



MINUTES ORDINARY MEETING

GWYDIR SHIRE COUNCIL

THURSDAY 30 JUNE 2016

COMMENCING AT 9.04AM

WARIALDA OFFICE COUNCIL CHAMBERS

Present:

Councillors: Cr. John Coulton (Mayor), Cr. Catherine Egan (Deputy Mayor), Cr. Angela Doering, Cr. Stuart Dick, Cr Marilyn Dixon, Cr. Jim Moore, Cr. Peter Pankhurst and Cr. Geoff Smith.

Staff: Max Eastcott (General Manager), Leeah Daley (Deputy General Manager), Richard Jane (Director Technical Services), Ron Wood (Chief Financial Officer) and Glen Pereira (Director Development and Environmental Services)

Public: Ms Laura Carroll (*Warialda Standard*)

Visitor: Nil

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Chairman

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<http://www.gwydirshire.com/>

OFFICIAL OPENING AND WELCOME – MAYOR

APOLOGIES Cr. Kerry McDonald
COUNCIL RESOLUTION:
MINUTE 155/16

THAT the apology of Cr. Kerry McDonald is accepted.

FURTHER the unavoidable absence of Mr Adam Marshall MP, who was to attend the meeting is noted.

(Moved Cr Doering, seconded Cr Dick)

CONFIRMATION OF THE MINUTES
COUNCIL RESOLUTION:
MINUTE 156/16

THAT the Minutes of the previous Council Meeting held on Thursday 26 May 2016 as circulated be taken as read and CONFIRMED.

(Moved Cr Doering, seconded Cr Dick)

PRESENTATION - Nil

CALL FOR THE DECLARATIONS OF INTERESTS AND CONFLICTS OF INTEREST - Nil

COMMITTEE OF THE WHOLE – CONFIDENTIAL ITEMS
COUNCIL RESOLUTION:
MINUTE 157/16

THAT the Council resolve into Confidential Session, Committee of the Whole and that in the public interest and in accordance with Section 10A(2)(a) of the Local Government Act, 1993, the public and press be excluded from the meeting to consider the items listed on the agenda.

(Moved Cr Moore, seconded Cr Smith)

**ADOPTION OF THE RECOMMENDATIONS OF THE CONFIDENTIAL
SESSION**

**COUNCIL RESOLUTION:
MINUTE 158/16**

THAT the recommendations of the Confidential Session, namely:

**Monthly Organisation and Community Development Confidential
Report for May 2016 (Ref: 159/16)**

THAT the report be received and noted.

**Sale of Property (to Mr and Mrs Terry and Maureen Rose – parts of
Lots 3, 4 and 6 in DP 759052, Philp Street Warialda – Ref: 160/16)**

**THAT this matter be deferred to the next Council Meeting when the
General Manager and Director, Building and Environmental
Services are present.**

THAT the Council declines to sell the land as requested at this time.

**FURTHER that the Council's previous decision to develop an
options list for the potential uses of the overall site be actioned for
urgent consideration by the Council.**

**FURTHER that Mr and Mrs Rose be encouraged to consider
purchasing an industrial block located on the northern side of
Warialda, which is more in keeping with the Council's general
policy for industrial development.**

2016 Debt Recovery Report (Ref: 161/16)

THAT the outstanding debts as outlined in this report be written off.

are adopted.

(Moved Cr Egan, seconded Cr Smith)

Item 1 Recommendations from the Public Infrastructure Committee Meeting

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.3 Administrative functions - GM - internal

AUTHOR General Manager

DATE 22 June 2016

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends the adoption of the recommendations from the Public Infrastructure Committee meeting held on 16 June 2016.

COMMITTEE RECOMMENDATIONS TO COUNCIL:

Monthly Technical Services Report for May 2016

THAT the report be received.

Monthly Governance/Town Utilities Report for May 2016

THAT the report be received.

FURTHER that a letter be forwarded to Anthony Logan commending him on the quality of his work.

Yallaroï Road – Road Train Route

THAT Yallaro Road, between RR7705 North Star Road and SR 70 Ashton Road, is approved as a Road Train Route for Type 1 A- Double Modern Road Trains with Road Friendly Suspension.

Gwydir Shire Local Emergency Management Plan

THAT Council adopts the Gwydir Shire Local Emergency Management Plan, noting that the Primary Activation Contacts requires updating.

Recommendation of North West Weight of Loads Committee

THAT Gwydir Shire Council would prefer to retain the status quo.

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ATTACHMENTS

There are no attachments for this report.

**COUNCIL RESOLUTION:
MINUTE 162/16**

Monthly Technical Services Report for May 2016 (Ref: 163/16)

THAT the report be received.

Monthly Governance/Town Utilities Report for May 2016 (Ref: 164/16)

THAT the report be received.

FURTHER that a letter be forwarded to Anthony Logan commending him on the quality of his work (Ref: 165/16).

Yallaroi Road – Road Train Route (Ref: 166/16)

THAT Yallaroi Road, between RR7705 North Star Road and SR 70 Ashton Road, is approved as a Road Train Route for Type 1 A-Double Modern Road Trains with Road Friendly Suspension.

Gwydir Shire Local Emergency Management Plan (Ref: 167/16)

THAT Council adopts the Gwydir Shire Local Emergency Management Plan, noting that the Primary Activation Contacts requires updating.

Recommendation of North West Weight of Loads Committee (Ref: 168/16)

THAT Gwydir Shire Council would prefer to retain the status quo.

(Moved Cr Pankhurst, seconded Cr Doering)

**Item 2 Recommendations from the Community Services and
Planning Committee**

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.3 Administrative functions - GM - internal

AUTHOR General Manager

DATE 22 June 2016

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report recommends the adoption of the recommendations from the Community Services and Planning Committee meeting held on 16 June 2016.

COMMITTEE RECOMMENDATIONS TO COUNCIL

Monthly Organisation and Community Development Report for May 2016

THAT the report be received and noted.

Proposed Donations 2016/17

THAT the attached list or draft donations for 2016/17 be adopted and published on the Council's website.

FURTHER that additional information be provided for consideration at the June Council meeting in relation to:

 Donation request from North Star Hall Committee

 Request that the donation to Warialda P & A Assn for \$1,500 be recorded differently

 Request more information on the request for donation for the Bingara Dash event, including a budget

 Request a budget for the GLR donations request of \$20,000

 Request information on Bingara Radiance Club

Minutes of the Namoi Joint Organisation meeting held 2 June 2016

THAT the minutes of the Namoi Joint Organisation meeting held 2 June 2016 are noted.

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Minutes of the Border Regional Organisation of Councils meeting held 20 May 2016

THAT the minutes of the Border Regional Organisation of Councils meeting held 20 May 2016 are noted.

FURTHER that Robyn Phillips be commended for her outstanding contribution to the BROCC.

Councillors' reports

THAT the following reports are noted:

Cr Stuart Dick – Dog Breeding Facility

Cr Dick requested an update on the Dog Breeding Facility. Leeah Daley advised Glen Pereira had provided the following information:

Refusal of DA and Order - the Court has confirmed that the s34 conciliation conference for both the Closer Order and DA refusal appeals will take place on 10 August 2016, tentatively in Sydney, but may be onsite.

There will be a meeting between all parties including legal teams and the RSPCA in front of a Land and Environment Court Commissioner to see if any agreement can be reached to move the matters forward to resolution.

Fines - set for a call over in the Inverell Local Court on the 16th. An application will be made to adjourn the proceedings to enable potential resolution discussions to continue between the parties.

This resolution relates to the level of fines the Flanagan's are willing to pay versus the amount Council is will to accept.

Cr Dick – Rifle Club in Bingara

Cr Dick enquired whether there had been any further developments regarding a rifle club in Bingara. Cr Pankhurst advised that there has been a breakdown in relationships with the person currently responsible for the land intended for use.

Cr Peter Pankhurst – Willoughby Exchange

Cr Pankhurst requested information from Council's Social Service Manager regarding the Willoughby Youth Exchange during the Orange Festival in Bingara in July.

Cr Catherine Egan – The Living Classroom

Cr Egan requested the pathway to the carpark at the Living Classroom be lit

Cr Catherine Egan – 'Lovers Lane'

Cr Egan requested signage at both ends of the street west of Bandalong Street (Bingara) known as "Lovers Lane". Richard Jane gave a

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Chairman

commitment that signage would be installed.

Cr Catherine Egan – Whitlow Road

Cr Egan requested more gravel on the hill on Whitlow Road past the Myall Creek monument as the school bus has difficulty when the road is wet.

Cr Catherine Egan - Grazing Permits on Road Reserves - Complaint

Cr Egan advised a complaint has been received from Don Mack and enquiring if fencing is required while farmers are grazing cattle along the road (email attached).

Richard Jane advised that it was established that fencing was necessary to prevent accidents and this is a Council requirement.

A response will be forwarded to Mr Don Mack advising that the matter will be further considered.

COMMITTEE RESOLUTION

THAT a report be tabled at a Council Meeting considering the grazing of livestock on road reserves.

Cr McDonald – Foreshore Management Plan

Cr McDonald requested information on the Foreshore Management Plan. Richard Jane provided Cr McDonald with a hard copy of the Foreshore Management Plan.

Cr Moore – Oregon Road

Cr Moore advised that signs and mail boxes along Oregon Road have been damaged by 4 wheel drive vehicles.

ATTACHMENTS

AT- Email addressing donation matters

AT- Donations' List

COUNCIL RESOLUTION: MINUTE 169/16

Monthly Organisation and Community Development Report for May 2016 (Ref: 170/16)

THAT the report be received and noted.

Proposed Donations 2016/17 (Ref: 171/16)

THAT the attached list or draft donations for 2016/17 be adopted and published on the Council's website.

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FURTHER that additional information be provided for consideration at the June Council meeting in relation to:

**Donation request from North Star Hall Committee
Request that the donation to Warialda P & A Assn for \$1,500 be recorded differently
Request more information on the request for donation for the Bingara Dash event, including a budget
Request a budget for the GLR donations request of \$20,000
Request information on Bingara Radiance Club**

Minutes of the Namoi Joint Organisation meeting held 2 June 2016

THAT the minutes of the Namoi Joint Organisation meeting held 2 June 2016 are noted (Ref: 172/16).

Minutes of the Border Regional Organisation of Councils meeting held 20 May 2016

THAT the minutes of the Border Regional Organisation of Councils meeting held 20 May 2016 are noted (Ref: 173/16).

FURTHER that Robyn Phillips be commended for her outstanding contribution to the BROCC.

Councillors' reports

THAT the following reports are noted:

Cr Stuart Dick – Dog Breeding Facility (Ref: 174/16)

Cr Dick requested an update on the Dog Breeding Facility. Leeah Daley advised Glen Pereira had provided the following information:

Refusal of DA and Order - the Court has confirmed that the s34 conciliation conference for both the Closer Order and DA refusal appeals will take place on 10 August 2016, tentatively in Sydney, but may be onsite.

There will be a meeting between all parties including legal teams and the RSPCA in front of a Land and Environment Court Commissioner to see if any agreement can be reached to move the matters forward to resolution.

Fines - set for a call over in the Inverell Local Court on the 16th. An application will be made to adjourn the proceedings to enable potential resolution discussions to continue between the parties.

This resolution relates to the level of fines the Flanagan's are willing to pay versus the amount Council is will to accept.

Cr Dick – Rifle Club in Bingara (Ref: 175/16)

Cr Dick enquired whether there had been any further developments regarding a rifle club in Bingara. Cr Pankhurst advised that there has been a breakdown in relationships with the person currently responsible for the land intended for use.

Cr Peter Pankhurst – Willoughby Exchange (Ref: 176/16)

Cr Pankhurst requested information from Council's Social Service Manager regarding the Willoughby Youth Exchange during the Orange Festival in Bingara in July.

Cr Catherine Egan – The Living Classroom (Ref: 177/16)

Cr Egan requested the pathway to the carpark at the Living Classroom be lit

Cr Catherine Egan – 'Lovers Lane' (Ref: 178/16)

Cr Egan requested signage at both ends of the street west of Bandalong Street (Bingara) known as "Lovers Lane". Richard Jane gave a commitment that signage would be installed.

Cr Catherine Egan – Whitlow Road (Ref: 179/16)

Cr Egan requested more gravel on the hill on Whitlow Road past the Myall Creek monument as the school bus has difficulty when the road is wet.

Cr Catherine Egan - Grazing Permits on Road Reserves - Complaint (Ref: 180/16)

Cr Egan advised a complaint has been received from Don Mack and enquiring if fencing is required while farmers are grazing cattle along the road (email attached).

Richard Jane advised that it was established that fencing was necessary to prevent accidents and this is a Council requirement.

A response will be forwarded to Mr Don Mack advising that the matter will be further considered.

**COUNCIL RESOLUTION:
MINUTE 181/16**

THAT a report be tabled at a Council Meeting considering the grazing of livestock on road reserves.

Cr McDonald – Foreshore Management Plan (Ref: 182/16)

Cr McDonald requested information on the Foreshore Management Plan. Richard Jane provided Cr McDonald with a hard copy of the Foreshore Management Plan.

Cr Moore – Oregon Road (Ref: 183/16)

Cr Moore advised that signs and mail boxes along Oregon Road have been damaged by 4 wheel drive vehicles.

(Moved Cr Smith, seconded Cr Egan)

Max Eastcott

To: AJ & AM Doering (adoering@gwydir.nsw.gov.au); AJ & AM Doering (strathdarr@activ8.net.au); Cherisse Amer; Cr Catherine Egan; Cr Jim Moore; Cr John Coulton; Cr Kerry McDonald; Cr Marilyn Dixon; Cr Peter Pankhurst; Cr. Dick; Cr. Smith; Glen Pereira; Kellie Gill; Leeah Daley; Richard Jane; Robyn Phillips; Ron Wood; Sue Clarke

Subject: Donations

At the Community Meeting it was resolved to seek some further information about some of the items recommended:

FURTHER that additional information be provided for consideration at the June Council meeting in relation to:

Donation request from North Star Hall Committee

Request that the donation to Warialda P & A Assn for \$1,500 be recorded differently

Request more information on the request for donation for the Bingara Bash event, including a budget

Request a budget for the GLR donations request of \$20,000

Request information on Bingara Radiance Club

Donation request from North Star Hall Committee

The \$10,000 recommended in the report was at the request of Mr Ted Stubbins who has been actively working with the newly formed community group at North Star.

The monies will be used for floor restumping, sanding and other minor works as outlined in the report.

Request that the donation to Warialda P & A Assn for \$1,500 be recorded differently

The annual contribution of \$1,500 is allocated but not paid and is used each year to repay an advance paid in previous years. This will be reflected in the published material.

Request more information on the request for donation for the Bingara Bash event, including a budget

The allocation of \$15,000 is seed funding to develop an initiative to promote visitations to the Shire and Bingara. Because it is new the details are not completely refined at present but it's important to understand that it is not a 'fun run' but rather an event targeted to elite sportsmen and women. The entry fee is likely to be \$100 with a limited number of entries of between 100 and 120 participants. The Council would be underwriting this first event.

The draft budget is outlined below:

Bingara Dash Draft Budget

Income	
Entry Fees	\$10,000
Council's sponsorship	\$15,000
Community sponsorship	\$5,000
Estimated Income	\$30,000

Expenditure	
Ambulance service	\$1,700
Road closures	\$2,000
Promotional material	\$3,100
Advertising	\$4,000
Prize Money	\$5,000
Shuttle Bus	\$1,200
Participant's memorabilia	\$2,000
Administrative costs	\$5,000
Estimated Expenditure	\$24,000
Estimated Result	\$6,000

Request a budget for the GLR donations request of \$20,000

This is a contingency amount to accommodate any requests for support from schools or a Council contribution for any relevant grant funding that may be available like exploring carbon sequestration. One of the contingencies will be the assistance to Donna Smith towards the production of her books about the involvement of Gwydir residents in World War 1. This matter is still under negotiation but could be around \$3,000.

Request information on Bingara Radiance Club

The current Radiance Club Committee members are:

Liz Groth President;
Julie Meyer Vice President;
Shirley Brien Secretary;
Lyn Riddell Book Keeper;
Bev Spollen;
Frances McLachlan; and;
Alf King

I am meeting with the Club President on Wednesday 29th June 2016 and will have further information following this meeting.

Max Eastcott
General Manager
Gwydir Shire Council
0427 240 112



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Donation Budget Totals			
Organisation	2016/2017 Purpose	Recommended Donation	With Oncost
Donations over \$1,000			
Barraba PA & H Association Inc	Annual Donation	\$1,500	\$1,605.00
Warialda Motor Sports Club Inc	Warialda Off Road 200	\$3,000	\$3,210.00
Warialda & District Chamber of Commerce - Honey Festival	Annual Sponsorship	\$5,000	\$5,350.00
Bingara Show Society	Annual Donation	\$1,500	\$1,605.00
Bingara Dash - new event - foot race to the top of the look out	Sponsorship	\$15,000	\$16,050.00
North Star Public Hall Committee	Restumping, sanding and other minor works	\$10,000	\$10,700.00
Warialda Pastoral & Agricultural Association	Repayment of advance	\$1,500	\$1,605.00
Barwon Division of General Practice Ltd	Annual scholarship	\$1,500	\$1,605.00
Bingara Orange Festival	Annual sponsorship	\$5,000	\$5,350.00
Gwydir Learning Region	Annual Sponsorship	\$20,000	\$21,400.00
Gwydir Art Prize	Annual Sponsorship	\$2,500	\$2,675.00
Industry Annual Awards and School Book Prizes	Prizes and assistance during event	\$10,000	\$10,700.00
Copeton Freshwater Swim Committee	Annual Sponsorship	\$5,000	\$5,350.00
2016 Sports Shear	National Shearing and Woolhandling Championships (Gold Sponsor: Open Shearing; Open Wool Handling; and; Open blade)	\$5,000	\$5,350.00
Willoughby-Gwydir Exchange Program	Annual Sponsorship	\$5,000	\$5,350.00
In Kind Support			
Bingara Show Society	Showground Maintenance	\$3,000	\$3,210.00
Warialda Jockey Club	Preparation for annual race day	\$2,000	\$2,140.00
Warialda Pastoral & Agricultural Association	Support during events	\$3,000	\$3,210.00
Bingara Jockey Club	Preparation for annual race day	\$2,000	\$2,140.00
Warialda APEX Committee	Support during events	\$500	\$535.00
Carinda House Committee	Annual support	\$300	\$321.00
Myall Creek Memorial Committee	Ground maintenance for annual commemoration	\$1,000	\$1,070.00
Warialda Rail Progress Association	Maintenance	\$500	\$535.00
Bingara RSL Club and Bingara RSL Sub-Branch - Upkeep of the Memorial Gardens in Bingara	Maintenance	\$500	\$535.00
Warialda Tennis Club	Ground maintenance	\$500	\$535.00
Warialda Pre School	Sealing of car park	\$4,000	\$4,280.00
Warialda Events Unallocated	Support for community events	\$6,000	\$6,420.00
Bingara Events unallocated	Support for community events	\$6,000	\$6,420.00
Foregone Income			
Bingara Radiance Club Inc.	Rates and other charges subsidy	\$2,000	\$2,140.00
Country Women's Association North Star	Rates and other charges subsidy	\$1,000	\$1,070.00
Country Women's Association Warialda	Rates and other charges subsidy	\$1,250	\$1,337.50
Warialda Girl Guides	Rates and other charges subsidy	\$1,500	\$1,605.00
Warialda Pre School	Rates and other charges subsidy	\$2,000	\$2,140.00
Bingara 'Bullets' Rugby League Club Club	Use of oval and training lights	\$800	\$856.00
St John's Anglican Church Bingara	Water, sewerage and waste charges	\$1,800	\$1,926.00
Boggabilla Anglican Parish	Water, sewerage and waste charges	\$500	\$535.00
Gwydir Rugby Club	Use of oval and training facilities	\$800	\$856.00

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Organisation	2016/2017 Purpose	Recommended Donation	With Oncost
Catholic Church, Presbytery, Convent and St Joseph's Primary School Warialda	Water, sewerage and waste charges	\$6,000	\$6,420.00
Presbyterian Church Warialda	Water, sewerage and waste charges	\$900	\$963.00
Salvation Army Bingara	Water, sewerage and waste charges	\$900	\$963.00
Scots Presbyterian Church Bingara	Water, sewerage and waste charges	\$900	\$963.00
St Mary's Catholic Church Bingara	Water, sewerage and waste charges	\$2,700	\$2,889.00
St Simon's and St Jude's Anglican Church Warialda	Water, sewerage and waste charges	\$1,100	\$1,177.00
Uniting Church Bingara	Water, sewerage and waste charges	\$900	\$963.00
Warialda Pastoral & Agricultural Association	Rates, water, sewerage and waste charges	\$4,000	\$4,280.00
All Junior and School Sports	Waiving of all hire fees	\$5,000	\$5,350.00
Waiving Development Application and other fees	Annual support	\$3,000	\$3,210.00
Donations \$1,000 and under			
Bingara Anglers Club	Annual Donation (Easterfish)	\$400	\$428.00
Bingara 'Bullets' Rugby League Club	Match equipment	\$500	\$535.00
Northern Inland Academy of Sport	Annual Donation	\$500	\$535.00
Upper Horton Sports Club - Sheep Dog Trials	Sheep Dog Trials Donation	\$200	\$214.00
Warialda Model Plane Display	Annual Donation	\$200	\$214.00
Upper Horton Pony Club	Annual Donation	\$500	\$535.00
Bingara Oztog Association	Annual Donation	\$300	\$321.00
Warialda Rotary Club	Annual Donation for Australia Day Celebrations	\$1,000	\$1,070.00
Bingara Australia Day Celebrations	Assistance during event	\$1,000	\$1,070.00
Bingara Historical Society	Annual Sponsorship plus a request for \$1500 for storage boxes. Only the annual subsidy is recommended until the need for the money is proven as not being available from their own bank balance.	\$300	\$321.00
Warialda Historical Society	Annual Sponsorship	\$300	\$321.00
Gwydir Concert Band	Instruments	\$1,000	\$1,070.00
Warialda Rail Progress Association	Renovate kitchen and other minor works	\$1,000	\$1,070.00
Unallocated Donations	Support during the year upon request approved by	\$5,000	\$5,350.00
Upper Horton Rodeo	Annual sponsorship	\$500	\$535.00
Warialda Sports Council	Annual sponsorship of Awards' Night	\$350	\$374.50
Warialda Show Photographic Prize	Annual sponsorship	\$200	\$214.00
Bingara Central School	Support for a breakfast club together with Bingara IGA	\$1,000	\$1,070.00
Total Allocated		\$172,100	\$184,147.00
Total Budget			\$190,169.00
Contingency Remaining			\$6,022.00

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Item 3 Warialda District Chamber Inc. - Correspondence

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.1 Financial management and accountability systems - CFO - internal

AUTHOR General Manager

DATE 12 June 2016

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

This report is for notation.

TABLED ITEMS	Nil
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BACKGROUND

The attached letter from the President of the Warialda District Chamber Inc. is the latest in a flow of correspondence offering unsolicited advice to the Council often based upon an incomplete understanding of the issues discussed and whatever partial information is passed on to the Chamber.

Normally the letters are headed 'in confidence' and they have been kept confidential on that basis. The attached letter was not so designated.

The components of the attached letter which require some comment are outlined below:

Early attention to matters identified by the auditors;

Commitment to provide greater transparency in expenditure allocations in future budgets:

Reduction of indoor staff by attrition;

All use of contractors and consultants be costed, sanctioned by full Council and minuted;

Further restriction on all discretionary expenditure by staff and Council representatives. For example, all travel for out of Shire study,

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inspections, research, conferences etc. should be costed, receive full Council sanction and be minuted;

A review of all non-core projects with the aim of reducing the number of 'Council operated business units' which are an unsustainable burden;

Greater use of 'self-help and encouragement grants'. For instance Council could offer capped grants to Hall Committees on the proviso that committees match them \$ for \$. This exercise also encourages social interaction, and a sense of 'ownership' with consequent sense of responsibility; and;

Planning for development of activities that have positive effects on revenue. As an example, Naroo Hostel where Council has demonstrated outstanding social benefits as well as positive economic results.

COMMENT

My emailed response is outlined below, with some of the typos corrected:

I notice that the letter was endorsed unanimously at your Chamber Meeting. Can you please let me know how many were present please and whether any Council representatives were present?

The fundamental basis underlying your letter displays a quite erroneous understanding of how Gwydir and other similar organisations operate to ensure a level of effectiveness and efficiency.

Also the use of the deficit result after Capital Grants are excluded also displays a lack of understanding about how the Council operates.

*The last three years' average deficit using the more appropriate Net Operating Result is **\$6 412 000***

	Net Operating Result	Operating Result - Capital Grants and Contributions	Depreciation
2015	\$ 6,377,000	\$ 7,212,000	\$11,222,000
2014	\$ 7,519,000	\$ 9,291,000	\$11,007,000
2013	\$ 5,340,000	\$ 9,533,000	\$11,238,000
Average	\$ 6,412,000.00	\$ 8,678,666.67	

Also when you take the non-cash depreciation into account the results reflected are a far brighter picture than your letter suggests. The following results when you excluded the non-cash depreciation actually show a surplus result on each year's operations.

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Year	Net Operating Result excluding non-cash depreciation	Operating Result - Capital Grants and Contributions excluding non-cash depreciation
2015	\$4,845,000	\$4,010,000
2014	\$3,488,000	\$1,716,000
2013	\$5,898,000	\$1,705,000

The fundamental issue confronting the Council is a cash flow problem and it is this issue that the Special Rates Variation will assist in addressing.

The issue of transparency that you raise is quite interesting. The Council is a complex business and the community's interests are overseen by the elected Councillors selected each four years by the Community. The elected Councillors adopt the budget and the staff operates within the budget adopted.

Many of your items to be considered would be impediments to the operational efficiency of the Council's operations and are not viable.

It is not reasonable, for example, for you to suggest that indoor staff numbers could be reduced simply because you think it a good idea without knowing the workload that exists. In many areas the volume of work should necessitate additional staff rather than a reduction. However any staff adjustments are carefully considered before decisions are made and, once again, are subject to budgetary allocations being made.

Also your suggestion of prior Council approval for the use of contractors and consultants together with the use of discretionary funds would prove to be an unworkable burden on the Council's operational effectiveness. This would also be inconsistent with the legislated functions of the General Manager.

Overall your letter implies that the elected Councillors and staff are not addressing the financial sustainability in a professional and competent manner, which is disputed strongly.

Obviously if your letter is published the 'facts' outlined will be assertively corrected in a response.

Some additional comments are also quite necessary especially regarding the accusation of a lack of transparency. The actual numbers of each year's budget documents need to be read in conjunction with the suite of documentation covered by the Integrated Planning and Reporting (IP&R) process.

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All the various documents are advertised for public comment and each year the Council receives very little feedback from the community in general, which is a pity as these documents outline the work that is intended in the next year and notionally in the forthcoming years.

The legislated requirements of the IP&R together with the many other legislated requirements upon local government (Asset Management Plans, etc.) do require staffing resources and at times external consultants. This need for supporting internal staffing structures appears lost on many people unfortunately.

Also, Councils are essentially a service based provider and the staffing levels reflect this fact. The Service Reviews being conducted at present will establish the service levels that will be provided into the future, in consultation with the community. From this process there may well be changes in the Council's workforce and if this is the outcome it will be clearly articulated in the Council's Workforce Plan, which is one of the documents advertised annually as part of the IP&R process.

I am at a complete loss to understand how the author of the attached letter is in a position to even comment on what services, whether core or non-core – whatever is meant by that statement, are unsustainable. The current review of all the services is still in the early stages and ironically he defends a service, Naroo, which probably falls on the non-core side of the ledger. The Naroo service is projected to operate at a surplus but there is a broader level of opportunity cost associated with the service but, apparently this service should be quarantined from any review.

The note regarding the Council's expenditure on Halls actually outlines the basic flaw that underpins the comments made in the letter. The net expenditure on the Council's Halls represents less than 1% of the Council's overall budget. Indeed many of the non-core elements (I assume they cover services considered Community Services, etc.) collectively are extremely minor when looked at in the context of the overall budget. The current service level review is concentrating initially on the areas of greatest call on the Council's limited income. The future sustainability of the Council does not rest with excluding services that are very minor cost items from the budget.

There is no simple solution to the problem because, as stated elsewhere, the Council is a complex and in many areas an integrated business where staffing levels fall across more than one defined service area.

Another example of seeking simple solutions to very complex matters is the belief by the Chamber that simply advertising at Council's Caravan Parks will somehow promote the additional 3,000 residents to the Shire. A recent post of the Chamber's Facebook page states:

The plan is to give Grey Nomads flyers about our town and how to retire here with money still in their pockets. Council has agreed to

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promote this with a Notice Board at the Caravan Park - bought but not up and professional flyers to hand out to them. A great opportunity was lost on the weekend. The Coolatai Tractor Pull had a capacity role up of Nomads. The picture shows only half. They camped near the Hall also! AW

I have advised the Chamber that a policy framework is being developed to actively commence the process of encouraging inward migration in the new financial year. The policy will include targeted promotion backed, hopefully, with the support of local Real Estate Agents and the New England Credit Union, which has an arrangement with the Council for home loan lending where required. This promotional push must be well developed to ensure that the local backup to handle enquiries is in place and handled professionally.

These discussions, seeking a commitment from the stakeholders in the policy, will be occurring shortly.

Where the President of the Chamber believes that volunteers can handle this I disagree. To have any chance of achieving a significant inroad into the 3,000 target professional assistance will be required.

The Council is already involved in the promotion of Grey Nomads into the Shire. Below are the details of the shows that Gwydir Shire has been promoted at through the New England North West Tourism Committee.

The Council, in the past, supported the Country Living Expos but this was stopped due to the exorbitant cost of the stands, and the poor conversion rates being achieved.

The Council does advertise extensively in the Caravan and Motorhome *On Tour* magazine and The Campervan and Motorhome Association of Australia publication *The Wanderer*.

The Council's approach, and this is shared among other Regional Economic Development Officers and Tourism Managers, that attracting Grey Nomads or the Wanderer market to our towns through tourism is the best method to convert to relocation: "try before you buy" and the advice from local Real Estate Agents is that this is happening.

It is also the most cost effective method; these groups are a captive audience and it generally doesn't take a huge advertising budget to reach them; they generally frequent only a couple of main blogs, Facebook pages or publications, so communicating to them is easy.

The Council's Economic Development Officer will also be meeting the Chamber to seek out in more details their proposals for evaluation.

The following information is from the New England North West Tourism Committee:

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CARAVAN, CAMPING & TOURING SHOWS 2016

NEW ENGLAND – NORTH WEST TOURISM

Newcastle, Melbourne, Gold Coast and Sydney Shows have now been finalised for this year.

It has been an interesting year with attendance numbers being retained from previous years.

However, the quality of attendees been excellent with most indicating they will be travelling in Regional Areas of Eastern Australia.

Many positive comments were received on visits to New England – North West and intend to return to our Region.

We also received encouraging remarks in relation to the presentation of our Stand, both in Melbourne and Sydney, although not taking the top award, we were highly commended.

At all Shows, sales of caravans, motorhomes and camper trailers were up on 2015, which is positive for visitors to our areas as they are the top market visitors to our Region.

Thanks to all who have assisted at the Shows, it is greatly appreciated.

Figures for the Shows thus far:

<i>Newcastle</i>	<i>20,017</i>
<i>Melbourne</i>	<i>58,109</i>
<i>Gold Coast</i>	<i>15,742</i>
<i>Sydney</i>	<i>70,871</i>

Overall the recent letters from the Chamber seem to indicate that the Council and staff could be doing more to address the sustainability of the Shire. This is not correct by any reasonable measure.

Rather than gratuitously offering the Council advice, the Chamber would be better served to concentrate on broadening its support base in Wialda so that its credibility as an actual voice for Wialda was enhanced.

OFFICER RECOMMENDATION

THAT the Wialda District Chamber Inc. letter, the email response and this report are noted.

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ATTACHMENTS

AT- Letter from Chamber

**COUNCIL RESOLUTION:
MINUTE 184/16**

THAT the Warialda District Chamber Inc. letter, the email response and this report are noted.

FURTHER that the Councillors are concerned at the cost in staff time of addressing these types of unsubstantiated comments.

(Moved Cr Pankhurst, seconded Cr Moore)



Mr. Max Eastcott
General Manager
Gwydir Shire Council

Dear Mr. Eastcott, Mayor Coulton and Councillors,

We congratulate Gwydir Shire Council in its achievement of the special rate increase. The Chamber supported Council's application both publicly and through written submission because we knew that it was vital in order to keep an independent Shire.

We appreciate your advice of May 30th 2016 that the NSW Office of Local Government has identified that it intends to introduce a new system for measuring Local Government performance and supporting improvement, as part of its Local Government reform programme. We note that you have been appointed as the group 10 Council representative to a Task Force to develop and pilot a new framework for Local Government performance, measurement and improvement. However, we anticipate that economic considerations will continue to play a dominant role in State Government assessment of Local Government. In fact, we think this may well become more pronounced as economic pressures continue to build on State Governments.

We therefore believe that it is important to recall that we also wrote in our submission of 1/2/2016 "... the Chamber believes that there is also a continuing need for the Shire to focus on prioritising and reducing expenditure and increasing revenue from its enterprises."

We are concerned that the relief that is evident which has come with the achieving of the special rate increase, will lead to important changes that are needed, not being progressed.

The Chamber believes that the opportunity should be taken now by the existing experienced council and staff to take extra steps to put Council's finances on a stronger footing. This would also be fair to future Councils and recognise the magnificent responses by rate payers in acquiescing to such a massive rate increase.

We recall that in the last 3 financial years Gwydir's deficits have averaged \$8,678,666.60 per annum. This is well in excess of the extra income expected from the special rate increase. Whilst we do acknowledge Council's extra steps to reduce expenditure and that depreciation is now calculated differently, we feel there is still a lot of work to do.

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Items to be considered should include but not be restricted to the following:

- Early attention to matters identified by the auditors
- Commitment to provide greater transparency in expenditure allocations in future budgets
- Reduction of indoor staff by attrition
- All use of contractors and consultants be costed, sanctioned by full Council and minuted
- Further restriction on all discretionary expenditure by staff and Council representatives. For example, all travel for out of Shire study, inspections, research, conferences etc. should be costed, receive full Council sanction and be minuted.
- A review of all non-core projects with the aim of reducing the number of 'Council operated business units' which are an unsustainable burden.
- Greater use of 'self-help and encouragement grants'. For instance Council could offer capped grants to Hall Committees on the proviso that committees match them \$ for \$. This exercise also encourages social interaction, and a sense of 'ownership' with consequent sense of responsibility.
- Planning for development of activities that have positive effects on revenue. As an example, Naroo Hostel where Council has demonstrated outstanding social benefits as well as positive economic results.

The Chamber is confident Gwydir Shire can survive and grow in strength and we want it to do so. Attention to details will help this to be achieved.

Thank you

Ted Stubbins

10/6/2016

"Serving and Growing the Community Together"

President:	Ted Stubbins	p. 0267 291465
Vice Pres. / Treasurer:	Ann Willis	p. 0428 291902
Secretary:	Jan Cattanach	p. 0267 1187

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Item 4 Fit for the Future - Council reassessment

FILE REFERENCE

DELIVERY PROGRAM

GOAL: 5. Organisational Management

OUTCOME: 5.1 CORPORATE MANAGEMENT

STRATEGY: 5.1.1 Financial management and accountability systems - CFO - internal

AUTHOR Chief Financial Officer

DATE 22 June 2016

STAFF DISCLOSURE OF INTEREST Nil

IN BRIEF/ SUMMARY RECOMMENDATION

In May 2016, the Office of Local Government (OLG) issued a circular providing details of how councils not deemed 'Fit for the Future' could revise their improvement plans and resubmit them for assessment.

This report recommends the reassessment template be submitted to OLG for reassessment.

BACKGROUND

This is the latest in a series of steps in Council striving to become sustainable into the future.

COMMENT

In the original review, IPART made the following assessment:

- Scale and Capacity – does not satisfy
- Sustainability – does not satisfy
- Infrastructure and service management – satisfies
- Efficiency - satisfies.

In the instructions provided by OLG regarding reassessment, Council does not need to address the Scale and Capacity criteria, nor any criteria previously considered satisfactory.

As a result, Council is only required to address the sustainability sections of the reassessment template.

There have already been significant inroads made in this area – the Special Rate Variation approved by IPART in May and the reduction in depreciation as part of the fair value revaluation of road infrastructure as part of the 2014-2015 financial year have made a major difference in future forecasts.

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Other improvements include targeted improvements in service delivery and cost saving.

Some minor modifications were required in our Long Term Financial Plan to achieve the desired final results in the later part of the plan.

Given the uncertainty surrounding forecasts, especially further into the future, Council should not be as concerned about achieving absolute line item results, but certainly be committed to achieving at least the targeted bottom line results and targeted sustainability ratio results.

In any case it is expected that the ratios that constitute what is considered sustainable will be refined and fine-tuned over time, which may mean our targets may shift over time.

CONCLUSION

While there is certainly work to do to ensure the forecast results come to fruition, the reassessment submission does address the shortfalls in the original submission and should result in an assessment of being Fit by the OLG.

CONSULTATION

Consultation has occurred within management of Council.

STATUTORY ENVIRONMENT

Local Government Act 1993 and associated regulations

POLICY IMPLICATIONS - N/A

FINANCIAL, ECONOMIC AND RESOURCE IMPLICATIONS (including Asset Management)

Provided the target results are met, Council will be in a financially sustainable position.

SUSTAINABILITY IMPLICATIONS (Social and Environmental)

Provided the target results are met, Council will be in a financially sustainable position.

OFFICER RECOMMENDATION

THAT the assessment as outlined in this report be endorsed for submission to the Office of Local Government.

ATTACHMENTS

- AT-** Council reassessment proposal
- AT-** Revised LTFP forecasts for General Fund
- AT-** Original Fit for the Future Proposal
- AT-** Revised LTFP Forecasts for Consolidated Results
- AT-** Operating Performance Ration

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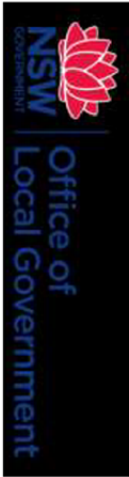
- AT- Own source revenue - FAG excluded
- AT- Own source revenue - FAG included
- AT- Infrastructure renewal ratio
- AT- Original IPART Assessment

**COUNCIL RESOLUTION:
MINUTE 185/16**

THAT the assessment as outlined in this report be endorsed for submission to the Office of Local Government.

(Moved Cr Egan, seconded Cr Moore)

Council Reassessment Proposal



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Getting started . . .

Before you commence this template, please check the following:

- The Office considers this proposal should not be an onerous undertaking for Council, and encourages you to keep responses to a maximum of 500 words, ensuring the information is directly relevant to your proposal.
- Proposals should be completed within the template format provided.
- Specific references to the relevant page and/or paragraph of any attachments should also be included in your response.
- Refer to the *Fit for the Future Financial Criteria Reassessment Guidelines* as you complete your proposal template.
- Council is only required to submit for reassessment, those areas that IPART considered 'did not satisfy' the *Fit for the Future* benchmarks.
- Councils in OLG groups 8 – 11, should submit the Own Source Revenue ratio including and excluding Financial Assistance Grants (FAG) allocation.
- Councils in OLG groups 8 – 11, have until 2024/25 to achieve the benchmarks.
- FAG allocations should be calculated on Council's current funding allocation.
- The indicators are to be actual or forecast figures for each year, not a 3 year average as previously reported in Council's proposal assessed by IPART.
- Council should also include the Income Statement from its Long Term Financial Plan (LTFP); a hyperlink to your full LTFP; and any other documents relevant to your Council's proposal.
- You are invited to contact the Office, should you wish to further clarify your Council's proposal.
- Council should forward a copy of the Council resolution endorsing the revised proposal when available.
- Actual results for 2015/16 should be included even if they have not been audited at the time of submission. They will be treated as preliminary results.

Council name:

Gwydir Shire Council

Date of Council resolution endorsing this submission: 30 June 2016

1.1 Executive Summary

Provide a summary (up to 1000 words) of the key points of your Proposal including current performance, the issues facing your council and your planned improvement strategies following IPART's initial assessment.

Gwydir Shire Council (GSC) has and will continue to monitor and improve performance where possible. Review of services and service levels will be an ongoing activity of Council for the foreseeable future – this will particularly included review of asset management plans and associated depreciation and renewal levels.

GSC has already made significant inroads regarding sustainability, as noted in our 2016-2017 SRV application.

There have been some minor modifications to our general fund (and therefor consolidated) results in our LTFP from our adopted plan (Feb 2016 as lodged with our SRV) – these include:

- Reductions in employee benefits and on-costs. In 2022 \$50,000 plus a further \$150,000 in 2023 due to natural attrition, with positions not replaced.
- Reductions in materials and contracts of \$200,000 in 2023 and a further \$10,000 in 2025. In percentage terms, these amounts are relatively minor and should be readily achievable from service level improvements.
- Additional \$235,000 in 2023, \$357,000 in 2024 and \$280,000 in 2025 capital works for infrastructure renewals. These can be funded from proposed cash reserves.

Note: sections and line items related to 'Infrastructure and Service Management' and 'Efficiency' below have not been completed, as per instructions, as these areas were marked as satisfied in our original assessment. There is nothing to suggest that these areas will deteriorate as a result of our improved results in our other areas and/or our improved action plan.

Actuals are based on data extracted as at 20 June.

Sustainability				
Measure/ benchmark	Actual 2015 / 2016 performance	Achieves FTF benchmark?	Forecast 2020 / 2021 performance	Achieves FTF benchmark?
Operating Performance Ratio (Greater than or equal to break- even – actual/forecast year only)	0.072	Yes	0.046	Yes
Own Source Revenue Ratio (Greater than 60% - actual/forecast year only)	56%	No excluding FAG Yes including FAG (71%)	63%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% - actual/forecast year only)	153%	Yes	94% (General Fund 99%)	No. (General Fund yes if averaged over any 3 year period)
What measures has council implemented to achieve the benchmarks following Council's initial proposal?				
<ul style="list-style-type: none">• A permanent Special Rate Variation of 30% has been approved for 2016-2017 for ongoing financial sustainability.• The roads fair value revaluation exercise was used to have an in depth review of depreciation and associated service standards, resulting in a significant reduction in roads depreciation.• Service reviews have been undertaken resulting in some staff and service reductions.• Council has already made significant progress in implementing improvements to achieve sustainability.				

If the Fit for the Future benchmarks are not being achieved, please indicate why.

Building and Infrastructure Asset Renewal Ratio is below benchmark for 2020/2021, however General Fund meets the benchmark for each rolling 3 year period. A short period (3 years) is not considered appropriate to assess renewals for infrastructure assets with long effective lives (up to 100+ years) – there is much industry debate regarding appropriate benchmarks. There is also much industry debate regarding the (suggested poor) relationship between depreciation and renewal costs of assets and asset management planning.

Infrastructure and Service Management – SATISFIED IN ORIGINAL ASSESSMENT

If Council satisfied the criterion as part of IPART's assessment, there is no need to complete this section.

Measure/ benchmark	Actual 2015 / 2016 performance	Achieves FFTF benchmark?	Forecast 2020 / 2021 performance	Achieves FFTF benchmark?
Infrastructure Backlog Ratio (Less than 2% - actual/forecast year only)	Actual result	Yes/No	Estimate performance	SATISFIED IN ORIGINAL ASSESSMENT
Asset Maintenance Ratio (Greater than 100% - actual/forecast year only)				
Debt Service Ratio (Greater than 0% and less than or equal to 20% - actual/forecast year only)				

What measures has council implemented to achieve the benchmarks following Council's initial proposal?

Efficiency – SATISFIED IN ORIGINAL ASSESSMENT

If Council satisfied the criterion as part of IPART's assessment, there is no need to complete this section.

SATISFIED IN ORIGINAL ASSESSMENT

If the Fit for the Future benchmarks are not being achieved, please indicate why.

Measure/ benchmark	Actual 2015 / 2016 performance	Achieves FFTF benchmark?	Forecast 2020 / 2021 performance	Achieves FFTF benchmark?
Real Operating Expenditure per capita <small>A decrease in Real Operating Expenditure per capita over time</small>	Actual result	Yes/No	Estimate performance	SATISFIED IN ORIGINAL ASSESSMENT
What measures has council implemented to achieve the benchmarks following Council's initial proposal? SATISFIED IN ORIGINAL ASSESSMENT				
If the Fit for the Future benchmarks are not being achieved, please indicate why.				

How will your council become Fit for the Future?

Sustainability

Summarise your council's key strategies to improve performance against the Sustainability benchmarks in the 2020/21 period, (2025/26 for OLG group 8-11) including the outcomes you expect to achieve.

- Aside from buildings depreciation (below) there is no single significant strategy required – just continued refinement of current operations to ensure results are achieved.
- Council will continue to review services and service standards to improve service levels within available funding mix
- A review of building depreciation is planned and it is expected that this will result in significant reductions in building depreciation costs, estimated at 45% reduction in buildings depreciation.
- Depreciation overall will continue to be re-assessed to ensure relevance.
- Asset management planning will continue to be a focus, with emphasis on sustainability and renewal.
- A focus on achieving (small) operating surplus results as outlined in our Long Term Financial Plan.

Explain the key assumptions that underpin your strategies and expected outcomes.

*It is expected that improved methodologies and technical improvements in construction will result in continued refinement of depreciation and renewal amounts.
It is further expected that with time and experience, planning the renewal of long term infrastructure assets will also improve.
A key assumption is that the major focus will continue to be achieving bottom line results as well as ratio improvements as planned.*

Sustainability

Outline your strategies and outcomes in the table below

Objective	Strategies	Key milestones	Outcome	Impact on other measures
1. Improved revenue results	a) Special rate variation b) c)	Approval by IPART May 2016	Approved.	Positive impact across the board
2. Reduction of road infrastructure depreciation	a) Review of service levels b) Review of effective lives and residual values	Completed in conjunction with fair value revaluation	Achieved 2014/2015, effective from 2015/2016	Positive impact across the board
3. Reduction of building depreciation	a) Review of service levels b) Review of effective lives and residual values	To be completed in conjunction with fair value revaluation – 2016/2017 – 2017/2018.	Expect reductions in depreciation of 45%. Given results in road review, this is considered achievable.	Positive impact across the board

Infrastructure and Service Management – SATISFIED IN ORIGINAL ASSESSMENT

If Council satisfied the criterion as part of IPART's assessment, there is no need to complete this section.

Summarise your council's key strategies to improve performance against the Infrastructure and Service Management benchmarks in the 2020/21 period, (2025/26 for OLG group 8-11) period, including the outcomes you expect to achieve.

SATISFIED IN ORIGINAL ASSESSMENT

Explain the key assumptions that underpin your strategies and expected outcomes.

Infrastructure and Service Management – SATISFIED IN ORIGINAL ASSESSMENT

If Council satisfied the criterion as part of IPART's assessment, there is no need to complete this section.

Outline your strategies and outcomes in the table below.

Objective	Strategies	Key milestones	Outcome	Impact on other measures
SATISFIED IN ORIGINAL ASSESSMENT	a) b) c)			

Efficiency – SATISFIED IN ORIGINAL ASSESSMENT

If Council satisfied the criterion as part of IPART's assessment, there is no need to complete this section.

Summarise your council's key strategies to improve performance against the Efficiency measures in the 2020/21 period, (2025/26 for OLG group 8-11), including the outcomes you expect to achieve.

SATISFIED IN ORIGINAL ASSESSMENT

Explain the key assumptions that underpin your strategies and expected outcomes.

Efficiency – SATISFIED IN ORIGINAL ASSESSMENT

If Council satisfied the criterion as part of IPART's assessment, there is no need to complete this section.

Outline your strategies and outcomes in the table below.

Objective	Strategies	Key milestones	Outcome	Impact on other measures
SATISFIED IN ORIGINAL ASSESSMENT	a) b) c)			

Improvement Action Plan

Summarise the key improvement actions that will be achieved in the first year of your plan.

Action plan

Actions		Milestones
1. Special Rate Variation 30%		Approved by IPART May 2016.
2. Reduction in buildings depreciation		45% 2016/2017.
* Please attach detailed action plan and supporting financial modelling		

Outline the process that underpinned the development of your Action Plan.

As part of our Special Rate variation process a deliberative panel was formed and run by consultants from UTS. In addition to obtaining agreement to the SRV, there were a number of savings identified in the process.

Other actions considered

In preparing your Improvement Action Plan, you may have considered other strategies/actions but decided not to adopt them. Please identify what these strategies/actions were and explain why you chose not to pursue them.

For example, neighbouring council did not want to pursue a merger, unable to increase rates or increase borrowing, changes in policy or service standards.

How will your plan improve performance?
(Ratios to be calculated as a single year, not 3 year averages)

Expected improvement in performance

Measure/ benchmark	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 (Group 8-11 Councils only)	2022/23 (Group 8-11 Councils only)	2023/24 (Group 8-11 Councils only)	2024/25 (Group 8-11 Councils only)	2025/26 (Group 8-11 Councils only)	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break- even)	-.062	0.115	0.042	0.056	0.049	0.046	0.041	0.045	0.037	0.038	0.054	Yes
Own Source Revenue Ratio (Greater than 60%)	56	72	78	78	78	79	79	79	79	79	79	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100%)	153	138	93	100	96	94	94	99	92	95	103	General Fund Yes. Consolidated No
Infrastructure Backlog Ratio (Less than 2%)												Previously satisfied Infrastructure & Service Management

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Asset Maintenance Ratio (Greater than 100%)												Previously satisfied Infrastructure & Service Management
Measure/ benchmark	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 (Group 8-11 Councils only)	2022/23 (Group 8-11 Councils only)	2023/24 (Group 8-11 Councils only)	2024/25 (Group 8-11 Councils only)	2025/26 (Group 8-11 Councils only)	Achieves FTFF benchmark?
Debt Service Ratio (Greater than 0% and less than or equal to 20%)												Previously satisfied Infrastructure & Service Management
Real Operating Expenditure per capita A decrease in Real Operating Expenditure per capita over time												Previously satisfied Efficiency
Include Council's Income Statement from its Long Term Financial Plan, as well as a hyper link to Council's full Long Term Financial Plan. Also provide a link to Council's original FTFF submission to IPART and any other documents relevant to Council's proposal.												

Expected improvement in performance

If, after implementing your plan, your council may still not achieve all of the Fit for the Future benchmarks, please explain the likely reasons why.

While General Fund renewals are on track, the Infrastructure Renewal Ratio benchmarks generally do not seem appropriate for long lived infrastructure assets. This, along with other asset performance benchmarks will require significant industry consultation and refinement before they are accepted as appropriate.

Putting your plan into action

How will your council implement your Improvement Action Plan?

The 30% permanent Special Rate Variation for 2016/2017, a major milestone in Council's improvement plan has been approved by IPART in May of this year. There have been discussions and preliminary planning for a major review of Buildings depreciation for 2016/2017, however this asset class is due for fair value revaluation in 2017/2018. At this point we are not certain of the timing of the benefits between these two financial years. Other than the above, there will be continual improvement required in terms of service level provision and asset management planning to ensure forecast results are achieved.

NB: This section should only be completed by councils who have direct responsibility for water supply and sewerage management

No

If NO, please explain the factors that influence your performance against the Framework.

Water supply achieves 90% and sewerage achieves 89% of the criteria for Best Practice Management of Water Supply and Sewerage Framework. To achieve 100% Council is required to prepare a Developer Servicing Plan and submit the plan to the NSW Office of Water. Council had previously been considered exempt from this requirement due to growth in the Shire being less than 5lots/annum.

The existing Integrated Water Cycle Management Plan is due to be revised in the 2016-17 period, the developer servicing plan will be documented during this process.

How much is your council's current (2014/15) water and sewerage infrastructure backlog?

Water \$860k
Sewer \$2,576k

These figures may be overstated given reported asset conditions:

\$'000										
Asset Class	Asset Category	Estimated cost to bring up to a satisfactory standard refer (1)	Required Annual Maintenance refer (2)	Actual Maintenance 2014/15 refer (3)	Written Down Value (WDV) refer (4)	Assets in Condition as a % of WDV refer (A), (B), (C)				
						1	2	3	4	5
Water Supply Network	Dams/Weirs	-	-	-	18	100%				
	Mains	287	484	-	3,068	16%	79%	4%	1%	0%
	Pumping Stations	573	290	290	711	100%				0%
	Reservoirs	-	25	25	2,608	100%				0%
	Treatment	-	184	184	1,025	100%				0%
	Buildings	-	10	10	3,019	100%				0%
	Works	-	1	1	71	100%				0%
	Bones	-	28	28	352	100%				0%
	Connections	-	24	24	142	100%				0%
	sub total	860	1,036	552	11,014	76.8%	22.0%	1.1%	0.3%	0.0%
37000										
Sewerage Network	Mains	60	35	35	5,844	11%	88%	1%		0%
	Buildings	-	-	-	102	13%	87%			0%
	Pumping Stations	1,668	68	68	1,050	100%				0%
	Treatment	848	318	318	1,411	67%	95%			0%
	Buildings	-	-	-	385	100%				0%
	Other	-	-	-	43	100%				0%
	sub total	2,576	421	421	9,074	24.4%	72.4%	0.6%	0.0%	2.5%

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Chairman

Water utility performance

Identify any significant capital works (>\$1m) proposed for your council's water and sewer operations during the 2016-17 to 2020-21 period and any known grants or external funding to support these works.

Capital works				
Proposed works	Timeframe	Cost	Grants or external funding	
Design and Construction of 0.5ML Reservoir at Gravesend	2016-17	\$200,000		
Water main renewal Program	2016-17	\$140,000		
Water meter replacement program	2016-17	\$20,000		

Water utility performance

Does your council currently manage its water and sewerage operations on at least a break-even basis?

Yes - Economic Real Rate Return (ERRR) Water is 6% and ERRR Sewer 5.7%

If No, please explain the factors that influence your performance.

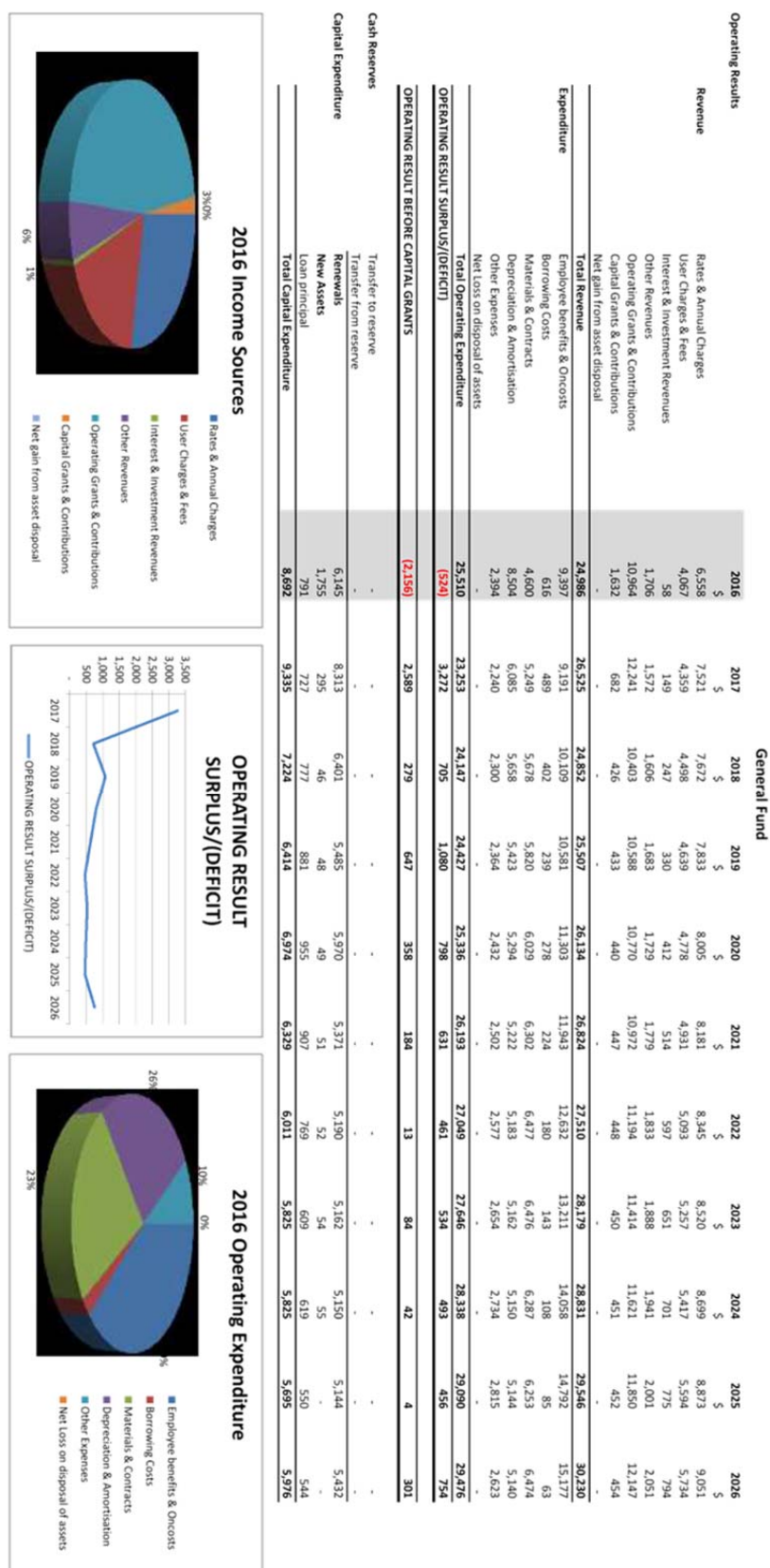
Water utility performance

Identify your council's key strategies to improve the performance of its water and sewer operations in the 2016-17 to 2020-21 period.

Improvement strategies

Strategy	Timeframe	Anticipated outcome
1. Review Integrated Water Cycle Management Plans	2016-17	100% compliance with Best Practice
2. Installation of solar energy at Bingara Water treatment Plant	2016-17	25% reduction in electricity costs
3. Installation of recycled effluent at Bingara sewerage treatment works to various facilities.	2016-17	Improved environmental performance

	4. Implementation of Drinking water quality management system	
	2016-17	
	Quality assurance of water supply	



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Chairman