicycle Route Construction
- Drainage Works
- Footpath Construction.

During the financial year 2021-2022, a total of \$2.4m was utilised for approved capital works, and as at the beginning of financial year 2022-23, a total of \$12.1m infrastructure loan was available for utilisation.

In December QBRS, \$9.9m of infrastructure loan was allocated to approved purpose capital works. For the 31 March 2023 quarterly review, the remaining \$2.24m of infrastructure loan has been allocated to approved purpose capital works. These projects are listed below,

Project	Transfer from Infrastructure Loan Reserve
Paine Reserve	\$426,730
Coral Sea Park	\$140,845
Footpath Construction Program	\$1,000,000
Coogee Transit Amenities	\$121,970
Pioneers Park	\$88,739
Coogee Beach Amenities Facilities Lower Promenade	\$365,957
Bushland management program	\$100,000
Sub Total	\$2,244,241

Des Renford Leisure Centre – DRLC

Des Renford Leisure Centre’s 2022-23 budget remains on track with projections. At the end of March 2023 quarter, the Centre has achieved 74% of the User Charges & Fees budget, while Material & Contracts expenses are at 66% of the budget. These results see the DRLC performing strongly as the Centre comes out of a busy February and March with school swimming carnivals held and increased Centre attendance due to the favourable weather conditions.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:	
Service area	Financial Management
Function	Financial Management and Control
Delivery program commitment	Support Council's sustainable delivery of projects and services through sound Financial Management and Control, including long term financial planning, budget preparation, and financial performance monitoring.
Function	Accounting
Delivery program commitment	Manage and record the financial transactions arising from Council's activities, including the levy and collection of rates and charges, and the preparation of financial statements and returns.

Resourcing Strategy implications

This report provides the March QBRS for the 2022-23 Budget. Once adopted, the variations contained within this review will be incorporated into the current Budget and where applicable, in future revisions of the Long-Term Financial Plan.

Policy and legislative requirements

- Section 203(1) (3) of the Local Government (General) Regulation 2005
- Section 211 of the Local Government (General) Regulation 2005
- Local Government Act 1993.

Conclusion

Despite a challenging economic environment, the Council is pleased to report that as at the March 2023 budget review, Council is budgeted to achieve better than budgeted surplus financial position of \$4.023m for 2022-23 Financial Year.

Responsible officer: Stephen Wong, Chief Financial Officer

File Reference: F2021/00364

CO22/23



Randwick City Council
a sense of community

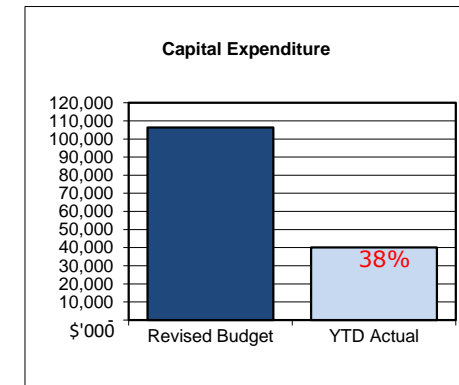
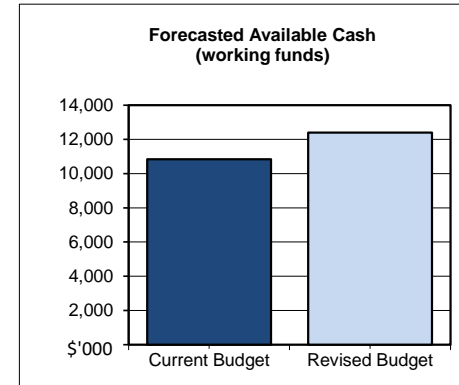
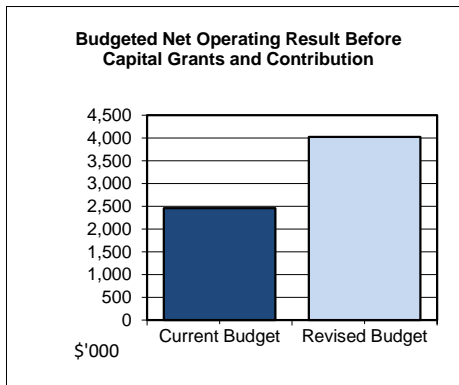
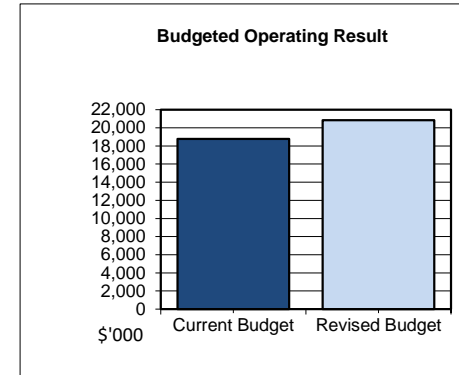
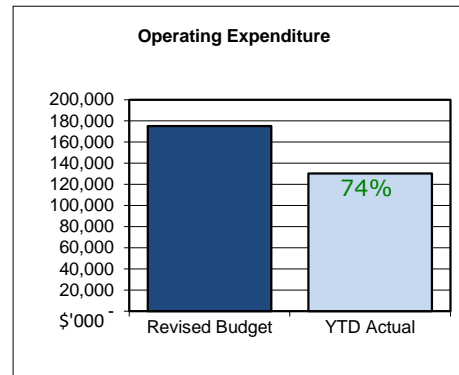
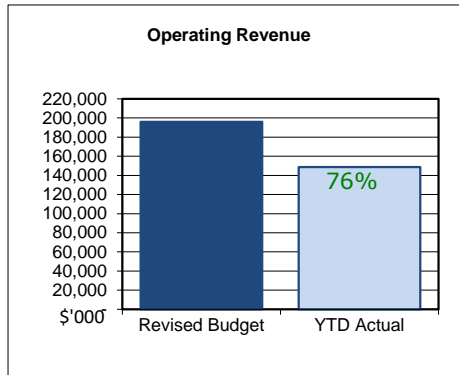
Quarterly Budget Review Statement March 2023




Quarterly Budget Review Statement
for the quarter ended 31 Mar 2023

Budget Review Key Performance Indicators

CO22/23



		FY2022/23 - MARCH QUARTER BUDGET REVIEW Variations			Key: Favourable variations Unfavourable variations Budget contras (\$0 impact)
Responsibility Centre	Account/Project	Comment	Amount (\$)	Narration (Favourable /Unfavourable /Budget contras)	
User Fees and Charges			911,500		
Health, Building and Regulatory Services	Construction Certificates (CC)	Reduction in CC applications	(5,000)	Unfavourable	
Health, Building and Regulatory Services	Complying Development Certificates (CDC)	Reduction in CDC applications	(5,000)	Unfavourable	
Health, Building and Regulatory Services	Hoists on Public Roads s68	Increase in local approvals for use of cranes/ concrete pumps	30,000	Favourable	
Health, Building and Regulatory Services	Bulk Waste Bins s68	Additional local area applications	1,500	Favourable	
Health, Building and Regulatory Services	Articles on Public Roads	Major hoarding applications processed during March Quarter 2023	210,000	Favourable	
Health, Building and Regulatory Services	Fees Other	Additional Fire Safety Income	30,000	Favourable	
Integrated Transport	Work Zones Fees	Revenue improvement (Work Zones Fees)	500,000	Favourable	
Integrated Transport	Paid Parking Fees	Revenue improvement (Parking Fees)	150,000	Favourable	
Interest			1,000,000		
Financial Services	Interest on Investment	Additional investment income (interest rate increase)	1,000,000	Favourable	
Other Revenues			5,000		
Health, Building and Regulatory Services	Fines and Cost - Building	Revenue increase in Fines after Covid	5,000	Favourable	
Operating Grants and Contributions			(250,000)		
Economic Development	Operating Grants - Other	McKeon Street Plaza - Shared Space Grant-Budgeted not Received in 2022/23	(250,000)	Unfavourable	
Capital Grants and Contributions			500,000		
Drainage (Drainage Construction)	Capital Grants - Specific Purpose Other	Coogee Beach Stormwater Diversion Grants received(milestone 3 and 4 payment) during March Quarter 2023	500,000	Favourable	
Employee Costs			(59,600)		
Financial Operation Organisations	FBT	Re-aligning budget with FBT actual payment for 2022/23 Tax Year	(58,000)	Favourable	
Health, Building and Regulatory Services	Employee Travel	Reduced employee travel expense	(1,000)	Favourable	
IMT Operations	Employee Travel	Reduced employee travel expense	(600)	Favourable	

Responsibility Centre	Account/Project	Comment	Amount (\$)	Narration (Favourable /Unfavourable /Budget contras)
Materials and Contracts			65,011	
IMT Operations	Food and Sustenance	Budget related to Council Wide BBQ	2,831	Unfavourable
Property Management	Consultancies - General	Budget related to potential purchase of affordable housing	1,050	Unfavourable
IMT Operating Organisation	Software Licensing	Budget transfer from Communication for software purchase	44,527	Contra
Communication	Contracts - Other	Transfer software cost budget to IMT Operating Organisation	(44,527)	Contra
Health, Building and Regulatory Services	Consultancies - General	Contaminated Land Consultancy - Additional Expenses	10,000	Unfavourable
Cultural Events	Events - Function Expenses	NOX-UNSW Art Exhibit - budget <i>re-allocation to Arts & Culture</i>	(190,000)	Contra
Arts and Culture	Events - Function Expenses	NOX-UNSW Art Exhibit - budget <i>re-allocation from Cultural Events</i>	190,000	Contra
Cultural Events	Events - Function Expenses	Increased cost of flyer distribution and traffic control for ANZAC Day Dawn Service and Coogee Mardi Gras Events	51,130	Unfavourable
Cultural Events	Events - Function Expenses	Budget transfer from Economic Development and Communication for Matilda Screening Event	150,000	Contra
Economic Development	Events - Function Expenses	Budget transfer to Cultural Events for Matilda Screening Event	(80,000)	Contra
Communication	Contracts - Other	Budget transfer to Cultural Events for Matilda Screening Event	(70,000)	Contra
Other Operating Expenditure			95,810	
Financial Operation Organisations	Fire Brigade Service Levy	Re-aligning budget with Assessment Notice amount for 2022/23 Tax Year regarding NSW Fire and Rescue Levy	(9,386)	Favourable
State Emergency Services	State Emergency Service Levy	Re-aligning budget with Assessment Notice amount for 2022/23 Tax Year regarding NSW State Emergency Service Levy (SES)	105,196	Unfavourable
Capital Works			4,089,103	
IMT Projects	IMT End User Equipment	Budget related to purchase of additional two printers	82,000	Unfavourable
IMT Projects	IMT Network CCTV and Access Infrastructures	Additional CCTV works and minor setup/configurations	10,000	Contra
IMT Projects	IMT End User Equipment	Budget transfer to IMT Network CCTV and Access Infrastructures	(10,000)	Contra
Parks (Open Space Construction)	McKeonSt Plaza Upgrade	Budget related to McKeon Street Plaza Upgrade-Per Council Resolution on 18 April 2023(CC7/23)-McKeon St Plaza	675,000	Unfavourable
Parks (Open Space Construction)	Coral Sea Park	Budget transfer from Drainage Capital Works for Coral Sea Park Redevelopment Project(relining and stormwater restoration works)	1,500,000	Contra
Drainage Construction	Drainage Capital Works	Budget transfer to Coral Sea Park Redevelopment Project for relining and stormwater restoration works	(1,500,000)	Contra
Building Construction	Heffron Centre	Budget transfer from Heffron Park for Elite training field planning and construction	1,785,317	Contra

Responsibility Centre	Account/Project	Comment	Amount (\$)	Narration (Favourable /Unfavourable /Budget contras)
Parks (Open Space Construction)	Heffron Park	Budget transfer to Heffron Centre for Elite training field planning and construction	(1,785,317)	Contra
Building Construction	Heffron Centre	Budget transfer from EV Charging Station	150,000	Contra
Road Construction	Electric Vehicle Charging Station	Budget transfer to Heffron Centre for EV Charing Station installation	(150,000)	Contra
Building Construction	Heffron Centre	Project completion & finalisation, consolidation of remaining funding in reserve	2,837,862	Contra
Building Construction	Coogee Beach Amenities Facilities Lower Promenade	<i>Budget re-allocation from infrastructure loan reserve (\$365,957) and Incomplete Works reserve (\$128,284) for Coogee Lower Promenade Gates</i>	494,241	Unfavourable
Reserves			(3,582,103)	
Drainage Construction	Ext Restricted Reserve-Stormwater Management	Unspent budget related to Drainage Capital Works transfer back to reserve	140,845	Contra
Drainage Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Unspent budget related to Drainage Capital Works transfer back to reserve and <i>re-allocation to Coral Sea Park</i>	1,359,155	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation from Drainage Capital Works</i> for Coral Sea Park Redevelopment Project	(1,359,155)	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation from Footpath Construction Program</i> for Coral Sea Park Redevelopment Project	(140,845)	Contra
Parks Construction	Ext Restricted Reserve-Looking After Our Environment	Budget <i>related to Bushland Management Program, originally funded through looking after our environment reserve, now funded by infrastructure loan reserve</i> instead, budget return to external looking after our environment reserve	100,000	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation from Dune Restoration for Bushland Management Program</i>	(100,000)	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Reserve	Budget <i>related to Paine Reserve Program, originally funded through infrastructure reserve, now funded by infrastructure loan reserve</i> instead, budget return to infrastructure reserve	426,730	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation from Yarra Bay Bicentennial Park(\$291,730)and Frenchman's Bay Reserve(\$135,000) for Paine Reserve Development</i>	(426,730)	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Reserve	Budget <i>related to Pioneers Park Program, originally funded through infrastructure reserve, now funded by infrastructure loan reserve</i> instead, budget return to infrastructure reserve	88,739	Contra
Parks Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation from Snape Park for Pioneers Park Development</i>	(88,739)	Contra
Road Construction	Int Restricted Reserves - Our Community Our Future	Budget <i>related to Footpath Construction Program, originally funded through Our Community Our Future reserve, now funded by infrastructure loan reserve</i> instead, budget return to Our Community Our Future reserve	1,000,000	Contra
Roads Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget related to Footpath Construction Program, now funded by Infrastructure Loan Reserve	(1,000,000)	Contra
Building Construction	Int Restricted Reserves - Our Community Our Future	Budget <i>related to Coogee Transit Amenities Program, originally funded through Our Community Our Future reserve, now funded by infrastructure loan reserve</i> instead, budget return to Our Community Our Future reserve	121,970	Contra

CO22/23

Responsibility Centre	Account/Project	Comment	Amount (\$)	Narration (Favourable /Unfavourable /Budget contras)
Building Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation</i> from Coogee Beach Amenity Facilities Lower Promenade for Coogee Transit Amenities	(121,970)	Contra
Building Construction	Int Restricted - Heffron Centre Loan	Project completion & finalisation, consolidation of remaining funding in reserve	(4,078,893)	Contra
Building Construction	Int Restricted - The Heffron Centre	Project completion & finalisation, consolidation of remaining funding in reserve	4,078,893	Contra
Building Construction	Int Restricted - The Heffron Centre	Project completion & finalisation, consolidation of remaining funding in reserve	(2,837,862)	Contra
Building Construction	Int Restricted Reserves - Incomplete Works 20/21	Budget related to Coogee Beach Amenities Facilities Lower Promenade	(128,284)	Unfavourable
Building Construction	Int Restricted Reserves - Infrastructure Loan Reserve	Budget <i>re-allocation</i> from Footpath Construction Program for Coogee Beach Amenities Facilities Lower Promenade	(365,957)	Unfavourable
Economic Development	Int Restricted Reserves - Economic Development Reserve	Budget transfer to Economic Development for McKeon Street Plaza - Shared Space Program	(250,000)	Unfavourable
Net Deficit/Surplus			1,558,279	
Add Current 2022-23 Budget Deficit/Surplus			980,737	
Total Revised 2022-23 Budget Deficit/Surplus			2,539,016	

CO22/23



Budget Review for the quarter ended 31 Mar 2023 Income and Expenses

CO22/23

	Approved Changes				Current Budget (\$'000s)	Proposed Mar Review (\$'000)	Total Revised Budget (\$'000s)	YTD Mar Actuals (\$'000s)	Comment
	Original Budget (\$'000s)	Carry Over 2021-22 (\$'000s)	Sept Review (\$'000s)	Dec Review (\$'000s)					
REVENUE FROM CONTINUING OPERATIONS									
Rates And Annual Charges	135,771	-			135,771		135,771	102,055	
User Charges And Fees	20,555	-	31	131	20,717	912	21,628	17,388	.The budget variation is mainly due to: - Increased Work Zone Fees (\$500K); - Increased Paid Parking Fees (\$150K); - Other Health and Building fees (\$240K);
Interest	1,471	-	300	1,000	2,771	1,000	3,771	3,245	Additional investment income (interest rate increase and termination of Term Deposit & reinvestment)
Other Revenues	6,212	-		180	6,392	5	6,397	5,364	Additional Parking Fines
Other Income	4,012	-			4,012		4,012	2,787	
Operating Grants and Contributions	7,250	-	338	272	7,860	(250)	7,610	5,363	McKeon Street Plaza - Shared Space Grant (\$250K) has been received in last financial year
Capital Grants and Contributions	7,350	2,406	6,004	558	16,318	500	16,818	12,455	Coogee Stormwater Diversion Grants (milestone 3 and 4) received
Gain on Disposal of Fleet Assets	-	-			-		-	61	
Total Revenue from Continuing Operations	182,620	2,406	6,674	2,140	193,840	2,167	196,006	148,717	
EXPENSES FROM CONTINUING OPERATIONS									
Employee Costs	76,305		181	210	76,695	(60)	76,635	53,331	The reduced employees costs budget is mainly due to: - Reduction in employee travel cost (-2K); - Align budget with actual FBT payment for FY2223(-58K);
Borrowing Costs	693	-			693		693	355	
Materials & Contracts	61,078		1,467	595	63,139	65	63,204	50,109	.The budget variation is mainly due to: - Contaminated Land Consultancy Additional Expenses (\$10K); - Increased flyer distribution and traffic control cost for ANZAC Day Dawn Service and Coogee Mardi Gras Events (\$52K)
Depreciation & Amortisation	29,965	-			29,965		29,965	22,474	
Other Operating Expenses	4,596		(10)	(14)	4,572	96	4,667	3,675	Re-aligning budget to Assessment Notice amount for 2022/23 Tax Year regarding NSW State Emergency Service and Fire and Rescue Levy
Losses from Disposal of Assets		-			-		-	348	
Total Expenses from Continuing Operations	172,637	-	1,637	790	175,064	101	175,166	130,292	
Net Operating Result -Surplus/(Deficit)	9,984	2,406	5,036	1,350	18,775	2,065	20,841	18,425	
Net Operating Result Before Capital Items	2,634	-	(968)	792	2,458	1,565	4,023	5,970	

ORIGINAL Budget +/- approved budget changes in previous quarters = Current Budget

Current Budget +/- recommended changes this quarter = Total Revised Budget

Carry over Capital Grants and Contributions (\$2,405,643) consist grant fund for Waratah Street Plaza Projects (\$1,643,296) and Maroubra Junction Central Oasis Projects (\$762,347)

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Budget Review for the quarter ended 31 Mar 2023 Capital Budget

	Approved Changes						Total Revised Budget (\$'000s)	YTD Mar Actuals (\$'000s)
	Original Budget (\$'000s)	Carry Over 2021-22 (\$'000s)	Sept Review (\$'000s)	Dec Review (\$'000s)	Current Budget (\$'000s)	Proposed Mar Review (\$'000)		
CAPITAL EXPENDITURE								
Parks Construction Projects	4,850	9,613	4,726	3,810	22,999	390	23,389	9,606
Roads Construction Projects	12,966	3,288	1,224	(1,050)	16,428	(150)	16,278	4,222
Drainage Construction Projects	1,730	1,797	-	-	3,527	(1,500)	2,027	773
Building Construction Projects	35,812	4,015	663	12,560	53,051	5,267	58,318	23,105
Library Resources	539	352	-	-	891	-	891	242
Plant & Equipment Purchases	6,927	-	(3,614)	-	3,314	-	3,314	1,206
City Service Management	-	-	-	-	-	-	-	132
ICT Equipment	1,270	102	(353)	-	1,019	82	1,101	770
Corporate Change Management	1,500	-	(500)	-	1,000	-	1,000	50
Total Capital Expenditure	65,595	19,167	2,146	15,320	102,229	4,089	106,318	40,105

Notes:

ORIGINAL Budget +/- approved budget changes in previous quarters = CURRENT Budget

CURRENT Budget +/- recommended changes this quarter =REVISED Budget

	Approved Changes						Total Revised Budget (\$'000s)	YTD Mar Actuals (\$'000s)
	Original Budget (\$'000s)	Carry Over 2021-22 (\$,000s)	Sept Review (\$'000s)	Dec Review (\$'000s)	Current Budget (\$'000s)	Proposed Mar Review (\$'000)		
CAPITAL FUNDING								
Rates and Other Untied Funding	17,088	-	(853)	-	16,234	757	16,991	10,992
Capital Grants and Contributions	3,015	2,406	6,004	558	11,983	-	11,983	1,385
Loan Borrowings	-	-	-	-	-	-	-	-
Payment Received in advance	14,752	-	-	-	14,752	-	14,752	8,003
Proceeds on Asset Disposal Plant and Equipment	2,553	-	(1,698)	-	856	-	856	157
External Restrictions								
Domestic Waste	113	1,493	-	-	1,607	-	1,607	38
Specific Purpose Unexpended Grants	-	782	-	-	782	-	782	159
Developer Contributions	3,467	1,798	-	945	6,211	(100)	6,111	1,561
Stormwater Management	1,355	88	-	-	1,443	(141)	1,302	230
Environmental Levy	1,393	624	163	-	2,180	-	2,180	354
Internal Restrictions								
Plant Replacement	4,260	-	(1,916)	-	2,344	-	2,344	1,013
Works Incomplete/Future Works Reserve	6,182	3,228	(268)	807	9,950	128	10,078	1,738
Our Community Our Future	4,000	1,309	-	126	5,435	(1,122)	4,313	2,446
Building Levy	20	102	-	2,837	2,959	-	2,959	905
The Heffron Centre	7,395	-	-	-	7,395	(1,241)	6,154	7,395
Heffron Centre Loan	-	-	-	-	-	4,079	4,079	-
Infrastructure Reserve	-	1,524	714	5,805	8,043	(515)	7,527	1,706
Infrastructure Loan	-	5,813	-	4,093	9,906	2,244	12,150	2,024
Kingsford & Kensington Town Centres(Public Doma	-	-	-	150	150	-	150	-
Total Capital Funding	65,595	19,167	2,146	15,320	102,229	4,089	106,318	40,105



Budget Review for the quarter ended 31 Mar 2023 Cash and Investments

ORIGINAL Budget +/- approved budget changes in previous quarters = CURRENT Budget

CURRENT Budget +/- recommended changes this quarter = REVISED Budget

	Opening Balance as at 1 July 2022	Original Budget (\$'000s)	Approved Changes				Current Budget (\$'000s)	Proposed Mar Review (\$'000s)	Total Revised Budget (\$'000s)	Projected Closing Balance 30 June 2023	YTD Mar Actuals (\$'000s)
			Carry Over 2021-22 (\$'000s)	Sep Review (\$'000s)	Dec Review (\$'000s)						
Externally Restricted											
Domestic Waste	14,706	354	(1,493)	(350)		(1,489)		(1,489)	13,216	1,608	
Specific Purpose Unexpended Grants	2,899		(782)			(782)		(782)	2,117	(159)	
Developer Contributions	10,356	431	(1,798)			(2,313)	100	(2,213)	8,143	3,141	
s93D Reserve	5,407	30			(945)	30		30	5,437	156	
Stormwater Management	2,214	(413)	(88)			(501)	141	(360)	1,854	259	
Environment Levy	4,437		(624)			(624)		(624)	3,813	1,529	
S7.12 Reserve - Affordable Housing - K2K		2,000				2,000		2,000	2,000		
Total Externally Restricted	40,019	2,402	(4,786)	(350)	(945)	(3,679)	241	(3,439)	36,580	6,534	
Internally Restricted											
Des Renford Leisure Centre	285					-		-	285		
Election of Councillors	10	350				350		350	360	263	
Employee Leave Entitlements	8,292	500				500		500	8,792	375	
Information & Communication Technology	580			300		300		300	880		
Infrastructure Reserves	16,156	-	(1,524)	(714)	(5,925)	(8,163)	515	(7,647)	8,508	(1,706)	
Insurance Claims /Risk	172					-		-	172		
Plant Replacement	9,520	(1,288)		2,006		718		718	10,238	1,326	
Property Development Reserves	1,404					-		-	1,404		
Refundable Bonds & Deposits	3,266					-		-	3,266		
Works Incomplete/Future Works Reserve	16,620	(6,182)	(3,228)	268	(807)	(9,950)	(128)	(10,078)	6,542	(1,803)	
Our Community Our Future	7,720	(362)	(1,309)			(1,796)	1,122	(674)	7,045	2,818	
Light Rail Support Plan	89					-		-	89		
Prince Henry Centre	62					-		-	62		
Randwick Environmental Park	1,053	(148)				(148)		(148)	905	(79)	
Heffron Centre	6,154	(7,395)				(7,395)	1,241	(6,154)		(7,395)	
Heffron Centre Loan	4,079					-	(4,079)	(4,079)			
Affordable Housing Rental Scheme	1,069					-		-	1,069		
Economic Development	465					-	(250)	(250)	215		
Randwick Literary Institute	35					-		-	35		
Building Levy	3,008	(20)	(102)		(2,837)	(2,959)		(2,959)	49	(905)	
Lionel Bowen Library	111					-		-	111		
La Perouse Museum	774					-		-	774		
Community Connect	30					-		-	30		
Community Creative	112			(39)		(39)		(39)	73		
Education and Training	88					-		-	88		
Strategic Planning	23					-		-	23		
Community Partnerships	17					-		-	17		
Kingsford&KensingtonTownCentres(Public Domain)	1,700					(150)		(150)	1,550	(55)	
Infrastructure Loan	12,150		(5,813)			(4,093)	(9,906)	(2,244)	(12,150)	(2,024)	
Total Internally Restricted	95,042	(14,545)	(11,976)	1,822	(13,937)	(38,636)	(3,823)	(42,459)	52,583	(9,185)	
Total Restricted	135,061	(12,143)	(16,761)	1,472	(14,882)	(42,316)	(3,582)	(45,898)	89,163	132,411	
Total Cash and Investments	144,920	(11,796)	(16,761)	1,192	(13,970)	(41,335)	(2,024)	(43,359)	101,562	155,952	
Available Cash	9,859	348		(279)	912	981	1,558	2,539	12,398	23,541	

Note: Although there is a YTD Balance of \$23.5M as at 31 March 2023, these funds have already been committed through Council's capital works program and/or normal operations. The balance of available cash will decrease as the financial year progresses and capital works projects are completed. The projected closing balance of available cash remains \$12.4M.

Budget Review
for the quarter ended 31 Mar 2023
Consultancy and Legal Expenses

Expense	Expenditure YTD March Actual \$	Budgeted (Y/N)
Consultancies	1,589,265	Y
Legal Fees	657,479	Y

Definition of consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision-making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

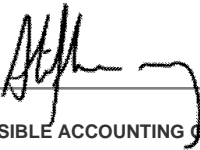
Randwick City Council

Quarterly Budget Review Statements
for the period ending 31st March 2023Statement by Responsible Accounting Officer
made pursuant to Clause 203(2) of the Local Government (General) Regulations 2005

It is my opinion that the Quarterly Budget Review Statement for Randwick City Council for the quarter ended 31 March 2023 indicates that Council's projected financial position at year end will be satisfactory, having regard to the projected estimates.

The restricted funds of Council have been invested in accordance with Council's current Investment Policy (adopted November 2019).

Council's bank account in the general ledger and the cashbook has been reconciled with bank statements as at 31/03/2023.



RESPONSIBLE ACCOUNTING OFFICER

CO22/23



Director Corporate Services Report No. CO23/23

Subject: Investment Strategy, Ministerial Orders and OLG Investment Policy Guidelines Analysis

Executive Summary

- At its meeting on 28 March 2023, Council requested a report considering reducing the dollar proportion of fossil fuel related investments in Council's financial portfolio. Council's investment portfolio is governed by the Council Investment Policy
- The Council Investment Policy was written and adopted:
 - (i) To be consistent with the Ministerial Order 2010 and the OLG Investment Policy Guidelines as per the Ministerial Order; and
 - (ii) To support Council's Financial Strategy, i.e., ensure financial stability by maintaining a strong financial position and safeguards the financial legacy by being prudent and responsible.
- Council current Investment Policy complies to the T-Corp loan agreement.
- An increase in investment products with institutions that do not have exposure to fossil fuel industry will likely be inconsistent with the Ministerial Order and the Investment Policy Guidelines. This would increase both credit and liquidity risk. A reduction in interest income is also likely to occur.
- A reduction in interest income will require Council to identify additional income from other sources and / or reprioritize existing council services and projects.

Recommendation

That Council receive and note the report.

Attachment/s:

Nil

Purpose

The purpose of this report is to respond to the notice of motion to consider options for green investment strategies, taking into consideration the Council's financial strategy objectives, the risk, and implications to Council's portfolio in terms of credit quality, ratings, liquidity, and performance.

Discussion

Notice of Motion from the meeting held on 28 March 2023, NM19/23 – Investment Strategy, Ministerial Orders and OLG Investment Policy Guidelines Analysis

- a) *Council officers bring a report back to Council outlining strategies that would reduce the dollar proportion of fossil fuel related investments in Council's financial portfolio.*
- b) *these strategies conform to Section 625 of the Local Government Act 1993, 2010 Investment Policy Guidelines and the 2011 Ministerial Investment Order: and*
- c) *the report includes aspects such as: risk appetite; council comparisons; socially responsible investments; government bonds versus floating rate notes, private bonds, and on-call funds; comparisons between fossil fuel lending and non-fossil fuel lending Authorised Deposit-taking Institutions (ADIs); and level comparisons across fossil fuel lending ADIs.*

Ministerial Investment Order 2011, OLG Investment Policy Guidelines and s625 of the Local Government Act 1993

s625 of the Local Government Act 1993 legislates how councils may invest, in particular (1) and (2):

- (1) *A council may invest money that is not, for the time being, required by the council for any other purpose.*
- (2) *Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.*

During the Global Financial Crisis (GFC), millions were lost by councils because of their investments in Collateralised Debt Obligation (CDO) products. Randwick City Council was one of the few councils that did not incur any losses as Council did not invest in CDO investment products that many councils invested in during this time.

As a consequent of the GFC event, the OLG (formerly the Division of Local Government, Department of Premier and Cabinet) issued the Investment Policy Guidelines 2010 and the Ministerial Investment Order 2011 that councils must adhere to.

The Ministerial Investment Order 2011 prescribes investments that councils may invest in and key considerations, in particular:

...Council may only invest money ... in the following forms of investment:

- a) *any public funds or securities issued by or guaranteed by, the Commonwealth, and any State of the Commonwealth or a Territory;*
- b) *any debentures or securities issued by a council (within the meaning of the Local Government Act 1993(NSW));*
- c) *interest bearing deposits with, or any debentures or bonds issued by, an authorised deposit-taking institution but excluding subordinated debt obligations;*
- d) *any bill of exchange which has a maturity date of not more than 200 days; and if purchased for value confers on the holder in due course a right of recourse against a bank which has been designated as an unauthorised deposit-taking institution by the Australia Prudential Regulation Authority;*

- (e) *a deposit with the New South Wales Treasury Corporation or investments in an Hour-Glass investment facility of the New South Wales Treasury Corporation;*

Key Considerations are:

All councils should by resolution adopt an investment policy that is consistent with this Order and any guidelines issued by the Chief Executive (Local Government), Department of Premier and Cabinet, from time to time

When exercising the power of investment, councils should consider, but not limited by, the risk of capital or income loss or depreciation, the likely income return and the timing of income return, the length of the term of the proposed investment, the liquidity and marketability of the proposed investment, the likelihood of inflation affecting the value of the proposed investment and the costs (including commissions, fees, charges and duties payable) of making the proposed investment.

It should be noted that all councils are required to adopt an investment policy and as prescribed by the Ministerial Investment Order 2011, the investment policy must be consistent with the Ministerial Investment Order and any guidelines issued.

In 2010, the OLG issued the Investment Policy Guidelines which apply to all councils in NSW.

Of note is Part 3.4 - Capital Security, Liquidity and Maturity and Part 3.5 - Diversification

3.4 - A council's main objective in investing funds should be to preserve the capital, i.e., prevent any loss to the amount invested while gaining the most advantageous rate of return with minimum risk.

Councils will also need to consider the cash flow implications of investments and how the council will maintain liquidity to meet requirements as and when they fall due. A process for regularly identifying the council's liquidity requirements should be included in the investment policy. Determining liquidity requirements provides direction on the term of investments to be placed.

3.5 - Councils should examine the need to diversify their investments, including setting limits to the amounts invested with a particular financial institution or government authority to reduce credit risk. A prudent risk management strategy is to diversify the allocation of funds across different financial institutions and government authorities, based on credit ratings. A credit rating is the opinion of a credit rating agency of the creditworthiness of the financial institution.

Council Investment Policy and Financial Strategy

Council Investment Policy is consistent with the Ministerial Order and the OLG Investment Policy Guidelines by making *Part 3.4 and 3.5 of the OLG Investment Policy Guidelines* as its principle objective. The principle being:

Preserve capital while gaining the most advantageous rate of return with minimum risk by reducing credit risk through diversification based on crediting ratings.

Council's Financial Strategy incorporates two objectives. Ensure financial stability by maintaining a strong and sustainable financial position to deliver services and infrastructure projects to Council residents. And creates and safeguards the financial legacy of Council by being prudent and responsible.

Council Investment Policy (last reviewed and adopted in 2022), consistent with the OLG investment principle, supports Council's Financial Strategy, and has contributed to Randwick City Council's strong financial position over the years through portfolio diversification, risk management, and generation of above benchmarked returns that is crucial to the funding of Council continual delivery of its services and projects to Randwick LGA residents.

The top banks, ANZ, CBA, NAB, and Westpac are rated AA-. These banks all have exposure to the fossil fuel industry.

Section 7 of the Council Investment Policy places preference for investing with institutions that do not have exposure to fossil fuel companies but only if it's consistent with Part 3.4 and 3.5 of the OLG Investment Policy Guidelines:

Where financial institutions are offering equivalent investment returns with the same credit rating, and the investment fits within the provisions of this Investment Policy, preference will be given to placing funds with institutions identified as not dealing with fossil fuel companies.

T-Corp Loan Condition Schedule 5

Council has a fixed term 10 years loan with T-Corp. Schedule 5 in the T-Corp loan agreement relates to an investment framework that Council cannot breach. These include portfolio limits, counterparty limits, and maximum tenors for different S&P rating category. This places constraints on the Council in investing in approved financial institutions with lower credit ratings due to the risk exposure.

Column A		Column B Portfolio Limit	Column C Counterparty Limit	Column D Maximum Tenor
Long Term Debt Rating S&P	Moody's			
AAA	Aaa	100%	100%	Not applicable
AA+ to AA-	Aa1 to Aa3	100%	100%	5 years
A+ to A	A1 toA2	100%	100%	floating rate bond: 5 years (BICRA rating 1 to 5) Other: 3 years
A-	A3	40%	20%	3 years
BBB+	Baa1	30% (a 10% sub limit applies to investments rated BBB/Baa2 as set out in clause 3 below)	10%	3 years
BBB	Baa2		5%	12 months
BBB- and below: Local ADIs	Baa3 and below: Local ADIs	5%	5%	12 months
BBB- and below: Other	Baa3 and below: Other		\$250,000	12 months
Other Eligible Investments		100%	100%	Not applicable

Note that Other Eligible Investments means investments made by Council in TCorpIM funds, TCorp term deposits, and bonds issued by TCorp or other Australian state government

Reducing the dollar proportion of fossil fuel related investments in Council's financial portfolio

For Council to invest with the objective of reducing the investment portfolio exposure to fossil fuel related investments, Council will have to consider:

- a) Reviewing the investment policy and adopt a revised investment policy that:
 - (i) Is likely to be inconsistent with the Ministerial Order and the OLG Investment Policy Guidelines Part 3.4 – Capital Security, Liquidity and Maturity and 3.5 Diversification

...A council's main objective in investing funds should be to preserve the capital, i.e., prevent any loss to the amount invested, while gaining the most advantageous rate of return with minimum risk...

.... Councils should examine the need to diversify their investments, including setting limits to the amounts invested with a particular financial institution or government authority to reduce credit risk.....

(ii) Increases the exposure to lower rated investments that are lower than S&P rating of A (i.e., increase exposure to S&P rated investment of BBB category or lower) increases the credit risk to the Council

(iii) there are considerations to the restrictions from the T-Corp loan condition, Schedule 5

i.e., a maximum portfolio limit of 35% and counterparty limits of 5% for S&P rated BBB+ and lower category

b) A reduction in interest income

Interest rates offered for green initiatives (non-exposure to fossil fuel industry) could range from 50-200 basis points (0.50 to 2%) lower compared to the average market yield.

- Compliant green term deposits offered by CBA and Westpac offer up to 0.50%-1.00% lower compared to their standard term deposits depending on the term; and
- 5-year Government Bond (e.g., NSW T-Corp) offers a yield 1.00% lower for a 5-year term deposit offered by the major banks.

A decrease of 50 basis points (0.50%) on a \$152 million investment portfolio with a 75% allocation towards green/ethical products equates to an estimated reduction in annual interest income of around \$570k. A decrease of 100 basis points (1%), the interest income reduction is estimated to double to \$1.14m.

The estimated reduction in income with a green/ethical allocation of 35%, 50%, and 100% in the investment portfolio listed in the below table:

Based on a Total Portfolio of \$152m	Estimated reduction in Interest Income based on the below allocation to green/ethical investments			
	35%	50%	75%	100%
% Of Investment portfolio invested in green/ethical products				
50 basis point drop in returns	-\$266,000	-\$380,000	-\$570,000	-\$760,000
100 basis point drop in returns	-\$532,000	-\$760,000	-\$1,140,000	-\$1,520,000

c) The likelihood of prioritising and reducing services and / or projects delivered to Randwick LGA residents

Council aims to deliver a balanced budget year on year. A reduction in interest income will mean identifying additional income sources and / or a reduction in services and projects delivered.

d) The Council's primary bank for transactional banking is CBA. A new investment strategy adopted by Council, may require Council to change to a different bank for transactional banking.

As Council payment channels and equipment are hosted, provided, and settled by CBA, this will mean changing all Council payment points such as multiple BPay Biller Codes, multiple Bpoint Biller Codes and EFTPOS terminals.

This may introduce transactional controls risks for the council and additional costs. All residents will have to be notified and a change process will have to be undertaken.

- e) An institution that does not have fossil fuel industry exposure currently may not be as such in the future. For example, Suncorp Bank currently does not have fossil fuel industry exposure but is currently in the process of being taken over by ANZ which does have fossil fuel industry exposure.
- f) A private bond, is a type of bond that is not offered to the general public for purchase. Instead, private bonds are typically offered to a small group of qualified investors. Private Bonds is not permitted under the Ministerial Investment Order 2011.

Risk Appetite

Credit Risk

Credit risk is the probability of a financial loss from an institution failure to repay the capital.

The higher the S&P rating of an institution is, the lower the credit risk.

All four major banks in Australia including ANZ, Commonwealth Bank, National Australia Bank Limited, and Westpac Banking Corporation have the highest S&P rating in Australia. Some other highly rated financial institutions are ING (rated A) and Macquarie Bank (A+). However, they all have exposure to the fossil fuel industry.

Suncorp (rated A+) is currently considered as green but are in the process of being taken over by ANZ.

S&P Credit Rating	Council Policy Maximum Holding	Considered Ethical/Green	Risk
AAA Category	100%	No	Extremely Low
AA or Major Banks	100%	No	Extremely Low
A Category	80%	Only Handful / Majority Not	Very Low
BBB Category	0%	Handful No / Majority Yes	Low

Adopting a strategy that reduces the dollar proportion of fossil fuel investments will reduce investment in Australia highest rated institutions.

Consequently, credit risk will increase due to the drop in higher rated S&P investments.

Liquidity Risk

Liquidity risk is the risk that an organisation will not have enough cash to meet its financial obligations (pay its debts) on time. An asset is considered illiquid if it is not easily tradeable on the market.

In general green/ethical investments may be less liquid given investments are more likely to be in infrastructure and capital projects.

Holding illiquid assets or longer-term bonds may mean Council cannot quickly sell these assets to meet obligations if increased liquidity is required, thus increasing Council liquidity risk.

Council Comparisons

The table below compares Randwick City Council portfolio and other NSW Councils at the end of April 2023.

	ADIs with fossil fuel industry exposure	ADIs with no fossil fuel industry exposure & Socially Responsible Investments
Strathfield	90.2%	9.8%

Liverpool	89.8%	10.2%
Woollahra	87.4%	12.6%
Randwick	87% (23% unconfirmed)	13%
Hornsby	83.2%	16.8%
Willoughby	82.6%	17.4%
North Sydney	72.60%	27.4%
Parramatta	64.5%	35.5%
Waverley	30%	70%
Inner West	0	100%

Green/Ethical Investments

Green/Ethical investments focus on investment activities that favorably impact the natural and social environments. Examples of environmentally and socially productive activities include resourcing efficiency-especially water and energy, financing low-carbon transport, buildings, and water infrastructure, and providing affordable housing to residents. In contrast, activities that relate to the production of pollutants, toxins, and greenhouse gases and involve the abuse of human rights/labour rights are generally considered non-green-ethical activities.

There are no industry standard definitions for green/ethical investments which can make it challenging to assess and can lead to greenwashing¹.

Green investments in the market

Fossil fuel and non-fossil fuel exposure Authorised Deposit-taking Institutions (ADIs)

Each financial institution is sorted into categories with their positions defining that fund fossil fuels and those with no recent record of funding the industry. The table below lists all Council's counterparties where their funds have exposure to fossil fuel, green products, or no position stated.

Institution	Credit rating	Funding fossil fuel	Position
ING Covered Bond	AAA	Yes	Loaned to fossil fuels in Australia since 2016
Commonwealth Bank	AA-	Yes	Loaned to fossil fuels globally since 2016
NAB	AA-	Yes	Loaned to fossil fuels globally since 2016
Westpac	AA-	Yes	Loaned to fossil fuels globally since 2016
Citibank	A+	Yes	Loaned to fossil fuels since 2016
Macquarie Bank	A+	Yes	Loaned to fossil fuels globally since 2016 and holds more than \$2.5 billion of shares in numerous coal, oil and gas companies
Rabobank	A+	No	Not finance the primary production of fossil fuels
Suncorp	A+	No	Loans to fossil fuels in 2008/2009, but released the position statement that they have withdrawn from the sector
UBS	A+	Not yet determined	No Position provided
Bank of China (Australia)	A	Not yet determined	No Position provided
China Construction Bank	A	Not yet determined	No Position provided

¹ Greenwashing is the practice of misrepresenting the extent to which a financial product or investment strategy is environmentally friendly, sustainable, or ethical.

ICBC, Sydney Branch	A	Not yet determined	No Position provided
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Source: <https://www.marketforces.org.au/info/compare-bank-table/>

The top four banks and other institutions rated A- and above have some exposure to the fossil fuel industry.

Most of the banks with little or no exposure to the fossil fuel industry are the lower-rated institutions (BBB-rated), including Bendigo and Adelaide Bank, Great Southern Bank, and Australian Mutual Bank.

Council's current investment policy, consistent with the Ministerial Order, does not permit investments in these BBB-rated institutions.

Suncorp Corp (rated A+) is the only financial institution that can be considered as a green investment option according to Randwick's current investment policy, however, they are in the process of being taken over by ANZ which has exposure to the fossil fuel industry.

Socially responsible investments

Socially responsible investments are determined based on the use of the underlying funds raised by ADIs. If the funds are solely used to invest in green projects (e.g., solar farms, renewable energy), then the investment products can be determined as socially responsible. This consists of Green Term Deposits from fossil fuel lending banks, such as CBA and Westpac, which targeted funding to a wide range of green and socially responsible projects and initiatives:

- CBA (Green) (AA-): loan to wind farms, low carbon transport, low carbon commercial buildings
- Westpac Group (Green) (AA-): loan to wind farms, low carbon commercial buildings

Amongst the major banks, CBA, and Westpac, are the only two offering complying green term deposits. The interest rate offered for these green term deposits could be 50-100 basis points lower compared to their standard term deposits.

Government bonds (Green/Ethical)

Some long-dated bond issues from a range of institutions and government agencies are also considered green products based on the nature of underlying funds. Examples of green products include:

- National Housing Finance Investment (AAA): No poverty, sustainable cities, and communities
- NSW T-Corp (Green) (AA+): loan to low carbon transport, water infrastructure

Council does not invest in Government or State Government securities as the rate of return is much lower than other complying assets, namely term deposits and floating rate notes. The difference in returns can amount to anywhere from 0.50% to 2.00% annually depending on the term of the investment.

Floating rate notes (Green/Ethical)

The only other complying products that are considered green are senior FRNs/bonds where the raised funds are invested into green projects. There is very little supply and a finite pool of green or ethical investments, with most investors never selling them in the secondary market. There is limited opportunity to participate and buy these existing securities, with investors generally having to wait for new issuances, and these occurrences are extremely rare.

Strategic alignment

The relationship with our 2022-26 Delivery Program is as follows:

Delivering services and regulatory functions:

Service area	Financial Management
Function	Financial Management and Control
Delivery program commitment	Support Council's sustainable delivery of projects and services through sound Financial Management and Control, including long term financial planning, budget preparation, and financial performance monitoring.

Resourcing Strategy implications

There are no direct resourcing implications from this report.

Policy and legislative requirements

Section 625 of the Local Government Act 1993
 Ministerial Investment Order 12 January 2011,
 2010 Investment Policy Guidelines
 Council's Investment Policy.

Conclusion

The current adopted Investment Policy is consistent with the Ministerial Order and the OLG Investment Policy Guidelines, and aligns to the Council loan agreement with T-Corp.

Funds are invested according to Part 3.4 and 3.5 of the OLG Investment Policy Guidelines that safeguards capital and achieve the best return for Council with minimum risk. The Investment Policy supports the two objectives of the Financial Strategy being maintaining a strong financial position and the financial sustainability of Council and safeguards the financial legacy of Council.

A change to Council investment strategy to increase to green/ethical investment products will likely increase credit risk and consequently liquidity risk with an estimated reduction in interest income that could range from \$500k to \$1m depending on portfolio allocation. Consequently, Council will likely need to identify additional income and / or prioritise and reduce services and projects delivered.

To change from the current investment strategy which is dictated by Council Investment Policy (adopted Dec 2022), Council will need to review, amend, and adopt a new investment policy in line with the Ministerial Order, the OLG Investment Policy Guidelines and Council loan agreement with T-Corp.

Responsible officer: Gail Johnston, Leader Revenue; Xinyu Zhang, Financial Accountant

File Reference: F2016/06527

Motion Pursuant to Notice No. NM25/23

Subject: Notice of Motion from Cr Burst - Investigate changes to parking alignment at Thompson Avenue, South Maroubra

Motion:

That Council's Traffic Committee investigate changes to parking (angled parking or 90 degree parking) alignment at Thompson Ave South Maroubra.

Background:

Residents have contacted me if angled parking or 90 degree parking was able to be done in this street. Angled /90 degree parking occurs in other streets in South Maroubra. Thompson Ave is a wide avenue so the opportunity exists to review parking arrangements.



Source of funding:

Source of funding TBC

Attachment/s:

Nil

Submitted by: Councillor Burst, South Ward

File Reference: F2004/06136

Motion Pursuant to Notice No. NM26/23

Subject: Notice of Motion from Cr Veitch - Support for Public Housing in NSW

Motion:

That Council:

- a) believes that public housing should not just be a safety net for vulnerable people but should be a significant element of the housing system that should be available to everyone who needs it, including low income earners;
- b) notes previous Council resolutions in support of public housing including NM7/18 (Notice of Motion from Cr Veitch - Request for information on plans for the Anzac Parade planned Precinct and the status of Public Housing assets in the Randwick LGA) and NM76/20 (Notice of Motion from Cr Parker - Matraville Soldiers' Settlement Estate);
- c) notes that as of June 2022 there were 51,031 applicants listed on the NSW Housing Register, with an additional 6,519 on the priority list, with a waiting time of 5-10 year for studio or single bedroom dwellings and 10 years for 2 to 4+ bedroom dwellings in the Eastern Suburbs and Inner City;
- d) notes that of the 20,760 households in private rentals in Randwick, 4,649 (22.4%) are in rental stress;
- e) notes that it is estimated that 3,194 households have an unmet need for affordable housing in Randwick, representing 6.2% of all households;
- f) notes the significant reduction in available public housing stock in the Eastern Suburbs and Inner City between 2016-2021, dropping from 3103 to 2803 (-300) in the Randwick LGA, 2127 to 1835 (-292) in the Bayside LGA, and 6534 to 5689 (-845) in City of Sydney;
- g) notes that during the 2023 NSW election campaign, NSW Labor committed to immediately end the sale of public housing in NSW, and to implement legislation to place a moratorium on the privatisation of public housing including the sale, outsourcing, or leasing of any public housing assets or services; and committed to urgently reviewing re-development projects which have been announced, or are underway, on public land;
- h) write to the NSW Premier the Hon Chris Minns MP, the member for Heffron the Hon Ron Hoenig MP, and the NSW Minister for Housing the Hon Rose Jackson MLC, requesting that the NSW State Government:
 - 1) institute an immediate ban on all proposed full or partial public housing privatisations and re-developments, including the Waterloo public housing estate, and the estate at Henry Kendall Crescent, Mascot;
 - 2) invest in building more public housing;
 - 3) retain all current public housing stock as public housing;
 - 4) ban no-grounds evictions and forced re-locations;
 - 5) ensure security of tenure for housing tenants;
 - 6) ensure prompt maintenance and repair of public housing - no more 'demolition by neglect';
 - 7) protect long standing public housing communities.

Sources:

2016 and 2021 figures for Public housing derived from ABS

<https://housing.id.com.au/randwick/stress-and-need#rental-stress>

<https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

https://sheltersnsw.org.au/news_items/social-housing-waitlist-data-its-here-but-what-does-it-tell-us/

Attachment/s:

Nil

Submitted by: Councillor Veitch, West Ward

File Reference: F2004/07991

NM/26/23

Motion Pursuant to Notice No. NM27/23

Subject: Notice of Motion from Cr Veitch - Kensington Park Plan of Management and landscaping

Motion:

That Council receive a report detailing:

- a) completed and outstanding actions contained in the Kensington Park Plan of Management; and
- b) options to beautify and improve landscaping along the western edge of the park, including landscaping and physical treatment around the carpark and public toilet to improve the visual and general amenity for residents and park users.

Attachment/s:

Nil

Submitted by: Councillor Veitch, West Ward

File Reference: F2014/00598

Motion Pursuant to Notice No. NM28/23

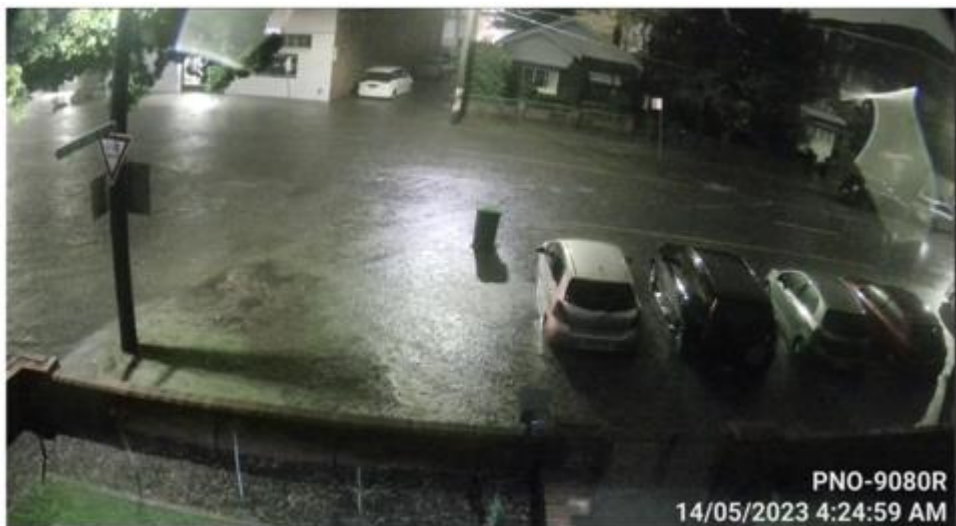
Subject: Notice of Motion from Cr Veitch - Flooding in Houston Road, Kingsford

Motion:

That Council:

- a) notes community complaints regarding severe flooding and stormwater drain blockages in the vicinity of the Houston Rd / Southern Cross Lane / Gardeners Lane intersection in Kingsford which are continuing to impact local properties including the Indonesian Presbyterian Church and The Design Ark;
- b) notes complaints of sewage flowing to the surface during heavy rainstorms;
- c) notes blocked or collapsed drains are resulting in water from rainfall, storms and dewatering activities from an adjacent construction site staying on the surface for months at a time;
- d) thank council officers for their work to investigate and attempt to clear blockages thus far;
- e) investigate complaints of excessive unfiltered de-watering from an adjacent construction site which may be leading to sand, cement and other debris blocking the drain, and take necessary action to address any issues and recover costs if discovered;
- f) receive a report on the funds required to commence and complete the repair of the affected stormwater infrastructure in the current or upcoming 2023-24 financial year and to undertake all necessary repairs as soon as practicable; and
- g) receive the report on or before the September 2023 ordinary council meeting.

Background:



NM128/23



Attachment/s:

Nil

Submitted by: Councillor Veitch, West Ward

File Reference: F2014/00518

Motion Pursuant to Notice No. NM29/23

Subject: Notice of Motion from Cr Olive - Request to Commonwealth to extend the Randwick Environment Park

Motion:

That Council:

- a) note the statement from the Member for Kingsford and Assistant Minister for Defence, the Honorary Matt Thistlethwaite, that the Live-In Accommodation (LIA) proposal at Randwick Barracks will not proceed for at least four years due to changes in Defence planning;
- b) note the LIA area: is located adjacent to the Randwick Environment Park (REP); has been left undeveloped for many years; and contains mature trees and critically endangered native plant species such as Eastern Suburbs Banksia Scrub and Sunshine Wattle;
- c) note that this area forms part of the habitat for birds and terrestrial wildlife in and around the Randwick Environment Park;
- d) note that ownership of Randwick Environment Park transferred from Defence to Randwick City Council in 2010 for the purposes of bushland conservation and community enjoyment;
- e) note statements from the Minister for the Environment and Water, Tanya Plibersek, on Building a Nature Positive Australia;
- f) write to the Prime Minister, Anthony Albanese, the Minister for Environment and Water, Tanya Plibersek, the Minister for Defence, Richard Marles, the Minister for Defence Industry, Pat Conroy, and the Assistant Minister for Defence, Matt Thistlethwaite, requesting that ownership of the LIA area be transferred from Defence to Randwick City Council for the purposes of extending the Randwick Environment Park and bushland conservation and repair; and
- g) indicate that this transference of ownership is to be done through a negotiated deed of agreement which includes the cost of upkeep and repair.

Background:

Defence had previously outlined plans to build 991 Live-In Accommodation dwellings between the western section of Randwick Barracks and the Randwick Environment Park but the Member for Kingsford and Assistant Minister for Defence, the Honorary Matt Thistlethwaite, has now indicated this project will be postponed for at least 4 years due to changed priorities. Given these plans could be delayed indefinitely, it provides an opportunity for Council to present an alternative vision of an extended REP through the incorporation of this adjacent land into the bushland reserve i.e., the kind of vision from Council that established the REP in the first place.

Existing trees and bushland in the LIA area and REP currently form habitat for a great deal of fauna. It is known that sixty-six native bird species have been identified in the REP with sightings of the Grey Goshawk, Brown Thornbill and Intermediate Egret the only ones in the City of Randwick. There are also many species of frogs and reptiles.

However, the LIA area has been used by the military since the early 1900s and still has cement slabs from demolished naval stores. This suggests that environmental conservation and repair of the site could increase the amount of bushland and further strengthen the combined REP/LIA area as a refuge and corridor for wildlife in Randwick City. It could also go some way to assist Council in meeting its target of 40% tree canopy by 2040.

This is important in this moment as we are in a biodiversity crisis with hundreds of native animals listed as endangered in NSW alone, with more species being added every month. To enlarge the REP would represent a small but important step by Randwick City Council and the community in pushing back against this trend.

Attachment/s:

Nil

Submitted by: Councillor Olive, East Ward

File Reference: F2010/00407

NM29/23

Motion Pursuant to Notice No. NM30/23

Subject: Notice of Motion from Cr Chapple - Bike commute subsidy report

Motion:

That Council officers prepare a report outlining potential options for staff and Councillors to encourage the use of electric or pedal bikes as an alternative to car transport including options for expense reimbursement on a kilometre rate.

Background:

The Randwick Councillor Expenses and Facilities Policy provides at 2.2.1 that "All travel by Councillors should be undertaken using the most direct route and the most practicable and economical mode of transport".

It then includes reimbursement options for private car including parking costs and tolls, public transport fares, Cabcharge or Uber.

The kilometre rate for private vehicles is determined by the NSW Local Government (State) Award and do not rely on proof of petrol or other direct running costs. It is 5.48 p.j. for 3-10km and 8.66 p.j. for 11-20km.

Short trips by car are the most environmentally damaging by kilometre and there is broad agreement that policies should support replacing these with active transport or public transport where possible. More bicycle commuting can reduce local emissions, lower traffic impacts and stop pressure on parking particularly around council facilities.

Randwick Council is a key leader in supporting bike riding through our events, infrastructure and streetscape improvements including bike paths. Supporting bike riding as a viable commuting strategy especially within our LGA ensures we are living these values and setting an example for our community.

In January 2023 all Belgian employees became entitled to a bicycle compensation rate of €0.27 per kilometre of their commute from 1 May 2023. See [here](#).

The other option is to subsidise cycling through recognised Ride to Work schemes but these usually focus on loans to purchase bikes and gear rather than on the amount of commuting and so work out more expensive overall without being able to quantify how many car trips are removed as a result. See for example the Swisse scheme [here](#).

The benefit of council being able to report directly on the number of car trips avoided through the policy would set a strong example for local business and demonstrate to our community that we are showing leadership on active transport.

Attachment/s:

Nil

Submitted by: Councillor Chapple, Central Ward

File Reference: F2004/06576

Motion Pursuant to Notice No. NM31/23

Subject: Notice of Motion from Cr Pandolfini - Assess review panel for community grants

Motion:

That Council officers look at similar community grants panels across other Councils and provide advice on best practice regarding membership of review panels.

Background:

Looking at the makeup of Council, State and Federal grant bodies it is unusual to have a Mayor, Councillors or political members on the voting panel for community grants.

Most community and creative grants are assessed by the relevant specialised staff and perhaps community experts and are then brought back to Council for final review.

An assessment of the current makeup is needed to ensure we are undertaking best practice.

Attachment/s:

Nil

Submitted by: Councillor Pandolfini, North Ward

File Reference: F2020/00338

Motion Pursuant to Notice No. NM32/23

Subject: Notice of Motion from Cr Pandolfini - Report into a North Ward street festival

Motion:

That Council consider a street festival to be held on Clovelly Rd as part of the Event Review, including:

- Bring back a report on the potential of a unique street festival focusing on food and visual and creative arts in collaboration with small businesses in North Ward.
- Council officers consult with creatives and all businesses from the area on the design of the festival so that it reflects the community.

Background:

Randwick council is currently undertaking an events review. Currently the North Ward area doesn't have any specific council delivered arts and cultural events or specific activities in the area but has a large concentration of artists, makers, creatives, galleries and unique culinary small business.

In the midst of COVID initial discussions were held for an event planned to activate the unique creative precinct in the North Ward in Clovelly Rd. The project was initiated by an active North ward resident and Cr Said in 2021 and an outline for the event had been undertaken. The event at Clovelly Road was scoped to a certain point and had a unique value proposition

The festival was focused on activating all the businesses on the strip around Earl St/Clovelly Rd (at the Centennial Park end), in order to draw attention to the village.

The vision included but was not limited to:

- Activating the shop fronts in the week/s leading up to the event
- Creative competitions, including schools, to include audience participation

Attachment/s:

Nil

Submitted by: Councillor Pandolfini, North Ward

File Reference: F2004/07082

Motion Pursuant to Notice No. NM33/23

Subject: Notice of Motion from Cr Chapple - Proposed shade structure at Maroubra skate park

Motion:

That Council officers prepare a report looking at the installation of shade structures over some of the seating at the Maroubra skate park in Arthur Byrne Reserve.

Background:

Community members who use this park have raised the issue that there is no place for parents and carers to sit with shade while supervising children using the skate park.

This shade could also be used by children when they take a break and sit down.

The shading does not need to cover the skate park in any great part, but be sufficient to provide shade for a small number of spectators at any time.

Attachment/s:

Nil

Submitted by: Councillor Chapple, Central Ward

File Reference: F2004/08044

Motion Pursuant to Notice No. NM34/23

Subject: Notice of Motion from Cr Luxford - Investigate lighting at pedestrian crossing - Todman Ave & Carminya St, Kensington

Motion:

That Council investigate the lighting of the pedestrian crossing on Todman Avenue and Carminya Street Kensington and liaise with relevant stakeholders to improve safety and vision to drivers and pedestrians.

Background:

The lighting at this crossing is not very bright and covered by the trees. Early evening when daylight savings has ended it can be difficult to see pedestrians crossing the road and there have been some near misses! Improved lighting and proper regular maintenance of the trees will assist all.

Attachment/s:

Nil

Submitted by: Councillor Luxford, West Ward

File Reference: F2004/06173

Motion Pursuant to Notice No. NM35/23

Subject: Notice of Motion from Cr Luxford - Investigate reintroducing parking on Anzac Pade, Kensington

Motion:

That Council work closely with TfNSW to explore and determine all available opportunities to reintroduce parking along Anzac Parade in Kensington and Kingsford; even if only in non-peak traffic times.

Background:

When light rail was introduced all parking was removed along Anzac Parade. This has resulted in a loss of business to the few remaining shops that are open. Access for people who are unable to walk even short distances has become difficult. By recovering parking (even if only during non-peak periods) the Council may be able to assist business viability along the strip. It is noted that Anzac Parade is a State Road, managed by TfNSW, and that the Council would have to work closely with TfNSW to determine where any additional parking could be recovered.

Attachment/s:

Nil

Submitted by: Councillor Luxford, West Ward

File Reference: F2015/00045

Question with Notice No. QN4/23

Subject: Question with Notice from Cr Chapple - Inglis Park facilities access

Question:

- a) What arrangements are in place to ensure parents and children visiting the playground at Inglis have access to suitable bathroom facilities?
- b) What steps can Council take to ensure that bathrooms are available to those attending the park on weekday evenings and weekends particularly?
- c) Is it a condition of this development that public toilet facilities are available the broader community?

Submitted by: Councillor Chapple, Central Ward

File Reference: F2015/00102