



Bitumen resealing was completed at the Inverell Airport between Saturday, 7 and Tuesday, 10 February, 2015.  
Line marking and taxi way upgrade are currently taking place.

# Business Paper Ordinary Meeting of Council 25 February, 2015

**INVERELL SHIRE COUNCIL**

**NOTICE OF ORDINARY MEETING OF COUNCIL**

19 February, 2015

An Ordinary Meeting of Council will be held in the Council Chambers, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 25 February, 2015, commencing at **3pm**.

Your attendance at this Ordinary Meeting of Council would be appreciated.

**P J HENRY PSM**

**GENERAL MANAGER**

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**A G E N D A**

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<b>SECTION A</b>	<b>APOLOGIES CONFIRMATION OF MINUTES DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS PUBLIC FORUM</b>
<b>SECTION B</b>	<b>ADVOCACY REPORTS</b>
<b>SECTION C</b>	<b>COMMITTEE REPORTS</b>
<b>SECTION D</b>	<b>DESTINATION REPORTS</b>
<b>SECTION E</b>	<b>INFORMATION REPORTS</b>
<b>SECTION F</b>	<b>QUESTIONS WITHOUT NOTICE</b>
<b>SECTION G</b>	<b>CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE)</b>

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**2PM**

**AFTERNOON TEA**

## Quick Reference Guide

*Below is a legend that is common between the:*

- Inverell Shire Council Strategic Plan
- Inverell Shire Council Delivery Plan
- Inverell Shire Council Management Plan.

<i><b>Destinations</b></i>	<i><b>Icon</b></i>	<i><b>Code</b></i>
<p><b>1. A recognised leader in a broader context.</b></p> <p>Giving priority to the recognition of the Shire as a vital component of the New England North West Region through Regional Leadership.</p>		R
<p><b>2. A community that is healthy, educated and sustained.</b></p> <p>Giving priority to the Shire as a sustainable and equitable place that promotes health, well being, life long learning and lifestyle diversity.</p>		C
<p><b>3. An environment that is protected and sustained.</b></p> <p>Giving priority to sustainable agriculture, the protection and conservation of rivers, waterways bio diversity and the built environment.</p>		E
<p><b>4. A strong local economy.</b></p> <p>Giving priority to economic and employment growth and the attraction of visitors.</p>		B
<p><b>5. The Communities are served by sustainable services and infrastructure.</b></p> <p>Giving priority to the provision of community focused services and the maintenance, enhancement and upgrade of infrastructure.</p>		S



## MEETING CALENDAR

October 2014 – September 2015

	TIME	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT
		Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
<b>Ordinary Meetings</b>	<b>3:00 pm</b>	22	26	17	No Meeting	25	25	22	27	^24	22	26	*23
<b>Major Committees</b>		Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
Civil and Environmental Services	<b>8:30 am</b>	8	12	No Meetings	No Meetings	11	11	8	13	10	8	12	9
Economic and Community Sustainability	<b>10:30 am</b>												

^ Meeting at which the Management Plan for 2015/2016 is adopted. \*Mayoral Election, to be conducted. (September)

- Members of the public are invited to observe meetings of the Council.  
Should you wish to address Council, please contact the Office of the General Manager on 6728 8206.

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MINUTES OF THE ORDINARY MEETING OF INVERELL SHIRE COUNCIL HELD IN THE COUNCIL CHAMBERS, ADMINISTRATIVE CENTRE, 144 OTHO STREET, INVERELL ON WEDNESDAY, 17 DECEMBER, 2014, COMMENCING AT 3 PM.

**PRESENT:** Cr P J Harmon (Mayor) [Chairperson], Crs D F Baker, H N Castledine, B C Johnston, D C Jones, A A Michael, M J Peters and J A Watts.

The General Manager (Paul Henry), Director Corporate & Economic Services (Ken Beddie) and Director Civil & Environmental Services (Brett McInnes).

**APOLOGIES** **S13.6.9/07**

The General Manager advised that Cr Girle tendered his apology and sought leave of absence for business reasons.

**139/14 RESOLVED** *(Michael/Watts) that the apology from Cr Girle due to his absence for business reasons be accepted, and that leave of absence be granted.*

**CONFIRMATION OF MINUTES** **S13.5.2/07**

**140/14 RESOLVED** *(Castledine/Johnston) that the Minutes of the Ordinary Meeting of Council held on 26 November, 2014, as circulated to members, be confirmed as a true and correct record of that meeting.*

**DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS**

There were no interests declared.

Suspension of Standing Orders

At this juncture, the time being 3.02pm, the Mayor advised Council of the recent passing of former Mayor, Mrs Mavis Tozer. A one (1) minute silence was observed in memory of Mrs Tozer.

Resumption of Standing Orders

At this juncture, the time being 3.05pm, Standing Orders resumed and Council considered the balance of the Agenda.

**PUBLIC FORUM** **S13.5.6/07**

At this juncture, the time being 3.06pm, the Mayor welcomed the members of the public and opened the Public Forum Session by inviting members of the public to speak:

Mr Larry Cameron Town Centre Renewal Plan (TCRP)

Mr Cameron noted he had had discussions with a Local Government Officer from Melbourne who indicated that it was their opinion that plane trees can be effectively managed.

Mr Cameron again asked that Council conduct further community consultation in this matter, indicating that the Concerned Inverell Ratepayers Association now has 2,500 signatures asking that the TCRP be revisited.

At this juncture, the time being 3.08pm, the Public Forum Session closed and Council resumed the balance of the Agenda.

**SECTION B  
ADVOCACY REPORTS**

Cr Watts	<u>World Aids Day</u>  Cr Watts advised of her attendance at the local World Aids Day event conducted by Each Social and Community Health and involving local school students.
Cr Watts	<u>Crossing the Divide</u>  Cr Watts advised of her attendance at the recent graduation ceremony held in Bundarra for 'Crossing the Divide' program participants. This is a very worthy program, providing strong community outcomes.
Cr Baker	<u>Great Inland Northern Fishing Festival</u>  Cr Baker noted the success of the 2014 event with attendees from a wide area. Cr Baker noted the Committee's efforts in making the event a strong success.
Cr Harmon	<u>School Presentation Nights</u>  Cr Harmon noted the recent events and the ongoing high achievements of students from across the Shire.
Cr Harmon	<u>Clontarf Foundation</u>  Cr Harmon noted the ongoing success of the Foundations local programs which involve indigenous male youth.
Cr Harmon	<u>Long Service Awards Presentation – Council Staff</u>  Cr Harmon noted the recent presentation of Long Service Awards to Council staff. The staff receiving awards had between 15 and 35 years service with Council.
Cr Harmon	<u>Holy Trinity School Development – Trade Skills Centre</u> <u>CD-29/2014</u>  Cr Harmon noted the appreciation that had been extended to Council for its assistance in ensuring the timely and successful delivery of the new Primary Industries Trade Skills Centre.
GM-A	<b>141/14 RESOLVED</b> (Johnston/Baker) that Council extend its appreciation to Holy Trinity School and Macintyre High School in this matter.

**SECTION D  
DESTINATION REPORTS**

	<b>1.      <u>RENEWAL OF ALCOHOL FREE ZONES</u>      <u>S18.8.1</u></b>
RC-A EXA-Policy	<b>142/14 RESOLVED</b> (Jones/Castledine) that:  i)      Council re-establish the Alcohol Free Zones over the streets and laneways included in the report for a four (4) year term, commencing 31 December, 2014;  ii)     the Alcohol Free Zone be extended to include Rotary Park in May Street, Inverell;

- iii) Council notify the public of the re-instatement of the Alcohol Free Zones; and
- iv) Council amend the Alcohol Free Zone signage as required.

**2. REQUEST TO RENEW LICENCE AGREEMENT – PAUL AND ROBYN TICEHURST S5.10.68**

CSOP-A **143/14 RESOLVED** (Watts/Michael) that:

- i) Council renew the Licence Agreement with Mr Paul and Mrs Robyn Ticehurst for Part Public Road on Southern Boundary of PT Lot 99 DP 750079 for a two (2) year term with a further two (2) year option;
- ii) the Licence fee be \$185.00 per annum (GST Inclusive) with a 3% increase per annum; and
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

**3. REQUEST TO LICENCE LAND – BROOKE WHITE S5.10.26**

CSOP-A **144/14 RESOLVED** (Jones/Johnston) that:

- i) Council enter into a Licence Agreement with Mrs Brooke White for Part Lot 2 DP 1148462, Inverell for a two (2) year period with a further two (2) year option;
- ii) the Licence fee be \$200.00 per annum (GST Inclusive) with a 3% increase per annum; and
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.

**4. MEMBERSHIP OF ABORIGINAL CONSULTATIVE COMMITTEE S2.14.1**

GM-A **145/14 RESOLVED** (Michael/Baker) that:

- i) the following persons be appointed to the Inverell Shire Aboriginal Consultative Committee:

Mrs Jennie Johnston (Anaiwan Local Aboriginal Land Council)  
Mrs Pauline Bartholomew (Aboriginal Elder – chosen by NAIDOC Week Committee)  
Mrs Ros Edmonds (Aboriginal Elder – chosen by NAIDOC Week Committee)

- ii) the community members of the Committee comprise the following persons:

Ester Gardner  
Hilda Duncan  
Beryl Hepi

- iii) the term of appointment be to the September, 2016 Local Government Elections with membership after this being on a two (2) year basis.

**5. NSW GOVERNMENT FOOTY FACILITIES FUND - ASHFORD RUGBY LEAGUE CLUB S21.8.4**

GM-A **146/14 RESOLVED** (Johnston/Baker) that:



- i) Council support 'in principle' the Ashford Rugby League Club's Grant Application for the upgrade of facilities at the Ashford Sportsground; and
- ii) Council provide a contribution of \$35K financial support to the project, subject to the following conditions:
  - the funding will be made available if the Grant Application is approved, and
  - the facility will be available for use by Community Groups and will not be made available for the exclusive use of the Ashford Rugby League Football Club.

**6. CAMPBELL STREET, INVERELL - LICENCE AGREEMENT  
S5.10.146**

CSOP-A **147/14 RESOLVED** (Michael/Castledine) that:

- i) Council grant a licence to Inverell Disability Services Inc to occupy part Lot 2, DP 1130121, subject to the following conditions:
  - Licence term - 5 years,
  - Licence fee - \$2,500.00 per annum,
  - Other conditions as determined by the General Manager that will be necessary to protect Council's interest.
- ii) approval to remove an Oleander tree be granted and that two (2) suitable trees be acquired and planted by Inverell Disability Services Inc; and
- iii) occupation of the footpath for the purpose of providing a vehicle 'set down area' be approved and included as part of the licence agreement.

**7. TENDER – FIBRE OPTIC SOLUTION PROJECT (LISTING) S17.5.5**

**148/14 RESOLVED** (Johnston/Michael) that the matter be referred to Closed Council for consideration as:

- i) the matters and information are 'commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.' (Section 10A(2)(d)(i) of the Local Government Act, 1993);
- ii) on balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and
- iii) all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

**SECTION E  
INFORMATION REPORTS**

- 1. **MANAGEMENT TEAM MINUTES S4.11.5/07**
- 2. **CONSTRUCTION CERTIFICATES APPROVED FOR NOVEMBER 2014  
S7.2.4/07**
- 3. **COMPLYING DEVELOPMENT CERTIFICATES APPROVED DURING  
NOVEMBER 2014 S7.2.4/07**
- 4. **SUMMARY OF BUILDING CONSTRUCTION FOR NOVEMBER 2014  
S7.2.4/07**

5. DEVELOPMENT CONSENTS AND REFUSALS DURING NOVEMBER 2014  
S18.10.2
6. SEPTIC TANK APPROVALS FOR NOVEMBER 2014 S29.19.1
7. ORDINANCE ACTIVITIES REPORT FOR NOVEMBER 2014 S18.10.1
8. UNITED SERVICES UNION (USU) FIT FOR THE FUTURE PROGRAM  
S13.1.2
9. WORKS UPDATE S28.21.1

**149/14 RESOLVED** (Michael/Baker) that the items contained in the Information Reports to the Ordinary Meeting of Council held on Wednesday, 17 December, 2014, be received and noted.

#### SUPPLEMENTARY SECTION E INFORMATION REPORT

**150/14 RESOLVED** (Michael/Baker) that the Supplementary Section E Information Report be considered.

10. ASHFORD WATER TREATMENT PLANT PCG MEETING MINUTES –  
16 DECEMBER 2014 S5.9.12

**151/14 RESOLVED** (Michael/Baker) that the item contained in the Supplementary Information Report to the Ordinary Meeting of Council held on Wednesday, 17 December, 2014, be received and noted.

#### SECTION F QUESTIONS WITHOUT NOTICE

**QWN/ORD 51/14** NBN  
Cr Jones

Cr Jones noted that the South Inverell and Gilgai NBN Towers have been switched on.

**QWN/ORD 52/14** Yamba Port and Rail Project S30.16.7  
Cr Jones

Cr Jones requested that he be allowed to take a matter into Closed Council.

**152/14 RESOLVED** (Jones/Baker) that the matter be referred to Closed Council for consideration as:

- i) the matters and information are 'commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.' (Section 10A(2)(d)(i) of the Local Government Act, 1993);
- ii) on balance the public interest in preserving the confidentiality of the information outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting; and
- iii) all reports and correspondence relevant to the subject business be withheld from access to the media and public as required by section 11(2) of the Local Government Act, 1993.

**QWN/ORD 53/14**      Waste Strategy  
Cr Watts

Cr Watts requested an update on the implementation of the Shire Wide Waste Strategy.  
The Director Civil and Environmental Services provided Council with an update in this matter.

**QWN/ORD 54/14**      Bindaree Beef Development  
Cr Johnston

Cr Johnston noted the ongoing redevelopment and expansion of the facility. Cr Johnston asked if Council needs to undertake additional works to ensure a sufficient water supply to the Abattoir.

**SECTION G**  
**CONFIDENTIAL REPORTS IN CLOSED COUNCIL**  
**(SECTION 10A(2) OF THE LOCAL GOVERNMENT ACT 1993)**

At 3.50pm, the Chairperson offered the opportunity to members of the public to make representations as to whether any part of the Council Meeting should not be considered in Closed Council. There was no response.

**CLOSED COUNCIL REPORTS**

**153/14 RESOLVED** (Johnston/Baker) that Council proceed into Closed Council to discuss the matters referred to it, for the reasons stated in the motions of referral.

Upon resuming Open Council at 4.03pm, the Chair verbally reported that the Council had met in Closed Council, with the Press and Public excluded, and had resolved to recommend to Council the following:

MIS-A      1.      **TENDER – FIBRE OPTIC SOLUTION PROJECT**      **S17.5.5**

*That:*

- i) Council install a 48 Core Fibre Optic Cable Solution;*
- ii) the Tender from Telco Civil Pty Ltd for the 48 Core Fibre Optic Cable for \$176,188.28 (including GST) be accepted; and*
- iii) the Mayor and General Manager be duly authorised to execute the contract under Council Seal.*

2.      **YAMBA PORT AND RAIL PROJECT**      **S30.16.7**

*That the information be received and noted.*

**ADOPTION OF RECOMMENDATIONS**

**154/14 RESOLVED** (Baker/Watts) that the recommendations of Closed Council be adopted.

**SECTION H**  
**GOVERNANCE REPORTS**

1.      **GOVERNANCE - MONTHLY INVESTMENT REPORT**      **S12.12.2/07**

**155/14 RESOLVED** (Michael/Castledine) that:

- i) the report indicating Council's Fund Management position be received and noted; and*

ii) *the Certification of the Responsible Accounting Officer be noted.*

There being no further business, the meeting closed at 4.07pm.

CR P J HARMON

CHAIRPERSON

**TO ORDINARY MEETING OF COUNCIL 25/02/2015**

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S30.11.4
<b>SUBJECT:</b>	<b>MAYORAL MINUTE: TOWN CENTRE RENEWAL PLAN</b>	
<b>PREPARED BY:</b>	Cr P J Harmon, Mayor	

**MAYORAL MINUTE**

*'I wish to acknowledge the representatives from the Concerned Inverell's Ratepayer's Association attending this meeting today. They have come to present their petition with over 2000 signatures, requesting that Council revise part of its Town Centre Renewal Plan to retain the London Plane Trees in the CBD and not to proceed with median strips in Byron and Otho Streets.*

*Council's initiative to strategically plan for future renewal in the town centre has received widespread support, including from members of the Ratepayer's Association. Some have been critical of the process, which is synonymous with their views on major aspects of the plan. There have been harsh critics who have formally acknowledged their support for various renewal components and initiatives contained in the plan. There are aspects of the plan that clearly sections of the community and some visitors to the town are concerned about. Such a divergence of views is not unusual for a project of this nature.*

*Prior to its decision in June 2014, Council entered into extensive consultation with the community on the Town Centre Renewal Plan. Council's intention to plan for a renewal of the CBD has many supporters within the Inverell business and wider community who are backing Council's decision and see it as the most positive way the town's retail sector can be assisted to retain its competitive edge into the future. Many regard proposed new plantings of mature pin oaks in the median strips as an enhancement to the aesthetic of the CBD.*

*Members of the community have also told me they understand that the costs to Council of maintaining the existing plane trees are significant and could also become an increasing additional and unwanted burden to ratepayers.*

*Council has a responsibility to represent the best interests of all ratepayers and to plan wisely to retain the town and district's prosperity now and into the future. As Mayor I take this responsibility very seriously as do my fellow Councillors. Our decision in June 2014 came from looking at all aspects of the Plan including a detailed analysis of the results from the extensive community consultation process.*

*However, when an issue becomes as contentious as this over two (2) important aspects of the Plan, I believe we should be prepared to undertake further discussions on the particular concerns that have been expressed.*

*Therefore, I believe that Council should invite the executive members of the Concerned Inverell's Ratepayer's Association to attend a meeting at Council which I will convene at a date which suits us all. The General Manager and senior staff would also attend the meeting.*

*This would provide an opportunity to discuss in detail the specific issues raised in the petition. I can assure you that these discussions will be undertaken with goodwill on Council's part'.*

**RECOMMENDATION:**

*That the executive members of the Concerned Inverell's Ratepayer's Association be invited to meet with Council representatives to discuss their concerns.*

<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S13.5.3 & S30.11.4
<b>SUBJECT:</b>	<b>NOTICE OF MOTION: PLANE TREES</b>	
<b>PREPARED BY:</b>	Cr M J Peters	

## NOTICE OF MOTION

I hereby give notice of my intention to move at the next meeting of the Council the following motion:

*'That Inverell Shire Council:*

- 1) *acknowledge the concerns raised in the CIRA petition.*
- 2) *undertake as stipulated in Chapter 3 of the Local Government Act 1993 to "keep the local community ... informed about its activities" and in doing so engage with the community in a consultative process by implementing forums with voting capacity.*
- 3) *amend the TCRP and in doing so, refrain from removing the London Plane trees and inserting a median strip in Otho St and Byron St.*
- 4) *place an addendum to the TCRP that whenever in the future a London Plane tree has to be removed, that it be replaced with either another London Plane tree or Ornamental Plane tree and given appropriate treatment such as placement where possible into beds'.*

COUNCILLOR: M J PETERS

DATE: 15 February 2015

### Local Government (General) Regulation 2005

#### 241 Giving notice of business

- (1) A council must not transact business at a meeting of the council:
  - (a) unless a councillor has given notice of the business in writing within such time before the meeting as is fixed by the council's code of meeting practice or (if the council does not have a code of meeting practice or its code of meeting practice does not fix that time) as is fixed by resolution of the council, and
  - (b) unless notice of the business has been sent to the councillors in accordance with section 367 of the Act.
- (2) Subclause (1) does not apply to the consideration of business at a meeting if the business:
  - (a) is already before, or directly relates to a matter that is already before, the council, or
  - (b) is the election of a chairperson to preside at the meeting as provided by clause 236 (1), or
  - (c) is a matter or topic put to the meeting by the chairperson in accordance with clause 243, or
  - (d) is a motion for the adoption of recommendations of a committee of the council.
- (3) Despite subclause (1), business may be transacted at a meeting of a council even though due notice of the business has not been given to the councillors. However, this can happen only if:
  - (a) a motion is passed to have the business transacted at the meeting, and
  - (b) the business proposed to be brought forward is ruled by the chairperson to be of great urgency.

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Such a motion can be moved without notice.

- (4) Despite clause 250, only the mover of a motion referred to in subclause (3) can speak to the motion before it is put.

**TO ORDINARY MEETING OF COUNCIL 25/02/2015**

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S19.9.1
<b>DESTINATION 2:</b>	A community that is healthy, educated and sustained.	<b>C</b>
<b>SUBJECT:</b>	<b>INVERELL LIQUOR CONSULTATIVE COMMITTEE MEETING MINUTES</b>	
<b>PREPARED BY:</b>	Hayley Nichols, Corporate Support Officer - Publishing	

**SUMMARY:**

Meeting held on 2 December, 2014.

For the consideration of Council.

**COMMENTARY:**

MINUTES OF THE INVERELL LIQUOR CONSULTATIVE COMMITTEE MEETING HELD AT THE INVERELL RSM CLUB, EVANS STREET, INVERELL ON TUESDAY, 2 DECEMBER, 2014, COMMENCING AT 10.00AM.

PRESENT: Tim Palmer (Inverell RSM) [Chair], Damien Smith (Australian Hotel/Inverell Rugby Club), Scott Williams (Tatts Hotel), Debbie Smith (Royal Hotel Motel), Leanne Brown & Don Bartlett (Inverell Jockey Club), Lucas Chan (BWS Inverell), Colin Thompson (Oxford Hotel), Tim Mowle (Inverell Police) and Kevin Stoessel (Ashford Bowling Club).

Also in attendance was Sharon Stafford (Inverell Shire Council) [Secretary].

APOLOGIES:

Apologies were received from Ewan Wilkinson (Liquorland), Donna Thom (Gilgai General Store), Anthony Alliston (Inverell Shire Council), Marty Tuck (Empire Hotel), Rosemary Pollock (HNEAHS), Michael Pianko (Imperial Hotel), Rowan O'Brien and Ross Chilcott (Inverell Police).

*RESOLVED (Stoessel/Williams) that the apologies be received and noted.*

SECTION A  
MINUTES

1. CONFIRMATION OF MINUTES

*RESOLVED (Smith/Brown) that the Minutes of the Inverell Liquor Consultative Committee held on 30 September, 2014, as circulated to members, be confirmed as a true and correct record of that meeting.*



2. DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

There were no interests declared.

3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil.

SECTION D  
DESTINATION REPORTS

1. INVERELL & DISTRICT LIQUOR ACCORD TERMS DOCUMENT S19.9.1

General discussion was held on the Terms Document. A number of issues were raised including products that encourage the rapid consumption of alcohol and outlaw motorcycle gang colours. The Police indicated that they would source further information in respect of motorcycle gang colours.

The Committee considered that ample opportunity had now been provided for stakeholders to have considered the Terms Document and agreed that a determination was now required.

*RESOLVED (Palmer/Williams) that the Committee recommend to Council that the Inverell & District Liquor Accord Terms Document be adopted.*

Colin Thompson requested that his vote against the motion be recorded.

4. GENERAL BUSINESS

Signage Audit

The Police have conducted signage audits of a number of licensed premises over the last two (2) months.

Licensees are reminded that information in respect of both liquor and gaming signage is available on the OLGR website.

Policing

There will be an increased Police presence over the Christmas/New Year period. Pubs and Clubs can expect additional drop-ins during these periods.

Boxing Day/New Years Day Races

The Inverell Jockey Club advised that the events will be mid strength and liquor sales will shut off at 10.30pm. No wrist band/no service rules will apply.

The Inverell Jockey Club requested use of Council's Mobile CCTV Cameras for Boxing Day.

The Australian Hotel will be closed on Boxing Day. The RSM Club and Oxford will both be open. The Tatts Hotel and Royal will close at 6pm.

The Police confirmed that they will liaise with all pubs and clubs to confirm which venues will be open Boxing Day.

### Alcohol Free Zones

The Committee was informed that Council is currently going through the process of re-establishing the Alcohol Free Zones in Inverell, Delungra and Ashford.

### Drugs

Licensees are reminded to report any suspected drug activity to either Crime Stoppers or the Police.

### NEXT MEETING

The next meeting of the Inverell Liquor Consultative Committee will be held at the Tatts Hotel on Tuesday, 3 March, 2015 commencing at 10 am.

There being no further business, the meeting closed at 10.50am.

### **RECOMMENDATION:**

*That:*

- i) *the Minutes of the Inverell Liquor Consultative Committee Meeting held on Tuesday, 2 December, 2014, be received and noted; and*
- ii) *the following recommendation of the Inverell Liquor Consultative Committee be considered by Council:*

1. INVERELL & DISTRICT LIQUOR ACCORD TERMS DOCUMENT S19.9.1

*That the Inverell & District Liquor Accord Terms Document be adopted.*

<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S4.11.17/07
<b>DESTINATION 1 DESTINATION 4:</b>	A recognised leader in a broader context. A strong economy.	<b>RB</b>
<b>SUBJECT:</b>	<b>ECONOMIC &amp; COMMUNITY SUSTAINABILITY COMMITTEE MEETING MINUTES – 11 FEBRUARY 2015</b>	
<b>PREPARED BY:</b>	Hayley Nichols, Corporate Support Officer - Publishing	

### **SUMMARY:**

Meeting held on Wednesday, 11 February, 2015.

For the consideration of Council.

### **COMMENTARY:**

MINUTES OF THE ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE  
MEETING HELD IN THE COMMITTEE ROOM, INVERELL SHIRE COUNCIL, 144  
OTHO STREET, INVERELL ON WEDNESDAY, 11 FEBRUARY, 2015,  
COMMENCING AT 10.39AM.

PRESENT: Cr J A Watts (Chairperson), Crs D F Baker, P J Girle, P J Harmon and A A Michael.

Also in attendance: Crs H N Castledine, B C Johnston and D C Jones.

Paul Henry (General Manager), Ken Beddie (Director Corporate and Economic Services), Brett McInnes (Director Civil and Environmental Services), Stephen Golding (Executive Manager Corporate and Community Services) and Graham Bendeich (Manager Environmental Engineering).

APOLOGIES:

There were no apologies received.

SECTION A

1. CONFIRMATION OF MINUTES

*RESOLVED (Michael/Baker) that the Minutes of the Economic and Community Sustainability Committee Meeting held on 12 November, 2014 as circulated to members, be confirmed as a true and correct record of that meeting.*

2. DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

There were no interests declared.

3. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil.

SECTION B  
ADVOCACY REPORTS

Cr Baker International Women's Day

Cr Baker informed the Committee of the upcoming International Women's Day morning tea to be held in Inverell where the theme will be 'Make it Happen'.

At this juncture, the time being 12.21pm, Cr Jones left the meeting.

SECTION D  
DESTINATION REPORTS

1. FIT FOR THE FUTURE (FFF) ROADMAP - WATER AND SEWERAGE ACTIVITIES S13.1.2

*RESOLVED (Michael/Johnston) that the Committee recommend to Council that:*

- i) Council's Water and Sewer Operations continue on a stand alone basis, noting the strong financial position, scale and capacity of these Council undertakings;*
- ii) Council maintain the current framework and practices for water and sewer management inclusive of its current pricing structure;*

- iii) *Council review its water and sewer pricing structure against Council's operational need and the Office of Water 'Best Practice Management Framework' (BPMF) on an annual basis;*
- iv) *Council note Council's 20 Year Water and Sewer Asset Management Plans, Long Term Financial Plans and the Water and Sewer Operations SWOT Analysis.*

*FURTHER RESOLVED (Baker/Johnston) that the Committee recommend to Council that Council staff be authorised to prepare Inverell Shire Council's water and sewerage Fit for the Future Roadmap in accordance with i-iv above.*

At this juncture, the time being 12.23pm, Cr Jones returned to the meeting.

At this juncture, the time being 12.24pm, Cr Baker left the meeting.

At this juncture, the time being 12.25pm, Cr Baker returned to the meeting.

#### SUPPLEMENTARY SECTION D DESTINATION REPORTS

*RESOLVED (Baker/Girle) that the Supplementary Section D Destination Report be considered.*

#### 2. GRAFTON TO INVERELL SPORTIFF EVENT - WAIVING OF ALCOHOL PROHIBITED AREA REQUEST FOR VICTORIA PARK S18.8.1

*RESOLVED (Baker/Girle) that the Committee recommend to Council that:*

- i) *alcohol be permitted from 5.30pm – 11:59pm on Saturday, 21 February, 2015 in the cordoned off area in Victoria Park being utilised for the Grafton to Inverell Sportiff Event; and*
- ii) *a notice of the suspension of the Alcohol Prohibited Area be published in the Inverell Times.*

At this juncture, the time being 1.00pm, Cr Michael and Cr Harmon left the meeting.

#### SECTION E INFORMATION REPORTS

#### 1. LIBRARY CONFERENCE AND ASSOCIATION AGM S3.6.4

*RESOLVED (Girle/Castledine) that the items contained in the Information Reports to the Economic & Community Sustainability Committee Meeting held on Wednesday, 11 February, 2015, be received and noted.*

#### SECTION H GOVERNANCE REPORTS

#### 1. STORES & MATERIALS STOCKTAKE – INVERELL, NOVEMBER 2014 S23.16.5/07

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) *the stores and materials Stocktake information be received and noted; and*
- ii) *the adjustment of **-\$2,476.62** be made in the Stores Ledger.*

2. STORES & MATERIALS STOCKTAKE – INVERELL, DECEMBER 2014  
S23.16.5/07

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$162.82** be made in the Stores Ledger.*

3. STORES & MATERIALS STOCKTAKE – ASHFORD, DECEMBER 2014  
S23.16.5/07

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **\$254.07** made in the Stores Ledger.*

4. STORES & MATERIALS STOCKTAKE – YETMAN, DECEMBER 2014  
S23.16.5/07

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$46.31** made in the Stores Ledger.*

5. STORES & MATERIALS STOCKTAKE – FUEL TANKER T212  
S23.16.5/07

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$128.22** made in the Stores Ledger.*

6. STORES & MATERIALS STOCKTAKE – FUEL TANKER T190  
S23.16.5/07

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$55.20** made in the Stores Ledger.*

7. STORES & MATERIALS STOCKTAKE – INVERELL, JANUARY 2015  
S23.16.5/08

*RESOLVED (Girle/Castledine) that the Committee recommend to Council that:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$322.45** be made in the Stores Ledger.*

8. GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2/08

*RESOLVED (Girle/Baker) that the Committee recommend to Council that:*

- i) the report indicating Council's Fund Management position be received and noted; and*

ii) *the Certification of the Responsible Accounting Officer be noted.*

9. QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2014/2015  
S12.5.1/08

*RESOLVED (Baker/Johnston) that the Committee recommend to Council that:*

- i) *Council's Quarterly Operational Plan and Budget Review for 31 December, 2014 be adopted; and*
- ii) *the proposed variations to budget votes for the 2014/2015 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2015 from operations of \$4,959.*

There being no further business, the meeting closed at 1.35pm.

**RECOMMENDATION:**

*That:*

- i) *the Minutes of the Economic & Community Sustainability Committee Meeting held on Wednesday, 11 February, 2015, be received and noted; and*
- ii) *the following recommendations of the Economic & Community Sustainability Committee be considered by Council:*

1. FIT FOR THE FUTURE (FFF) ROADMAP - WATER AND SEWERAGE  
ACTIVITIES S13.1.2

*That:*

- i) *Council's Water and Sewer Operations continue on a stand alone basis, noting the strong financial position, scale and capacity of these Council undertakings;*
- ii) *Council maintain the current framework and practices for water and sewer management inclusive of its current pricing structure;*
- iii) *Council review its water and sewer pricing structure against Council's operational need and the Office of Water 'Best Practice Management Framework' (BPMF) on an annual basis;*
- iv) *Council note Council's 20 Year Water and Sewer Asset Management Plans, Long Term Financial Plans and the Water and Sewer Operations SWOT Analysis.*

*That Council staff be authorised to prepare Inverell Shire Council's water and sewerage Fit for the Future Roadmap in accordance with i-iv above.*

2. GRAFTON TO INVERELL SPORTIFF EVENT - WAIVING OF ALCOHOL  
PROHIBITED AREA REQUEST FOR VICTORIA PARK S18.8.1

*That:*

- i) *alcohol be permitted from 5.30pm – 11:59pm on Saturday, 21 February, 2015 in the cordoned off area in Victoria Park being utilised for the Grafton to Inverell Sportiff Event; and*
- ii) *a notice of the suspension of the Alcohol Prohibited Area be published in the Inverell Times.*

3. STORES & MATERIALS STOCKTAKE – INVERELL, NOVEMBER 2014  
S23.16.5/07

*That:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$2,476.62** be made in the Stores Ledger.*

4. STORES & MATERIALS STOCKTAKE – INVERELL, DECEMBER 2014  
S23.16.5/07

*That:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$162.82** be made in the Stores Ledger.*

5. STORES & MATERIALS STOCKTAKE – ASHFORD, DECEMBER 2014  
S23.16.5/07

*That:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **\$254.07** made in the Stores Ledger.*

6. STORES & MATERIALS STOCKTAKE – FUEL TANKER T212  
S23.16.5/07

*That:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$128.22** made in the Stores Ledger.*

7. STORES & MATERIALS STOCKTAKE – FUEL TANKER T190 S23.16.5/07

*That:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$55.20** made in the Stores Ledger.*

8. STORES & MATERIALS STOCKTAKE – INVERELL, JANUARY 2015  
S23.16.5/08

*That:*

- i) the stores and materials Stocktake information be received and noted; and*
- ii) the adjustment of **-\$322.45** be made in the Stores Ledger.*

9. GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2/08

*That:*

- i) the report indicating Council's Fund Management position be received and noted; and*

ii)	<i>the Certification of the Responsible Accounting Officer be noted.</i>
10.	<u>QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2014/2015</u> <u>S12.5.1/08</u>
<i>That:</i>	
i)	<i>Council's Quarterly Operational Plan and Budget Review for 31 December, 2014 be adopted; and</i>
ii)	<i>the proposed variations to budget votes for the 2014/2015 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2015 from operations of \$4,959.</i>

<b>ITEM NO:</b>	3.	<b>FILE NO:</b> S4.11.16/07
<b>DESTINATION 2 DESTINATION 3 DESTINATION 5:</b>	A Community that is healthy, educated and sustained. An environment that is protected and sustained. The Communities are served by sustainable services and infrastructure.	<b>CES</b>
<b>SUBJECT:</b>	<b>CIVIL &amp; ENVIRONMENTAL SERVICES COMMITTEE MEETING MINUTES – 11 FEBRUARY 2015</b>	
<b>PREPARED BY:</b>	Hayley Nichols, Corporate Support Officer - Publishing	

**SUMMARY:**

Meeting held on Wednesday, 11 February, 2015.

For the consideration of Council.

**COMMENTARY:**

MINUTES OF THE CIVIL & ENVIRONMENTAL SERVICES COMMITTEE MEETING  
HELD IN THE COMMITTEE ROOM, 144 OTHO STREET, INVERELL ON  
WEDNESDAY, 11 FEBRUARY, 2015, COMMENCING AT 8.30 AM.

PRESENT: Cr H N Castledine (Chairperson), Crs A A Michael, B C Johnston,  
P J Harmon and D C Jones.

Also in attendance: Crs J A Watts, D F Baker and P J Girle.

Paul Henry (General Manager), Brett McInnes (Director Civil and Environmental Services), Ken Beddie (Director Corporate and Economic Services), Stephen Golding (Executive Manager Corporate and Community Services), Anthony Alliston (Manager Development Services) and Justin Pay (Manager Civil Engineering).

**APOLOGIES:**

There were no apologies received.



### SECTION A

1. CONFIRMATION OF MINUTES

*RESOLVED (Harmon/Michael) that the Minutes of the Civil and Environmental Services Committee Meeting held on 12 November, 2014, as circulated to members, be confirmed as a true and correct record of that meeting.*

2. DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

There were no interests declared.

3. PUBLIC FORUM S13.5.6

There were no members of the public present to speak.

### SECTION B ADVOCACY REPORTS

Cr Harmon Sapphire City Festival

Cr Harmon advised of a recent meeting of the Sapphire City Festival Committee. This was the first meeting of the 2015 Committee with all previous officers returning to positions. Cr Harmon noted that Ann Clydsdale and Peter Caddey are joint secretary's and that the Committee are considering a Halloween Themed festival to be held on 31 October, 2015.

Cr Harmon Myall Creek Memorial Committee

Cr Harmon advised that he and Paul Henry attended a meeting of the Myall Creek Memorial Committee. The Committee are considering a major development, inclusive of a building, at the Myall Creek Memorial Site; one that has stand alone historical significance. The Committee are seeking 'in principle support' from Council and are seeking to apply for grant funding collaboratively with Inverell and Gwydir Shire Council's for their proposed development.

Cr Harmon Fit for the Future Program

Cr Harmon advised of his and Paul Henry's attendance at the recent Meeting held by Guyra Council which was also attended by Council Representatives from Tenterfield, Glen Innes, Armidale, Wyallda and Uralla. Guyra Shire Council had invited consultants for the purpose of exploring options to support Guyra's FFF Roadmap. Their proposal was for a Super Council involving the amalgamation of all the Council's that had been invited to the meeting.

Cr Jones Men's Probus Club – Inverell

Cr Jones advised he attended the Men's Probus Club Meeting to explain NBN Co.

Cr Michael Australia Day – Ashford

Cr Michael advised he attended the Ashford Australia Day Celebrations as the Council Representative.

Cr Castledine Australia Day – Inverell

Cr Castledine advised he attended the Inverell Australia Day Celebrations as the Council Representative.

Cr Johnston Thank you

Cr Johnston passed on his thanks to Council and staff for their well wishes following his recent injury.

4. BUSINESS ARISING FROM PREVIOUS MINUTES

Nil.

SECTION D  
DESTINATION REPORTS

1. NORTH WEST WEIGHT OF LOADS - MEMORANDUM OF AGREEMENT  
S28.11.1

*RESOLVED (Michael/Johnston) that the Committee recommend to Council that the 2015-2020 North West Weight of Loads Inter-Council Memorandum of Agreement be executed under the Common Seal of Council.*

2. SHIRE ENTRY SIGN TEXAS ROAD - CONCEPT DESIGNS  
S28.9.19

*RESOLVED (Harmon/Johnston) that the Committee recommend to Council that 'Option 2' be accepted with suggested font change.*

3. INVERELL CRITERIUM S28.27.1/08

*RESOLVED (Harmon/Jones) that the Committee recommend to Council that:*

- i) Council approve the temporary road closure of the block bounded by Byron, Lawrence, Sweaney and Vivian Streets between 2pm and 5pm on Saturday, 21 March, 2015 to facilitate the Inverell Cycle 'n' Tri Club Criterium; and*
- ii) the applicants be responsible for the costs associated with the closure consistent with Council's adopted fee schedule.*

SECTION E  
INFORMATION REPORTS

1. ASHFORD WATER TREATMENT PLANT PCG MEETING MINUTES –  
27 NOVEMBER 2014 S5.9.12

2. ASHFORD WATER TREATMENT PLANT PCG MEETING MINUTES –  
13 JANUARY 2015 S5.9.12

3. STREET LIGHT UPGRADE S15.8.44/04

4. 2014/2015 BITUMEN RESURFACING PROGRAM S28.21.1

5. WORKS UPDATE S28.21.1

6. STORM EVENT - JANUARY 2015 S28.21.1

7. RESIDENT CORRESPONDENCE REGARDING LANDSCAPING OPTIONS  
FOR OTHO AND BYRON STREETS S30.11.4

*RESOLVED (Harmon/Michael) that the items contained in the Information Reports to the Civil & Environmental Services Committee Meeting held on Wednesday, 11 February, 2015, be received and noted.*

Cr Michael requested that staff be congratulated for the budget savings made in relation to Section E, Item 4 – '2014/2015 Bitumen Resurfacing Program'.

SECTION F  
GENERAL BUSINESS

Cr Harmon      Local Development

Cr Harmon advised that he has had discussions with Developers Australia Wide and that the feedback about Inverell Shire Council was extremely positive. There was a common theme amongst the Developers that Inverell Shire Council staff were extremely helpful with providing a high level of service throughout the development process. Cr Harmon wished to congratulate Council staff on the level of service they provide.

Cr Michael      Nullamanna Road

It was noted that the issues raised by Mr Goddard regarding Nullamanna Road have been resolved.

Cr Castledine      Delungra Road

The concerns expressed by Mr Tim Lloyd in respect of the Delungra Road were noted.

Cr Baker      War Memorial

Cr Baker commented on the War Memorial at the Inverell Memorial Pool.

Manager Development Services, Anthony Alliston advised the Committee of the program of works and the source of funding.

Cr Baker      Library 75<sup>th</sup> Anniversary

Cr Baker advised the Committee of the Library's up coming 75<sup>th</sup> Anniversary celebration.

Cr Johnston      CBD Upgrade

Cr Johnston questioned when the next stage of the CBD Upgrade would commence.

Director Civil and Environmental Services, Brett McInnes advised of the program schedule that is annual budget based.

Cr Girle      Property Inspections and Certification

Cr Girle raised a matter regarding the level of inspections and certification of properties in respect of fire safety. The Director Civil and Environmental Services, Brett McInnes explained how Certificates, at time of purchase, are issued by Council. Mr McInnes advised that Council states whether or not an order will be served within a fixed period to rectify matters associated with a building.

Manager Development Services, Anthony Alliston will hold further discussions with Cr Girle to ascertain details of the issue in question.

Cr Jones                      Electronic Business Papers

Cr Jones questioned whether the appendices could accompany the report as opposed to being at the end of the section now that the business papers are electronic.

At this juncture, the time being 10.07am, Director Civil and Environmental Services, Brett McInnes left the meeting.

General                      Elsmore Common Road  
Manager

Residents have approached Council regarding issues associated with the existing gate on the road.

The General Manager informed the Committee that the *Roads Act, 1993* allows for a gate to be erected on a public road based on consent of the roads authority. The Elsmore Common Trustees are responsible for the gate.

The General Manager has indicated to the residents that Council is prepared to be a part of the solution to the issue. Council will work with the residents and the Trust to resolve the issues raised.

At this juncture, the time being 10.11am, Director Civil and Environmental Services, Brett McInnes returned to the meeting.

There being no further business, the meeting closed at 10.14am.

**RECOMMENDATION:**

*That:*

- i) *the Minutes of the Civil & Environmental Services Committee Meeting held on Wednesday, 11 February, 2015, be received and noted; and*
- ii) *the following recommendations of the Civil & Environmental Services Committee be considered by Council:*

- 1.        NORTH WEST WEIGHT OF LOADS - MEMORANDUM OF AGREEMENT  
            S28.11.1

*That the 2015-2020 North West Weight of Loads Inter-Council Memorandum of Agreement be executed under the Common Seal of Council.*

- 2.        SHIRE ENTRY SIGN TEXAS ROAD - CONCEPT DESIGNS                      S28.9.19

*That 'Option 2' be accepted with suggested font change.*

- 3.        INVERELL CRITERIUM                      S28.27.1/08

*That:*

- i) *Council approve the temporary road closure of the block bounded by Byron, Lawrence, Sweaney and Vivian Streets between 2pm and 5pm on Saturday, 21 March, 2015 to facilitate the Inverell Cycle 'n' Tri Club Criterium; and*

- 
- |   |
|---|
| <p>ii) <i>the applicants be responsible for the costs associated with the closure consistent with Council's adopted fee schedule.</i></p> |
|---|

**TO ORDINARY MEETING OF COUNCIL 25/02/2015**

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S18.6.34/07
<b>DESTINATION 3:</b>	An environment that is protected and sustained	<b>E</b>
<b>SUBJECT:</b>	<b>PLANNING PROPOSAL - AMENDMENT NO. 2 TO INVERELL LOCAL ENVIRONMENTAL PLAN 2012 – AUTHORISATION TO PROCEED WITH MAKING OF THE PLAN</b>	
<b>PREPARED BY:</b>	Chris Faley, Development Planner	

**SUMMARY:**

This report has been initiated by the receipt of a Gateway Determination from the New South Wales Department of Planning and Environment (DoP) and subsequent completion by Council of the public exhibition period for the Planning Proposal to amend the *Inverell Local Environmental Plan 2012*.

Council is being asked to endorse the gazettal of the amendment, with a request to be made to the New South Wales Parliamentary Counsel to draft the proposed instrument.

**COMMENTARY:****Background**

At its Ordinary Meeting held 26 November, 2014, Council resolved:

*That:*

- i) Council support the submission of a Planning Proposal to facilitate detached dual occupancies in rural and rural residential areas to the NSW Department of Planning and Infrastructure's Gateway Panel for determination;*
- ii) upon a positive Gateway determination being received from the NSW Department of Planning and Infrastructure, the Director Civil and Environmental Services be authorised to undertake the procedural steps associated with the progress of the planning proposal, including public exhibition; and*
- iii) a further report be submitted in relation to this matter following public exhibition.*

This Planning Proposal is intended to amend the *Inverell Local Environmental Plan 2012* to make 'dual occupancy (detached)' permissible with consent within the RU1 Primary Production and R5 Large Lot Residential zones.

The Planning Proposal was formally lodged with Gateway Panel for determination on 4 December, 2014. The Gateway Determination was issued on 12 December, 2014. Written authorisation was also received for Inverell Shire Council to exercise the functions of the Minister for Planning under Section 59 of the *Environmental Planning and Assessment Act 1979*.

A copy of the Gateway Determination and written authorisation for delegation is attached as Appendix 1 (D6 – D10).

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As per the Gateway Determination, Council:

- Amended the Planning Proposal to include appropriate mapping to identify land affected by the proposal;
- Referred the Planning Proposal to the Rural Fire Service (RFS) for comment;
- Obtained agreement from the DoP Secretary to comply with the requirements of Section 117 Direction 4.4 Planning for Bush Fire Protection; and
- Publicly exhibited the Planning Proposal for a period of 14 days.

### **Response from New South Wales Rural Fire Service**

The Planning Proposal was referred to the RFS on 15 December, 2014, with a response received on 23 January, 2015. A copy of the response is attached as Appendix 2 (D11).

The RFS has no objection to the Planning Proposal proceeding however, it has provided advice in relation to assessment of future development applications for detached dual occupancy.

The advice provided by the RFS is noted and is not inconsistent with Council's approach to bush fire protection during the development assessment process.

### **Agreement from the Department's Secretary – Section 117 Direction 4.4 Planning for Bush Fire Protection**

Following receipt of correspondence from the NSW RFS, agreement was sought on 30 January, 2015 from the DoP Secretary to comply with the requirements of Section 117 Direction 4.4 Planning for Bush Fire Protection.

This agreement was received on 3 February, 2015 and is attached as Appendix 3 (D12).

### **Public Exhibition**

The Planning Proposal was placed on public exhibition for a period of 14 days from 30 January, 2015 to 13 February, 2015. The exhibition was undertaken in accordance with Section 5.5.2 of *A Guide to Preparing LEPs (Department of Planning and Infrastructure 2013)* and involved:

- A display at Council's Administration Centre;
- Advertisement within the Council Notice's section of the Inverell Times on 30 January, 2015; and
- A copy of exhibition material made available on Council's website.

As a result of the exhibition period, no submissions were received.

### **Conclusion**

The Planning Proposal to amend the *Inverell Local Environmental Plan 2012* has received a gateway determination from the DoP and been publicly exhibited. No submissions were received during the exhibition period.

In accordance with the gateway determination, the RFS was consulted and have subsequently advised that they have no objection to Planning Proposal. Agreement was also obtained from the DoP Secretary in relation to Planning for Bush Fire Protection.

The next stage of process is to refer the Planning Proposal to Parliamentary Counsel for opinion and to prepare the draft instrument.

Council has been granted written authorisation to exercise the functions of the Minister for Planning; therefore, it is recommended that:

- i. A request be made to Parliamentary Counsel to prepare the draft instrument pursuant to Section 59 of the *Environmental Planning and Assessment Act 1979*;
- ii. The Director Civil and Environmental Services be authorised to determine the terms of the draft instrument in consultation with Parliamentary Counsel, consistent with the intent of the Planning Proposal; and
- iii. The draft instrument be gazetted.

**RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:**

**Strategy:** E.03 Protect, rehabilitate and manage all impacts on the built and natural environment.

**Term Achievement:** E.03.03 The Shire's built and natural heritage is being promoted, protected and conserved.

**Operational Objective:** E.03.03.01 To facilitate the protection and rehabilitation of significant examples of the built environment.

**POLICY IMPLICATIONS:** The proposed amendment to the *Inverell Local Environmental Plan 2012* will assist Council in the administering of its provision and the orderly development of land within the Inverell Shire.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil.

**LEGAL IMPLICATIONS:** The amendment to the *Inverell Local Environmental Plan 2012* will be undertaken in accordance with the provisions of the *Environmental Planning and Assessment Act 1979*.

**RECOMMENDATION:**

*That:*

- i) *a request be made to Parliamentary Counsel to prepare the draft instrument pursuant to Section 59 of the Environmental Planning and Assessment Act 1979;*
- ii) *the Director Civil and Environmental Services be authorised to determine the terms of the draft instrument in consultation with Parliamentary Counsel, consistent with the intent of the Planning Proposal; and*
- iii) *the draft instrument be gazetted.*



<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S13.1.2
<b>DESTINATION 1:</b>	A recognised leader in a broader context	<b>R</b>
<b>SUBJECT:</b>	<b>FIT FOR THE FUTURE (FFF) - A UNITED SERVICES UNION (USU) PERSPECTIVE</b>	
<b>PREPARED BY:</b>	Paul Henry, General Manager	

**SUMMARY:**

The USU have advised of their position in respect of the Government's FFF program. This information is supplied for notation.

**COMMENTARY:****A.     Assessment of Program**

The USU, being the principal Union representing NSW local government employees, commissioned a report by Professor Brian Dollery and Joseph Drew (from UNE Research) on the basis for the program and its impacts.

In essence, the report is critical of the program claiming it contains errors, uses unreliable data and omissions which undermines the intent of the program. For example, the 'scale and capacity' criteria is predicated on a proposition that 'larger' councils can produce 'economies of scale', while this report argues that large councils in fact produce 'diseconomies of scale'.

The report is critical of the program for the short time frame allowed for Council to produce their roadmaps, the use of a limited number of benchmarks to determine a Council's 'fitness' and the measure used in the benchmarks. The report also claims that the limits imposed by the Government's revenue policies for local government sets many Councils up to 'fail' and therefore require Government intervention by way of structure reform.

A full copy of the report is attached as Appendix 4 (D13 – D47) for Councillor's information.

**B.     Shooters and Fishers Party**

The USU has also arranged for the two (2) upper house members of the Shooters and Fishers Party, Mr Brown and Mr Borsak to tour the State to meet with USU members and any Council that has concerns with the FFF Program.

Mr Brown will be in Inverell on 4 March, 2015.

Council is requested to determine if it wishes to raise any concerns with Mr Brown as he conducts his tour.

**RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:**

**Strategy:** R.04 Inverell Shire positively influences policy on rural and regional growth.

**Term Achievement:** R.04.01 Joint responses and initiatives are regularly developed with neighbouring Councils and regional organisations on rural and regional issues.

**Operational Objective:** R.04.01.01 Establish a program of regular meetings with neighbouring councils to identify and develop approaches to contemporary regional issues.

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**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil.

**LEGAL IMPLICATIONS:**

Nil.

**RECOMMENDATION:**

*That:*

- i) the report by UNE Research be noted, and*
- ii) Council determine if it wishes to have discussions with Mr Brown on matters of concern in relation to the FFF Program.*

## APPENDIX 1

**Planning &  
Environment**

Mr Paul Henry  
General Manager  
Inverell Shire Council  
PO Box 138  
INVERELL NSW 2360

Our ref: 14/20341

Attention: Chris Faley

Dear Mr Henry

**Planning proposal to amend Inverell Local Environmental Plan 2012**

I am writing in response to your Council's letter dated 3 December 2014 requesting a Gateway determination under section 56 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) in respect of permitting detached dual occupancies in the RU1 Primary Production and R5 Large Lot Residential Zones.

As delegate of the Minister for Planning, I have now determined the planning proposal should proceed subject to the conditions in the attached Gateway determination.

I have also agreed the planning proposal's inconsistency with s117 Direction 4.3 Flood Prone Land is justified because it is of minor significance. No further approval is required in relation to this Direction.

Council may still need to obtain the agreement of the Department's Secretary to comply with the requirements of S117 Direction 4.4 Planning for Bushfire Protection. Council should ensure this occurs prior to the plan being made.


Plan making powers were delegated to councils by the Minister in October 2012. It is noted that Council has requested to be issued with delegation for this planning proposal. I have considered the nature of Council's planning proposal and have decided to issue an authorisation for Council to exercise delegation to make this plan.

The amending Local Environmental Plan (LEP) is to be finalised within 6 months of the week following the date of the Gateway determination. Council should aim to commence the exhibition of the planning proposal as soon as possible. Council's request to draft and finalise the LEP should be made directly to Parliamentary Counsel's office 6 weeks prior to the projected publication date. A copy of the request should be forwarded to the Department of Planning and Environment for administrative purposes.

The State Government is committed to reducing the time taken to complete LEPs by tailoring the steps in the process to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage. In order to meet these commitments, the Minister may take action under section 54(2)(d) of the EP&A Act if the time frames outlined in this determination are not met.

Should you have any queries in regard to this matter, I have arranged for Mr Jon Stone of the Department's Northern Region office to assist you. Mr Stone can be contacted on (02) 6701 9688.

Yours sincerely

 12 December 2014  
**Stephen Murray**  
**General Manager, Northern Region**  
**Planning Services**

Encl:  
Gateway Determination  
Written Authorisation to Exercise Delegation  
Attachment 5 – Delegated Plan Making Reporting Template





## Planning & Environment

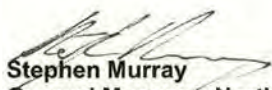
### Gateway Determination

**Planning proposal (Department Ref: PP\_2014\_INVER\_001\_00):** to permit detached dual occupancies in the RU1 Primary Production and R5 Large Lot Residential Zones.

I, the General Manager, Northern Region at the Department of Planning and Environment as delegate of the Minister for Planning, have determined under section 56(2) of the EP&A Act that an amendment to the Inverell Local Environmental Plan (LEP) 2012 to permit detached dual occupancies in the RU1 Primary Production and R5 Large Lot Residential Zones should proceed subject to the following conditions:

1. Prior to public exhibition, Council is to prepare appropriate mapping illustrating the land affected by this planning proposal. The mapping is to be incorporated into the planning proposal.
2. Community consultation is required under sections 56(2)(c) and 57 of the EP&A Act as follows:
  - (a) the planning proposal is classified as low impact as described in *A Guide to Preparing LEPs (Department of Planning and Environment 2013)* and must be made publicly available for a minimum of **14 days**; and
  - (b) the relevant planning authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in section 5.5.2 of *A Guide to Preparing LEPs (Department of Planning and Environment 2013)*.
3. Consultation is required with the NSW Rural Fire Service under section 56(2)(d) of the EP&A Act and to comply with the requirements of the relevant s117 direction. The NSW Rural Fire Service is to be provided with a copy of the planning proposal and any relevant supporting material, and given at least 21 days to comment on the proposal.
4. A public hearing is not required to be held into the matter by any person or body under section 56(2)(e) of the EP&A Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in response to a submission or if reclassifying land).
5. The timeframe for completing the LEP is to be **6 months** from the week following the date of the Gateway determination.

Dated 12<sup>th</sup> day of December 2014.

  
**Stephen Murray**  
General Manager, Northern Region  
Planning Services  
Department of Planning and Environment  
  
Delegate of the Minister for Planning

PP\_2014\_INVER\_001\_00 (14/20341)



## Planning & Environment

### WRITTEN AUTHORISATION TO EXERCISE DELEGATION

Inverell Shire Council is authorised to exercise the functions of the Minister for Planning under section 59 of the *Environmental Planning and Assessment Act 1979* that are delegated to it by instrument of delegation dated 14 October 2012, in relation to the following planning proposal:

Number	Name
PP_2014_INVER_001_00	Planning proposal to permit detached dual occupancies in the RU1 Primary Production and R5 Large Lot Residential Zones.

In exercising the Minister's functions under section 59, the Council must comply with the Department of Planning and Environment's "*A guide to preparing local environmental plans*" and "*A guide to preparing planning proposals*".

Dated 12 December 2014

  
Stephen Murray  
General Manager, Northern Region  
Planning Services  
Department of Planning and Environment

### **Attachment 5 – Delegated plan making reporting template**

#### **Notes:**

- Planning proposal number will be provided by the Department of Planning and Environment following receipt of the planning proposal
- The Department of Planning and Environment will fill in the details of Tables 1 and 3
- RPA is to fill in details for Table 2
- If the planning proposal is exhibited more than once, the RPA should add additional rows to **Table 2** to include this information
- The RPA must notify the relevant contact officer in the regional office in writing of the dates as they occur to ensure the publicly accessible LEP Tracking System is kept up to date
- A copy of this completed report must be provided to the Department of Planning and Environment with the RPA's request to have the LEP notified

**Table 1 – To be completed by Department of Planning and Environment**

<b>Stage</b>	<b>Date/Details</b>
Planning Proposal Number	PP_2014_INVER_001_00
Date Sent to DP&E under s56	03/12/2014
Date considered at LEP Review Panel	N/A
Gateway determination date	12/12/2014

**Table 2 – To be completed by the RPA**

<b>Stage</b>	<b>Date/Details</b>	<b>Notified Reg Off</b>
Dates draft LEP exhibited		
Date of public hearing (if held)		
Date sent to PCO seeking Opinion		
Date Opinion received		
Date Council Resolved to Adopt LEP		
Date LEP made by GM (or other) under delegation		
Date sent to DP&E requesting notification		

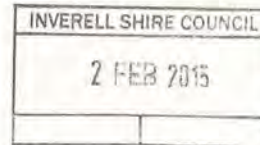
**Table 3 – To be completed by Department of Planning and Environment**

<b>Stage</b>	<b>Date/Details</b>
Notification Date and details	

**Additional relevant information:**



## APPENDIX 2

**NSW RURAL FIRE SERVICE**

General Manager  
Inverell Shire Council  
PO Box 138  
INVERELL NSW 2360

Your reference s18.6.34/07  
Our reference L12/0021  
DA15010695289AB

**Attention Mr Chris Faley**

23 January 2015

Dear Mr Faley

**Agency Comment:- Inverell Local Environmental Plan 2012 Amendment No. 2; Detached Dual Occupancy in Rural and Large Lot Land use Zones**

I refer to your letter dated 15 December 2014 seeking comments and recommendations from the NSW Rural Fire Service (RFS) with respect to the above planning proposal.

The RFS has reviewed the referred documentation and understands the Planning Proposal is to amend the LEP by permitting, only with consent, detached dual occupancy development in the RU1 Primary Production and RU5 Large Lot Residential land use zones.

The RFS has no objection to the Planning Proposal and provides the following advice:

- Any future development application on land mapped bush fire prone will be required to comply with the 'specifications and requirements' of Planning for Bush Fire Protection 2006.
- The following link identifies the RFS bush fire requirements for 'Increased Density on a Single parcel of Land'. The policy clearly identifies that a second or subsequent residential structure must satisfy the Asset Protection Zone (APZ) requirements to achieve a maximum BAL 29 construction standard.

[http://www.rfs.nsw.gov.au/data/assets/pdf\\_file/0019/4627/Fast-Fact-4-12-Increased-Density-on-a-Single-Parcel-of-Land.pdf](http://www.rfs.nsw.gov.au/data/assets/pdf_file/0019/4627/Fast-Fact-4-12-Increased-Density-on-a-Single-Parcel-of-Land.pdf)

For any queries regarding this correspondence please contact Alan Bawden on 1300 NSW RFS.

Yours Sincerely

**John Ball**  
**Manager – Customer Service Centre Coffs Harbour**

The RFS has made getting information easier. For general information on 'Planning for Bush Fire Protection, 2006', visit the RFS web page at [www.rfs.nsw.gov.au](http://www.rfs.nsw.gov.au) and search under 'Planning for Bush Fire Protection, 2006'.

**Postal address**

NSW Rural Fire Service  
Coffs Harbour Customer Service Centre  
Suite 1, 129 West High Street  
COFFS HARBOUR NSW 2450

**Street address**

NSW Rural Fire Service  
Coffs Harbour Customer Service Centre  
Suite 1, 129 West High Street  
COFFS HARBOUR NSW 2450

T (02) 6691 0400  
F (02) 6691 0499  
[www.rfs.nsw.gov.au](http://www.rfs.nsw.gov.au)

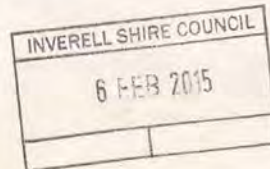




## APPENDIX 3

**Planning &  
Environment**

Mr Paul Henry  
General Manager  
Inverell Shire Council  
PO Box 138  
INVERELL NSW 2360



Our ref: 14/20341  
Your ref: s18.6.34/07

Attention: Chris Faley

Dear Mr Henry


**Inverell Local Environmental Plan 2012 (Amendment No 2)**

I refer to Council's correspondence dated 30 January 2015 requesting the Secretary's agreement to the planning proposal's inconsistency with S117 Direction 4.4 Planning for Bushfire Protection. The planning proposal seeks to permit with consent detached dual occupancies in the RU1 Primary Production and R5 Large Lot Residential Zones.

I am pleased to advise that as the Secretary's delegate, I have agreed to the planning proposal's inconsistency with S117 Direction 4.4 Planning for Bushfire Protection. No further approval is required in relation to this Direction.

Should you have any questions regarding this matter, I have arranged for Gina Davis, of the Northern Region Office to assist you. Ms Davis can be contacted on (02) 6701 9687.

Yours sincerely

 3 February 2015  
**Stephen Murray**  
General Manager, Northern Region  
Planning Services

**APPENDIX 4**

 <p style="text-align: center;">10 February 2015</p> <p>The General Manager &amp; Elected Councillors Inverell Shire Council PO Box 138 INVERELL NSW 2360</p>	<table border="1" style="margin: auto;"> <tr><td style="padding: 2px;">INVERELL SHIRE COUNCIL</td></tr> <tr><td style="padding: 2px;">12 FEB 2015</td></tr> <tr><td style="padding: 2px;"> </td></tr> </table>	INVERELL SHIRE COUNCIL	12 FEB 2015		<p style="text-align: right;"><b>United Services Union</b></p> <p style="text-align: right;">Level 7, 321 Pitt St Sydney NSW 2000</p> <p style="text-align: right;"><b>p</b> (02) 9265 8211 <b>f</b> (02) 9261 2265</p> <p style="text-align: right;"><b>w</b> <a href="http://www.usu.org.au">www.usu.org.au</a> <b>e</b> <a href="mailto:united@usu.org.au">united@usu.org.au</a></p> <p style="text-align: right;">ABN: 95 571 805 442</p>
INVERELL SHIRE COUNCIL					
12 FEB 2015					
<p style="text-align: right;">Reference: 120140911MDU01IND Contact: Mark Dunstan</p>					
<p>Dear Sir/Madam,</p> <p>The United Services Union, being the principal Union within the NSW Local Government sector, have commissioned a report by Professor Brian Dollery &amp; Joseph Drew on behalf of the New England Education and Research Propriety Limited, entitled "Up to the Job? An analysis of the NSW Government's <i>Fit for the Future</i> Local Government Reform Policy Package."</p> <p>I am pleased to provide your Council and Councillors a copy of the document for your consideration.</p> <p>I further advise that a copy of the document has been provided to the following:</p> <ul style="list-style-type: none"> <li>⇒ Minister for Local Government</li> <li>⇒ Office of Local Government</li> <li>⇒ Ministerial Advisory Panel</li> <li>⇒ Local Government NSW</li> <li>⇒ LGPA</li> <li>⇒ DEPA</li> <li>⇒ APESMA</li> </ul> <p>The Union would be appreciative if your Council tabled the document at the first available opportunity and would very much appreciate any constructive feedback. Please send all correspondence to the attention of the General Secretary by email to <a href="mailto:united@usu.org.au">united@usu.org.au</a>.</p> <p>Yours faithfully,</p> <div style="text-align: center; margin-top: 10px;">  </div> <p>Graeme Kelly GENERAL SECRETARY</p> <p>GK:kg</p> <p>Attachment</p>					
<p style="text-align: center; font-size: small;">New South Wales Local Government, Clerical, Administrative, Energy, Airlines &amp; Utilities Union</p> <p style="text-align: center; font-size: x-small;">Regional Offices: Newcastle, Wollongong    Satellite Offices: Armidale, Bathurst, Canberra, Dubbo, Grafton, Hay, Port Macquarie, Wagga Wagga</p>					





# Up to the Job?

An Analysis of the NSW  
Government's *Fit for the Future*  
Local Government Reform Policy  
Package



**Contacts:**

**Professor Brian Dollery**  
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Email: bdollery@une.edu.au

**Mr Graeme Kelly**  
General Secretary  
Telephone: 02 9265 8211  
Email: gkelly@usu.org.au

**Disclaimer**

*This Report was prepared by Brian Dollery and Joseph Drew on behalf of New England Education and Research Proprietary Limited for the United Services Union. This Report was produced for the United Services Union as a strictly independent Report. The opinions expressed in the Report are thus exclusively the views of Brian Dollery and Joseph Drew and do not necessarily coincide with the views of the United Services Union or any other body. The information provided in this Report may be reproduced in whole or in part for media review, quotation in literature, or non-commercial purposes, subject to the inclusion of acknowledgement of the source and provided no commercial use or sale of the material occurs.*

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### Executive Summary

In August 2011 the NSW Government established the Independent Local Government Review Panel to examine the options for improving the sustainability of the NSW local government sector. The *Final Report* of the Panel was submitted in October 2013 and in October 2014 the NSW Government set out its response to the *Final Report* in its *Fit for the Future* reform program.

This Report provides a critical assessment of the *Fit for the Future* program. We show that the *Fit for the Future* program is awash with errors, unreliable data and omissions, which could have serious consequences considering the far-reaching impact the *Fit for the Future* program will have on NSW local authorities. We conclude that it would be prudent for the NSW Government to take urgent steps to address these matters before proceeding further with the program.

The Report is divided into nine main parts:

Section 1 places the *Final Report* of the Independent Panel and the *Fit for the Future* program in the broader context of the international empirical literature on local government reform, as well as outlining the contents of the Report.

Section 2 traces the genesis and subsequent evolution of the *Fit for the Future* reform process.

Section 3 considers the broader narrative surrounding the program, not least the political 'spin' employed to 'sell' *Fit for the Future* to the local government community.

Section 4 examines policy 'shifts' involving the financial sustainability ratios and benchmark values used in *Fit for the Future* assessment of councils in comparison to the earlier TCorp Report prepared by the NSW Treasury Corporation in 2013.

Section 5 tackles the evaluation of municipal 'scale' and 'capacity' in the *Fit for the Future* program and demonstrates several errors in the *Fit for the Future* approach.

Section 6 deals with the reliability of the data employed in the in the *Fit for the Future* program showing that serious problems exist.

Section 7 scrutinises the assessment of local council efficiency in *Fit for the Future*, noting the erroneous approach followed in *Fit for the Future*.

The Report concludes in section 8 with some recommendations on how best to correct the flaws in *Fit for the Future* so that they do not lead to serious public policy mistakes which will be difficult and expensive to correct.

## 1. Introduction

For several decades local government systems across the world, including Australian local government, have experienced ongoing reform of varying degrees of severity (Denters and Rose, 2005; Faulk and Hicks, 2011). While Australian local government policymakers have deployed a number of different policy tools (Dollery, Kortt and Grant, 2013), in common with numerous other nations structural change through forced municipal mergers has been a major instrument of reform in most Australian state and territory local government systems. NSW local government has not been immune to compulsory consolidation, with enforced council mergers in 2004 (Tiley, 2012).

As a result of compulsory council consolidation, the total number of Australian local councils has decreased from 1067 to 680 over the period 1910 to 2008, a fall of about 36 per cent, notwithstanding a fivefold population increase from 4,425,083 to 20,209,993 people over the same period (Grant, Dollery and Crase, 2009). This has seen the average population size of Australian councils grow from 4,147 to 40,118 residents per council, the fourth largest in the developed world behind Britain, Denmark and New Zealand (Callanan, Murphy and Quinlivan, 2012). At 47,963 persons per council, NSW comfortably exceeds the Australian average municipal population size.

In union with their counterparts in other countries, and in thrall of New Public Management (NPM), Australian proponents of municipal mergers typically argue that 'bigger is better' in local government, usually premised on assumed relationships between council size and council performance, such as 'bigger is cheaper', 'bigger means improved services', 'bigger is more efficient', 'bigger is more financially viable' (Sancton, 2011), and more recently 'bigger yields better strategic capacity'. Policymakers who pursue structural reform through



council amalgamation programs frequently claim that larger local authorities will generate cost savings, improve productivity, enhance the quantum and composition of local service provision, augment administrative and technical capacity, boost strategic management, facilitate more effective lobbying with higher levels of government, and increase financial sustainability (Lago-Penas, and Martinez-Vazquez, 2013).

These controversial claims have ignited an ongoing debate in the scholarly literature (see, for example, Boyne, 1998; Oakerson, 1999; Bish, 2000; Dollery, Kortt and Grant, 2012). Notwithstanding the ubiquity of municipal mergers in the real-world reform programs, the empirical literature is far from supportive (see, for instance, Dollery and Robotti, 2008; Lago-Penas and Martinez-Vazquez, 2013).

Despite the continuing controversy surrounding council amalgamation, typically centred on proposed state and territory merger programs recommended by public inquiries (Dollery, Grant and Kortt, 2012), Australian policymakers have pressed on regardless with forced mergers, as currently exemplified the WA Government's divisive adoption of substantial municipal mergers in Perth recommended by the Metropolitan Local Government Review (2012) in its *Final Report*. In addition, under the auspices of the NSW Government's *Fit for the Future* reform program, the NSW local government sector now faces an even more drastic program of municipal mergers than in 2004, this time focusing largely on metropolitan local authorities.

Against this background, Report critically examines the *Fit for the Future* reform program. In particular, it considers four key aspects of the method for assessing the 'sustainability' of individual local authorities set out in the *Fit for the Future* guidelines: the financial

sustainability ratios and benchmark values employed, the criteria for the determination of 'adequate' scale and capacity of local councils, the reliability of the data employed, and the measurement of municipal efficiency. We demonstrate that in all of these areas, *Fit for the Future* methodology is seriously flawed.

The Report is divided into eight main parts. Section 2 traces the genesis and subsequent evolution of the *Fit for the Future* reform process. Section 3 considers the broader narrative surrounding the program, not least the political 'spin' employed to 'sell' *Fit for the Future* to the local government community. Section 4 examines policy shifts involving the financial sustainability ratios and benchmark values used in *Fit for the Future* assessment of councils, whereas section 5 tackles the evaluation of municipal 'scale' and 'capacity'. Section 6 deals with the reliability of the data in the *Fit for the Future* program. Section 7 scrutinises the assessment of efficiency in *Fit for the Future*. The Report concludes in section 8 with some brief recommendations on how best to correct the flaws in *Fit for the Future* so that they do not lead to expensive public policy mistakes.

## ***2. Fit for the Future Reform Program in New South Wales***

The largest of the seven Australian state and territory local government systems, NSW local government is presently comprised of 152 'general purpose councils', 12 'special purpose councils' and the NSW Aboriginal Land Council. The regulatory structure governing NSW local authorities consists of the NSW Office of Local Government (OLG), the NSW Local Government Grants Commission and supplementary bodies, as well as a Local Government Act (1993). In common with other Australian municipal systems, NSW local government is a 'creature of statute' since the NSW Government possesses almost unlimited regulatory powers over local government.

The forced merger program advocated in *Future Directions* by the Independent Panel was greeted with dismay by the NSW local government sector. It was attacked on several counts, not only because of the absence of any empirical basis for its merger recommendations, but also the poor quality of its commissioned research, particularly *Assessing Processes and Outcomes of the 2004 Local Government Boundary Changes in NSW* by Jeff Tate Consulting (2013) (see, for example, NELG, 2013).

After further consultation, the Panel submitted its Final Report *Revitalising Local Government* in October 2013. The main difference between *Future Directions* and *Revitalising Local Government* lay in a shift away from outright compulsion towards the establishment of a 'strengthened' Boundaries Commission empowered to consider proposals for municipal mergers and make binding recommendations. However, in common with *Future Directions*, the *Revitalising Local Government* stridently insisted that council consolidation was essential for improving NSW local government. However, no empirical

evidence for this claim was presented in either *Future Directions* or *Revitalising Local Government*.

The NSW Cabinet delayed until early January 2014 before making public *Revitalising Local Government*. In April 2014, after the shock resignation of Premier O'Farrell, the incoming Premier Baird reshuffled the NSW Cabinet, replacing *inter alia* Minister for Local Government Don Page with Paul Toole. These events may account for the fact that the NSW Government only formally responded to the recommendations in *Revitalising Local Government* in September 2014 in the form of a *Fit for the Future* policy package. Under *Fit for the Future*, each local authority must assess itself to determine if it is 'sustainable', 'efficient', 'effectively manages infrastructure and delivers services for communities' and 'has the scale and capacity to engage effectively across community, industry and government' (OLG, 2014a). Assessment reports must be lodged with the NSW Government by 30 June 2015. To assist in this process, the NSW Government has appointed 'expert facilitators' to help local authorities to explore regional collaboration with other councils under newly established Joint Organisations (JOs), to be established following five 'pilot' JOs trialled in early 2015.

An Expert Panel will evaluate proposals to determine if councils meet *Fit for the Future* criteria. \$258 million will be provided to councils which voluntarily merge. Councils which are deemed to have satisfied *Fit for the Future* guidelines will enjoy several benefits, including 'a streamlined IPART process for rate increases above the rate pegging limit' and interest subsidies on loans for capital expenditure (OLG, 2014, p.15). Councils which are judged not to meet *Fit for the Future* criteria face forced mergers.

### 3. Selling *Fit for the Future*

Undoubtedly aware of the controversial nature of the merger proposals set out in *Revitalising Local Government* and the *de facto* endorsement of council consolidation in its own *Fit for the Future* program, the NSW Government has gone extraordinarily lengths to 'sell' its policies to a wary NSW local government sector and a sceptical general public. For instance, in an early media release, Minister Toole (2014) announced that 'the *Fit for the Future* package of up to \$1 billion is the most significant investment the State has ever made in the local government sector', adding that since 'councils are losing \$1 million a day and we've got boundaries that were drawn up over a hundred years ago', it was clear that "no change" is not an option'. In his response, the President of Local Government NSW immediately observed that '\$600 million of the incentive package is based on Government estimates of councils saving money over a ten-year period if they borrow money from the Government' (Rhoades, 2014). If the magnitude of funding specified in *What's on Offer for Your Council* (OLG, 2014) is carefully scrutinised, then it is not only hard to escape noticing the frequent qualification of the sums on offer as 'up to', but also if the various monies are aggregated, then they sum to \$967million.

Councils are required to bear the entire cost of preparing *Fit For the Future* submissions. If a council elects to prepare a merger proposal, then the NSW Government has offered to meet half of the due diligence and community consultation costs. However, in terms of specific municipal mergers, in a peculiarly NPM sleight of hand, affected councils are being offered differential sums, depending on how many municipalities/people they merge with. Thus, in Sydney and other 'major centres', each newly emerged council 'with a population of 250,000' will be paid \$10.5million, with an additional \$3million for 'each additional 50,000 in population above \$250,000', 'up to a maximum of \$22.5million'! By contrast, 'regional

councils' will receive \$5million when two councils merge, \$11million for a tripartite amalgamation, and \$13.5million for four council mergers, regardless of population size (*What's on Offer for Your Council*, OLG, 2014)!

Quite apart from its post-modern retailing connotations, these sums are at odds with existing Australian evidence on the costs of council amalgamation. For example, the Queensland Treasury Corporation (QTC) *Review of Local Government Amalgamation Costs Funding Submission: Final Summary Report* (QTC, 2009) gathered information from councils forcibly merged in Queensland in August 2007. Reported 'first-round' costs were \$9.3million (mean) and \$9.3million (median) for metropolitan councils and \$7.994million (mean) and \$7.235million (median) for regional/rural councils. This raises the obvious question as to why regional councils are being offered so much less than their metropolitan counterparts under the *Fit for the Future* program.

Finally, it should be noted that *Fit for the Future* proposals not due until 30 June, long after the March 2015 NSW state election. This has various implications. In the first place, the NSW Government has not made clear whether it would adhere to its current 'no forced mergers' policy after the election. Secondly, councils are placed in an invidious position when they complete their respective *Fit for the Future* proposals since they have to 'second-guess' whether the NSW Government will renege on its policy post-election. Thirdly, under the *Fit for the Future* timetable, councillors and mayors of consolidated councils will face their disgruntled voters approximately 11 months after initiating the *Fit for the Future* merger proposals!

#### 4. Shifting Goal Posts: Ratios and Thresholds

In its *Financial Sustainability of the NSW Local Government Sector*, TCorp (2013) summarised a total of ten financial ratios into a single financial sustainability rating (FSR) according to the weights detailed in Table 1. These FSRs and ratios were adopted without reservation by the ILGRP (2013a; 2013b) and formed the basis for a number of recommendations relating to financial sustainability of the sector, including municipal mergers. The (then) Division of Local Government NSW (now the OLG) also adopted the FSRs without reservation in both the 2011/12 and 2012/13 *Comparative Information on NSW Local Government* annual reports, although it only included seven of the TCorp financial sustainability ratios. Table 1 contains definitions of TCorp (2013) financial ratios and Table 2 provides details regarding how financial ratios have been subsequently adopted and altered.



**Table 1: Definitions, Benchmarks and Weightings of TCorp Financial Sustainability Ratios**

Variable	Weighting	Benchmark	Definition
<b>Dependent</b>			
Operating ratio	17.5%	>-4%	(operating revenue † - operating expenses) / operating revenue †.
Own Source Revenue ratio	17.5%	>60%	rates, utilities and charges / total operating revenue ‡.
Unrestricted Current ratio	10.0%	>1.50x	current assets less restrictions / current liabilities less specific purpose liabilities.
Interest Cover ratio	2.5%	>4.00x	EBITDA / interest expense.
Infrastructure Backlog ratio	10.0%	<0.02x	estimated cost to bring assets to a satisfactory condition / total infrastructure assets.
Debt Service Cover ratio	7.5%	>2.00x	EBITDA / (principal repayments + borrowing costs).
Capital Expenditure ratio	10.0%	>1.10x	annual capital expenditure / annual depreciation.
Cash Expense ratio	10.0%	>3.0 months	(current cash and equivalents / (total expenses - depreciation - interest costs)) x 12.
Buildings and Infrastructure Renewal ratio	7.5%	>1.00x	Asset renewals / depreciation of building and infrastructure assets.
Asset Maintenance ratio	7.5%	>1.00x	actual asset maintenance / required asset maintenance.

† revenue excludes capital grants and contributions

‡ revenue includes capital grants and contributions



Table 2: Changes in Measures of Financial Sustainability for NSW Local Governments.

Financial Ratio	TCorp Weighting	Comparative Information Report 2012/13	TCorp Threshold	Fit For The Future
Operating ratio	17.5%	Reported	>-4%	>0.0% over 3 years
Own Source	17.5%	Reported	>60%	>60% over 3 years
Cash Expense	10.0%	Reported	>3.0 months	Abandoned
Unrestricted Current	10.0%	Reported	>1.5	Abandoned
Debt Service	7.5%	Reported	>2.0	0 to 20% over 3 years
Interest Cover	2.5%	Not reported	>4.0	Abandoned
Infrastructure backlog	10.0%	Reported	<0.02	<2% (unchanged) no time frame specified
Asset Maintenance	7.5%	Not reported	>1	>100% (unchanged) over 3 years
Building and Infrastructure Renewal	7.5%	Reported	>1	>100% (unchanged) over 3 years
Capital Expenditure	10.0%	Not reported	>1.1	Abandoned
Real Operating Expenditure per Capita	n/a	Reported in nominal terms only according to 8 functional categories	Not considered	No time or threshold in documentation

Source: TCorp (2013); Office of Local Government (2014a), Office of Local Government (2014b)

However, it appears that the OLG has shifted its position on municipal performance indicators. As we can see from Table 2, in its *Becoming Fit For the Future* (OLG 2014b) four of the TCorp FSR ratios have been abandoned, the time horizon for all ratios has been extended, thresholds for two ratios have been significantly revised, ratio weightings have been omitted, a new ratio has been added, and crucially all ratios have been subordinated under the concept of 'adequate scale and capacity'.

It is possible that the FSR assessments, capital expenditure and cash expense ratios were abandoned in response to scathing assessments, such as Drew and Dollery (2014a, 2014b), regarding lack of transparency, logical flaws and the corrosive effects of unreliable accrual data on these measures of municipal performance. On the other hand, relinquishing the remaining two ratios appears to be a pragmatic response to the near universal achievement of the respective thresholds: in 2011 only twelve councils failed to meet the unrestricted current ratio whilst just eight councils failed to achieve the benchmark for the interest cover ratio. It is notable that the four omitted ratios had a combined weighting of 32.5% in the original TCorp (2013) FSR.

The second policy shift - involving an extension of the measurement time horizon - is a positive initiative which will ameliorate some of the volatility associated with using annual financial statement data. However, there is substantial risk of 'gaming', given that 2013 and 2014 financial year report data is used, since these reports were compiled after the March 2013 TCorp Financial Assessments and April 2013 ILGRP report. The opportunities for gaming include depreciation accruals (Pilcher and Van der Zahn, 2010; Drew and Dollery 2014b) and estimates on required maintenance and the cost to bring assets to a satisfactory standard contained in Special Schedule 7 and 8. These estimates and accruals directly affect four of the retained ratios (Infrastructure Backlog, Operating, Asset Renewal and Asset Maintenance ratios).

The third policy shift - concerning changes to performance thresholds for the operating and debt service ratios - is more difficult to explain than the other changes. With respect to the operating ratio, a very large proportion of councils already failed to meet the existing benchmark (55 in 2009, 57 in 2010 and 89 councils in 2011) (TCorp 2013). Accordingly, raising the benchmark to break-even would seem to cast doubt on the fitness of the great majority of councils (since 115 councils failed to achieve break-even status in 2011). Two

explanations for this shift in threshold spring to mind. Firstly, the OLG may be signalling to councils that expenditure reduction is an absolute imperative; it should be noted in this regard that property taxes in NSW are pegged, many fees are regulated and intergovernmental grant revenue has been frozen for a period of three years. This obviously leaves little opportunity to address the ratio from a revenue perspective. Alternatively, the OLG may be seeking to restrict the number of councils which can access the benefits promised to *Fit for the Future* entities (such as access to low cost debt facilities, 'streamlined' development planning and 'unshackling' from the rate peg). In so doing, the OLG may be seeking to limit the pecuniary and potential political costs associated with *Fit for the Future* councils. The second threshold to change is the debt service ratio. It appears that a ceiling has now been set for this ratio which is far *less* than the original TCorp (2013) benchmark. This is rather surprising given that relatively low repayments and borrowing costs, no debt (which yields positive infinity and not zero as implied by the OLG (2014b)) or high EBITDA would all result in a council exceeding the ceiling. The most likely explanation for this is that the OLG has erred significantly in its threshold assignment.

In addition, it appears that the OLG (2014b) has dispensed with the ratio weightings originally applied by TCorp (2013). This may not be problematic given that no justification was ever given for the apparently arbitrary weights by TCorp (2013) (Drew and Dollery 2014a). Moreover, reallocating the abandoned 32.5% of FSR and adding a new performance indicator would have made the exercise difficult whilst subordinating all indicators to the criteria of 'adequate scale and capacity' seems to make weightings rather redundant. The new performance indicator seeks to measure efficiency and it is defined by the OLG as real operating expenditure over time. There are a number of problems associated with this measure, not least that it fails to measure efficiency. Accordingly, we consider this in more detail in Section 7.

The final change to the OLG use of financial sustainability as a measure of council performance lies in its assertion that 'right scale and capacity' is the predominant concern which councils must address in assessing *Fitness for the Future* submissions and the OLG specifically refers councils to the Panel's recommendations in relation to this matter. Councils which do not have 'adequate scale and capacity' are required to prepare a council merger proposal (OLG, 2014b). Councils which meet 'adequate scale and capacity' are referred to the seven performance criteria discussed above. It is thus clear that 'adequate scale and capacity' is the pivotal criterion in the *Fit For the Future* program.

## 5. Scale and Capacity

The ILGRP (2013b) recommendations for Greater Sydney metropolitan councils were couched in terms of 2036 population projections which *prima facie* make it difficult to assess present scale and capacity. However, the Panel's preferred scale for Greater Sydney councils can be gleaned from the mean population of the ILGRP (2013b) proposed mergers which was 323,072 (median 291,350) in 2036 projection terms. For rural councils, the Panel (2013b, p. 40) stated that 'populations of less than 5,000 will not normally be sufficient' and that 'councils with populations between 5,000 and 10,000 should be kept under review to ensure that they maintain the capacity required to be "standard" local governments'. These statements – along with the pre-eminence attributed to them by the OLG (2014b) – necessarily imply an empirically testable claim that economies of scale occur in the population domain proposed.

Table 3 presents a regression of total expenditure (less depreciation) per capita against population size and density. The model specification is consistent with Drew, Kortt and Dollery (2014a) and Drew and Dollery (2014a) and is based on 2012 data: the most recent demographic data available from the ABS(2014). The empirical evidence for the entire NSW local government sector suggests the presence of a local *minima* at 163,689 (significant at the 5% level): that is, economies of scale are indicated up to this population and diseconomies occur afterwards. However, density is also a statistically significant regressor (at the 1% level) which may suggest conflation (Holcombe and Williams 2009). Leaving this possibility aside for the moment, it is instructive to examine the Greater Sydney merger proposals in terms of the state-wide economies of scale turning point. The mean population of current Greater Sydney councils is 108,664 and 32 councils have 2012 populations consistent with the state-wide estimate of economies of scale (on the basis of population 11 councils would appear to be operating with diseconomies of scale). However, the 2012 population size of



proposed merged entities would result in a mean population in the order of 260,000<sup>1</sup> and 14 of the proposed entities would be likely to fall in the domain of diseconomies of scale, with just 4 continuing to operate in the domain of economies of scale. Thus, the state-wide estimate of economies of scale suggests that the proposed mergers would result in diseconomies for the majority of municipalities. This is consistent with the data envelopment analysis evidence provided by Drew, Kortt and Dollery (2014b).

However, when the entire NSW population of councils is stratified into Greater Sydney and Outside Greater Sydney municipalities then all evidence of economies of scale disappears. This is consistent with the findings of Drew, Kortt and Dollery (2014a) and Holcombe and Williams (2009), wherein stratifying councils according to categories associated with density disentangles its conflation with population, thus producing a more accurate picture of the presence of economies of scale. In this case it appears that *a priori* evidence of economies of scale may have been largely illusory. If this is the case, then the entire premise behind *Fit for the Future* is *void ab initio*.

It is hardly surprising that no robust evidence of economies of scale exists when NSW councils are stratified. This is largely because councils produce a heterogeneous mix of goods and services, some of which have no likely association with scale. For instance, 'labour-intensive services, such as council rangers and health inspectors, generate few scale economies due to their idiosyncratic work patterns in which an increased volume of services may simply require a correspondingly larger number of workers' (Drew, Kortt and Dollery 2014a, p. 635). Even for capital intensive services, such as road construction, where scale economies are more likely, it is not reasonable to expect that the optimal size for the various functions will be comparable: they may simply negate one another.

<sup>1</sup> Because the ILGRP (2013) recommends splitting part of Ryde and The Hills councils amongst the merged entities an exact mean is difficult to construct.

Finally, considerable doubt has been created as to whether population size is a suitable proxy for local government output in Australia (Drew and Dollery 2014c). The number of households aligns far better with the unit of actual service provision and it is less volatile and more accurate in inter-censal periods. Thus the OLG may well be conducting its structural reform agenda on entirely the fallacious unit of scale and capacity (Drew and Dollery 2014c).

**Table 3: Evidence of Economies of Scale, 2012.**

	NSW	Greater Sydney	Outside Greater Sydney
<b>Population squared<sup>2</sup></b>	0.0011+	0.0002	0.0006
	(0.0005)	(0.0005)	(0.0013)
<b>Population</b>	-0.03475*	-0.0101	-0.0128
	(0.0154)	(0.0258)	(0.0312)
<b>Density</b>	-0.1747**	0.0855	-0.2093**
	(0.0210)	(0.0661)	(0.0290)
<b>Exogenous controls?</b>	Yes	Yes	Yes
<b>N</b>	151	43	108
<b>Coefficient of Determination</b>	0.8490	0.7089	0.7399

Exogenous controls include: proportion of individuals over 65 or under 15 years of age, proportion of ATSI persons, average wage, unemployment rate, total length of roads (kms) and the percentage of NESB individuals.

<sup>2</sup> Population and Population squared were scaled down by a factor of 10,000. Expenditure per capita and population density have been transformed (ln).

## **6. Unreliable Data for Sustainability Assessments**

From the outset TCorp (2013) has held significant reservations regarding the reliability of data critical to the financial ratios that it employed in measuring the financial sustainability of the local government sector. In relation to estimates used in the calculation of the asset maintenance and infrastructure backlog ratios, TCorp (2013, p 66) noted that:

‘TCorp’s review process has shown an inconsistency in the approach of Councils to calculating the data included in these Schedules, particularly Schedules 7 and 8.

Without a high level of confidence in the data presented, it is more difficult to make informed decisions.’

With respect to depreciation data used critical to the calculation of the operating ratio and asset renewal ratios, TCorp (2013, p. 49) also expressed reservations:

‘Councils with a higher FSR generally have a lower average rate of depreciation and depreciation represents a lower percentage of total expenses. These two observations are consistent across most of the rating groups so that the stronger the FSR rating, the lower the depreciation rate and the lower the proportion of depreciation as a percentage of total expenses.’

Drew and Dollery (2014a) conducted ANOVA which validated the suspicions expressed by TCorp (2013) and illustrated the constitutive implications of inconsistent depreciation accruals through a sensitivity analysis on the operating ratio. They found that:

‘When depreciation accruals were adjusted to the median depreciation to infrastructure ratio, this resulted in 38 (out of 152) councils’ benchmark status changing. In the case of adjusting depreciation accruals to the median depreciation to IPPE ratio, the status of 42 councils was altered....The results were largely consistent with expectations: ‘weak’ and ‘very weak’ councils tended to move up to benchmark levels whereas ‘sound’



councils moved down. Movements in the 'moderate' councils were approximately even.<sup>3</sup>

Accordingly, it seems likely from both the scholarly evidence and the concerns expressed by TCorp (2013) that four of the six ratios retained by the OLG (2014b) are distorted by unreliable data. Moreover, two of the three financial statement periods chosen by the OLG to assess *Fit for the Future*<sup>3</sup> were produced after the TCorp (2013) and ILGRP (2013a) reports which largely revealed the structural reform implications arising from financial ratio data, thereby opening up the possibility of 'gaming' by municipal officials. There must thus be serious questions regarding the reliability of the data that forms the foundations of the *Fit for the Future* assessments, questions that the OLG (2014c, p.13) acknowledge in its decision to assign a new role to the Auditor General to 'give communities the assurance they deserve on how councils are managed financially'.

However, these matters do not represent the entire set of problems associated with the data used to assess council fitness. Reviews to rating practices, grant allocations and problems with ABS statistical data also represent threats to the objective assessment of a council's future prospects. The ILGRP (2013b, p. 41) noted that the 36 year old rate capping regime imposed on councils by the NSW Government had resulted in 'a broader equity issue concern[ing] the wide variation between local government areas in the level of rates paid as a proportion of property values' and that 'the rate-pegging system in its present form impacts adversely on sound financial management'. A measure of the extent of equity concerns can be established by reviewing Table 4 which examines the residential taxation effort according to the five broad categories of council described in the Australian Classification of Local Government system. Residential taxation effort measures the residential taxes levied by NSW municipalities as a proportion of the total income accruing to individuals residing in the

<sup>3</sup> For the OLG (2014) efficiency measure two of the five financial statements were produced after the initial TCorp (2013) and ILGRP (2013a) reports

municipal area. Data for residential rates was extracted from the notes to the Income Statement of each of the 2012 local council audited financial statements. Total annual income was obtained from the latest ABS data: the 2012 National Regional Profile. Residential taxation effort ranged from 0.209% to 2.497% with a median of 0.956% and a mean of 0.998%. Thus some council revenue is constrained to less than a tenth of their peers as a result of the rate capping regime. Clearly then the ILGRP (2013b) was correct in highlighting the effect of rating practices (largely outside of the control of councils) on financial sustainability. The OLG (2014c) seems to have accepted this argument and it has promised a review of rating practices. However, the question arises as to whether *current* assessments should be made on councils given that there is accepted need for *future* rate revenue reform: after all three of the six ratios retained by the OLG will be directly affected by changes to rating practices.

Table 4: ANOVA Results for Taxation Effort All NSW Councils, 2012

	Prob >F	Agricult ural (Ag)	Fringe (Fr)	Metropo litan (Met)	Regional (Reg)	Remote (Rem)	Differences
Taxation Effort (%)	0.000	0.807 (0.302)	1.201 (0.233)	0.844 (0.213)	1.422 (0.346)	0.551 (0.000)	Fr>Ag** Fr>Met** Reg>Ag** Reg>Met** Reg>Rem*

+ p<0.10, \* p<0.05, \*\* p<0.01

A similar situation exists for intergovernmental grant allocations. Drew and Dollery (2014d) have demonstrated that grant transfers are not allocated on a full horizontal equalisation basis as legislated in the Local Government (Financial Assistance) Act 1995. The ILGRP (2013b, p. 45) has suggested that 'consideration needs to be given to the option of redistributing more funds to the most needy councils and communities'. The OLG (2014c, p.13) has promised to 'consider opportunities to direct Financial Assistance Grants to communities with the greatest

need'. Given that NSW council own-source revenue averages less than 60%, changes to grant allocation methods would have a large effect on the financial sustainability of municipalities. It is clear that this problem must be addressed *before* an objective assessment of future fitness can be made.

Finally, problems with ABS population data inputs have the potential to seriously undermine the relevance and reliability of the OLG's (2014b) preferred measure of municipal efficiency for a number of reasons. Firstly, publication of ABS population data by local government area is typically delayed by at least a few years. For instance, as at November 2014 the latest estimate of municipal population size available is for 2012. This presents relevance problems given that the OLG has decided to calculate real operating expenditure per capita for the 2013 and 2014 financial years: they have attempted to resolve this problem by using data with a one year lag and repeating 2012 for both 2013 and 2014. Secondly, ABS (2014) population data in intercensal periods is simply an estimate: a recent study by the ABS identified errors in intercensal estimates ranging from 15.2% (for statistical areas with less than 2,000) to 2.4% error (in statistical areas with populations greater than 20,000)<sup>4</sup> (Drew and Dollery 2014c). Finally, serious doubt has been cast on the practice of using population as a proxy for local government size in service provision of goods and services given that 'services to property' (i.e. households) dominate in the Australian municipal milieu (Drew and Dollery 2014c).

<sup>4</sup> The ABS uses statistical areas as the basis for calculating the populations of local government areas. Multiple statistical areas may be combined to arrive at the population size for a given municipality.

## 7. Incorrect Measure of Efficiency

Problems with the OLG (2014b) 'efficiency' ratio go far beyond the considerable obstacles presented by unreliable and untimely population inputs: there are also unresolved matters relating to the definition of efficiency, indexing of financial data, contraindications with other ratios and failure to control for service quality and service sufficiency.

Perhaps the most alarming aspect of the OLG's (2014b) 'efficiency' measure is that it does not measure efficiency *per se*. Technical efficiency is a measure of how inputs (such capital and labour) are combined to produce a set of outputs. Major outputs must be specified carefully according to the local government services actually produced. As we have seen, population size as a proxy for council output is deficient in Australian local government context, given its focus on 'services to property' (i.e. households), with its core functions aimed at local planning, domestic waste removal, provision of local infrastructure (predominately local roads) and water and wastewater in some regional and rural municipalities (Drew and Dollery 2014c). The number of households and business entities is a superior measure of the solid waste, sewerage and water provision than population. Moreover, given that road infrastructure is the single largest cost for Australian local government, representing approximately a quarter of functional expenditure, it is important that the length of roads be included as an output. It could also be argued that the number of development applications should be included in any comprehensive set of municipal outputs. The appropriate statistical technique to assess technical efficiency for multiple inputs and outputs is data envelopment analysis (DEA) and to assess trends in technical efficiency over time locally intertemporal DEA would be indicated. Real expenditure over time can only capture one output (which does not reflect the heterogeneous nature of local government services) and thus is best described as per capita expenditure containment. It is most certainly not a measure of efficiency.

The use of financial data from multiple time periods (five under the OLG model) also raises the thorny problem of converting nominal financial data into real quantum. The OLG uses data from the 2010, 2011, 2012, 2013 and 2014 financial years in its assessment of municipal efficiency. However, it has elected to deflate all five years of data: annualised CPI is used for years 2010 and 2011, whilst annualised Local Government Cost Index is used for 2012 through to 2014 (OLG 2014d) (all deflators are rounded to one decimal place). This strategy presents a number of problems. Firstly, it was entirely unnecessary to deflate the 2010 financial year data and this decision simply introduces avoidable rounding and measurement error into the algorithm. Secondly, it is not acceptable to use two entirely different indexes to deflate continuous data. Finally, use of annualised growth in indexes imputes and compounds rounding error: given the sums involved (measured in tens of millions of dollars) and the use of five compounding periods, the resultant error is likely to be very significant. A much better strategy would have been to employ the actual index numbers in calculations.

The OLG (2014b) 'efficiency' measure is contraindicated to the other ratios. In essence, in order to address infrastructure backlog, asset maintenance and building and infrastructure ratios, it is necessary to increase rates of expenditure. Yet in so doing a council will record a reduction in the OLG preferred measure of efficiency. This obviously sets up an insoluble dilemma for municipal management.

Finally, the OLG (2014b) measure of efficiency fails to address service quality and service sufficiency. This is a significant problem given the potential for comparisons to be drawn between councils delivering vastly different levels of services. Moreover, even within a given council, service quality is unlikely to remain static over a five year period thus making it very difficult to make reasonable comparisons of costs. With respect to service sufficiency, the measure of efficiency chosen sets up a perverse incentive to discontinue services. Taken in the extreme a council could - on this measure alone - demonstrate that it was *Fit for the*

*Future* by producing no services: a measure which would meet the OLG criterion but most certainly would not that of residents!



## 8. Recommendations

The OLG (2014b, 2014c, 2014d) *Fit for the Future* documentation creates the distinct impression that the program has been rushed in the aftermath of a shock change of Premier in early 2014 and subsequent Cabinet reshuffle in order that the new Premier be well placed to implement structural reform plans after the March 2015 election. If this assumption is correct, then the NSW Government is intent on following the oft-trod path of previous state governments in NSW, Victoria, Western Australia and Queensland in which forced mergers have been implemented early in the respective term of office. It seems this is done to abate political damage by putting as much time as possible between unpopular structural reform and subsequent state polls. However, in the present case in NSW, in its rush to get a structural reform framework out in time, the NSW Government has blundered badly in its *Fit for the Future* program, as we have demonstrated in this Report.

We have identified a number of errors which seem to derive from the harsh time constraints imposed on the OLG by the NSW Government. For instance, the threshold articulated for the debt ratio appears to be a simple error of statement. Similarly, the efficiency measure hastily employed does not measure efficiency. Moreover, the method for indexing nominal data is clearly flawed. The haste made in responding to the ILGRP (2013b) inquiry has also meant that no empirical evidence has been tendered to substantiate the Panel's assertion that substantial scale economies exist in NSW local government service provision, much less its claim that current municipal size is 'under-scale'. Likewise, the rush to articulate the criteria adopted in *Fit for the Future* has meant little time or appetite to investigate recent developments in the scholarly literature which clearly demonstrate that population size is not a suitable proxy for local government output.

Had this been done thoroughly, then it would have become evident that the population data which forms the foundation of both the OLG (2014b) scale and capacity criteria and efficiency measurement is not sufficiently reliable for public policy making purposes (particularly in inter-censal years) in Australian local government. It would also have uncovered the pernicious effects of unreliable accounting accruals on the financial sustainability ratios employed by the OLG. Finally, had sufficient time been available, remedial action might have been taken on Schedule 7 and 8 data which TCorp (2013) had already identified as problematic.

The rush to press forward with structural reform of local government also means that decisions will be taken without knowing the outcome of 'unfinished business'. This relates principally to reviews of local government rating and grant allocation practices which will result in significant changes to the revenue streams of NSW local authorities. It is hard to understand how a council's *Fitness for the Future* can be assessed without reference to significant changes to revenue policies.



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**TO ORDINARY MEETING OF COUNCIL 25/02/2015**

<b>ITEM NO:</b>	1.	<b>FILE NO:</b> S4.11.5/07	
<b>DESTINATION 1:</b>	A recognised leader in a broader context		<b>R</b>
<b>SUBJECT:</b>	<b>MANAGEMENT TEAM MINUTES</b>		
<b>PREPARED BY:</b>	Hayley Nichols, Corporate Support Officer – Publishing		

**SUMMARY:**

Management Team Meeting held on Thursday, 18 December, 2014.

**INFORMATION:**

The following items were discussed at the Management Team Meeting:

- i) Fit For The Future
- ii) Water and Sewerage SWOT Analysis
- iii) Risk Committee
- iv) 2015/2016 Operational Plan and Budget
- v) Ashford Medical Centre
- vi) Risk Management Committee Meeting Minutes – 4 December 2014

<b>ITEM NO:</b>	2.	<b>FILE NO:</b> S22.13.2/04	
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure		<b>S</b>
<b>SUBJECT:</b>	<b>ANNUAL LEAVE</b>		
<b>PREPARED BY:</b>	Melissa Daskey, Human Resources Officer		

**SUMMARY:**

For the information of the Council.

To advise Council of any Annual Leave pro-rata balance in excess of the Award provisions as per the Management Policy.

**COMMENTARY:**

In accordance with the Management Policy – Human Resources, Leave Provisions – Annual Leave Accrual, a report is required at the February Council Meeting, advising of any Annual Leave pro-rata balance in excess of the Award provision.

Council's records indicate 31 employees have a pro-rata balance of leave in excess of the Award provisions.

Letters have been written to each employee advising that the leave must be taken or forfeited in accordance with the Management Policy.

The Directors have also been advised of the employees in their Division who need to comply with the Policy.

<b>ITEM NO:</b>	3.	<b>FILE NO:</b> S6.8.5/08
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>SHORT STREET, GILGAI</b>	
<b>PREPARED BY:</b>	Stephen Golding, Executive Manager Corporate and Community Services	

**SUMMARY:**

Council is in receipt of correspondence from a resident concerned about the speed of vehicles travelling along Short Street, Gilgai.

**COMMENTARY:**

Council has received correspondence from a resident of Gilgai concerned about the speed of vehicles travelling along Short Street. The resident has requested Council's assistance in providing a solution to this matter. Council has responded to the resident indication that speeding vehicles is a matter over which the police have jurisdiction. The resident has been advised to report particular incidences to the local police. Council will also bring the general concerns to the attention of the local police.

In respect of the resident's suggestion of constructing traffic calming devices on Short Street, Council advised that there are no plans to undertake work of this nature. However, Council staff will seek to gain an understanding of the extent of the issue and then determine a course of action.

<b>ITEM NO:</b>	4.	<b>FILE NO:</b> S18.6.11
<b>DESTINATION 3:</b>	An environment that is protected and sustained	<b>E</b>
<b>SUBJECT:</b>	<b>2013-2014 LOCAL DEVELOPMENT MONITORING REPORT</b>	
<b>PREPARED BY:</b>	Elise Short, Trainee Town Planner	

**SUMMARY:**

This report has been prepared following the release of the 2013/2014 Performance Monitoring Report by the New South Wales Department of Planning and Environment.

**COMMENTARY:**

The New South Wales Department of Planning and Environment has recently released the 2013/2014 Performance Monitoring Report for all Council's across the state. A copy of the latest data can be accessed at <http://datareporting.planning.nsw.gov.au/>.

This information provides details on the total number, type and value of development within Local Government Areas, as well as the number of days each Council takes to determine Development Applications (DA's), modification to Development Applications (s.96) and Complying Development Certificates (CD's).

A summary of the Inverell Shire Council's 2013/2014 key performance statistics are provided below.

**Inverell Shire Council Development Assessment Data by Financial Year**

	<b><u>No. of DA's</u></b>	<b><u>DA Gross Mean Processing Times (Days)</u></b>	<b><u>DA Net Mean Processing Times (Days)</u></b>	<b><u>No. of CD's</u></b>	<b><u>CD Mean Gross Processing Times (Days)</u></b>	<b><u>Total Value of Development Approved</u></b>
<b>2013/2014</b>	<b>146</b>	<b>21</b>	<b>17</b>	<b>58</b>	<b>9</b>	<b>\$28,060,038</b>
2012/2013	154	27	19	77	7	\$21,628,648
2011/2012	152	32	20	61	7	\$21,110,028
2010/2011	174	35	26	90	8	\$22,152,172
2009/2010	227	38	31	109	9	\$34,751,746
2008/2009	192	34	24	91	15	\$30,086,573

**Development Assessment Data - Comparison between Inverell Shire Council and State  
Averages**

	<b><u>DA Mean Gross (Days)</u></b>	<b><u>DA Mean Net (Days)</u></b>	<b><u>s.96 Mean Gross (Days)</u></b>	<b><u>CD Mean Gross (Days)</u></b>	<b><u>CD % of Overall Approvals</u></b>
<b>2013/2014</b>					
Inverell	21	17	12	9	28%
NSW	70	45	53	18	29%
<b>2012/2013</b>					
Inverell	27	19	17	7	33%
NSW	68	45	51	17	25.6%

The above figures demonstrate that the level of development in the Shire has remained relatively stable from 2012/2013 to 2013/2014 with a small decrease in applications approved, but the total value of development has increased considerably compared with previous years.

The 2013/2014 DA assessment times are the lowest in the last five (5) years and CDC assessment times have remained consistent, easily keeping within the legislated times frames of 40 net days for a Development Application and 10 gross days for a Complying Development Certificate.

Compared to the State average assessment times, Inverell has performed significantly better across all applications.



<b>ITEM NO:</b>	5.	<b>FILE NO:</b> S4.13.2
<b>DESTINATION 1:</b>	A recognised leader in a broader context	<b>R</b>
<b>SUBJECT:</b>	<b>STRATEGIC TASKS – ‘SIGN OFF’ – NOVEMBER &amp; DECEMBER 2014 AND JANUARY, 2015</b>	
<b>PREPARED BY:</b>	Paul Henry, General Manager	

**SUMMARY:**

A part of a successful governance program is a need for administration to indicate to the policy makers that the requirements of the legislation, under which the organisation operates, has been provided. As a result, this information report provides Councillors with a statement of assurance from the General Manager that in accordance with the *Local Government Act, 1993*, the tasks have been complied with.

**COMMENTARY:**

The November and December, 2014 and January, 2015 tasks required to be undertaken are detailed below. Any of these tasks may be added to as Council becomes familiar with this new initiative.

<b>Date</b>	<b>Compliance Requirement</b>	<b>Achieved/Not Achieved</b>	<b>Comments</b>
7 November, 2014	Audited Financial Statements, ABS return & FDR to be lodged with DLG and ABS (s.417(5)).	Achieved	Audited Financial Statements lodged.
17 November, 2014	LIRS claim period open for all projects approved for funding.	Achieved	Claim 4 submitted 5 November, 2014.
28 November, 2014	Last day for notice for presentation of audited Financial Reports (s.416(2)).	Achieved	Audited financial statements presented to Ordinary Meeting of Council, November, 2014.
30 November, 2014	Second quarter rates instalment due (s.562).	Achieved	Rates notices issued and second quarter rates instalment due 30 November, 2014.

30 November, 2014	Electronic lodgement of Grants Commission General Data Return.	Achieved	Lodged November, 2014.
30 November, 2014	RAO to submit QBRS review to Council (LGGR cl.203(1)).	Achieved	Presented to Ordinary Meeting of Council November, 2014.
30 November, 2014	Policy on payment of expenses and provisions of facilities for Mayors & Councillors for 2014/15 to be adopted (s.252).	Achieved	Adopted at May Ordinary Meeting of Council.
30 November, 2014	Notify the Minister (via OLG) that Annual Report has been posted on Council's website (s.428) – Must include GIPA and PID annual reporting information.	Achieved	Minister notified.
30 November, 2014	QBRS reported to Council (LGGR cl.203).	Achieved	Presented to Ordinary Meeting of Council November, 2014.
5 December, 2014	Last day for audited financial reports to be presented to the public.	Achieved	Audited financial reports presented to the public.
31 December, 2014	Report to Council (12.1) and the OLG (12.2) on complaint statistics (Model Code Procedures)	Achieved	Report submitted 30 September, 2014.
31 December, 2014	Delivery Program Progress reports provided to Council at least every 6 months (s.404(5))	Achieved	Presented to the November, 2014, Economic and Community Sustainability Committee Meeting.
31 January, 2015	Last day for third quarter rates instalment to be sent (s.562).	Achieved	Rates notices issued 20 January, 2015.

31 January, 2015	Ledger balances to be prepared for 6 monthly inspection by Auditor (LGGR cl.228).	Achieved	This information is provided to the Auditor at time of Auditing. Interim Audit conducted May, 2015.
31 January, 2015	Public interest disclosure report due to the NSW Ombudsman. (s.6CA of the Public Interest Disclosure Act 1994).	Achieved	Report lodged.

I confirm that the performance criteria as set out in the criteria for scheduled tasks have been met for the months of November and December, 2014 and January, 2015. I confirm the accuracy and completeness of the information provided above, in that to the best of my knowledge and understanding, all material information has been herein disclosed.

P J HENRY PSM

GENERAL MANAGER

<b>ITEM NO:</b>	6.	<b>FILE NO:</b> S7.2.4/07 & S7.2.4/08
<b>DESTINATION 3:</b>	An environment that is protected and sustained.	<b>E</b>
<b>SUBJECT:</b>	<b>CONSTRUCTION CERTIFICATES APPROVED FOR DECEMBER 2014 AND JANUARY 2015</b>	
<b>PREPARED BY:</b>	Emma Schiemer, Administration Officer	

**SUMMARY:**

The following details the Construction Certificates approved by Council for December, 2014 and January, 2015.

**INFORMATION:**

**DECEMBER 2014**

<b><u>Construction Certificate Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Construction</u></b>	<b><u>\$ Amount</u></b>
CC-109/2014	Mr Digby Charles McNeil	Sweaney Street, Inverell NSW 2360	Construction of Three (3) Serviced Apartments on First Floor of Existing Building	150,000
CC-110/2014	Danbuilt Pty Ltd	6-8 Cloonan Terrace, Inverell NSW 2360	New Entertainment Awning and Shed	84,000

CC-112/2014	Mr Guy Chesterton Pilcher	77 King Street, Inverell NSW 2360	New Shed	8,000
CC-113/2014	Mr Benjamin Thomas Partridge	27 Lang Street, Inverell NSW 2360	Alterations and Additions	90,000
CC-114/2014	Mr Andrew David McIntyre	85 Rivendell Road, Inverell NSW 2360	New Shed	40,000
CC-115/2014	Mr Michael Brian Jorgensen	28 Chisholm Street, Inverell NSW 2360	New Shed	25,000
CC-117/2014	Inverell Shire Council	9 Albury Street, Ashford NSW 2361	Removal of Underground Fuel Tanks and Installation of Above Ground Diesel Tank	70,000
CC-118/2014	Mr David James McGrath	79-81 Inverell Street, Delungra NSW 2403	Construct a Shed	5,000
CC-119/2014	Mr Scott Robert Abra	107 Brae Street, Inverell NSW 2360	Construct Garage	19,500
CC-120/2014	Pacific Petroleum Products P/L	17-21 Brissett Street, Inverell NSW 2360	Install Above Ground Diesel Fuel Tank	100,000
CC-122/2014	Mrs Mary Michelle McLachlan	67 Butler Street, Inverell NSW 2360	Alterations and Additions	88,000
CC-123/2014	Church Communities Australia	4188 Gwydir Highway, Elsmore NSW 2360	Alterations and Additions	32,000
<b>Monthly estimated value of Approvals: December, 2014</b>			<b>12</b>	<b>\$711,500</b>

**JANUARY 2015**

<b><u>Construction Certificate Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Construction</u></b>	<b><u>\$ Amount</u></b>
CC-80/2009	Inverell Rugby Club Ltd	100 Ross Street, Inverell NSW 2360	New Clubhouse, 2 New Grandstands, Relocation of Existing Grandstands and Earthworks	40,000
CC-25/2014	Bundarra Business Solutions	133A-133D Old Bundarra Road, Inverell NSW 2360	Construct Units 5 and 6 of DA-163/2010	220,000

CC-94/2014	Mr Stephen Anthony Brogan	96 Otho Street, Inverell NSW 2360	Re-Development of Byron Arcade including Commercial Premises and Shop-Top Housing	1,550,000
CC-105/2014	Church Communities Australia	4188 Gwydir Highway, Elsmore NSW 2360	Boarding House – Stage 2 Building Works	2,100,000
CC-121/2014	Danbuilt Pty Ltd	Oakland Lane, Inverell NSW 2360	Construct Dwelling and Garage	496,000
CC-124/2014	Mr Colin John Moore	53 Wood Street, Inverell NSW 2360	New Dwelling	180,000
CC-3/2015	MB & CM Jorgensen Pty Ltd	17 Sunnyside Place, Inverell NSW 2360	New Dwelling	308,000
<b>Monthly estimated value of Approvals: January, 2015</b>			<b>7</b>	<b>\$4,894,000</b>

#### **AMENDED CONSTRUCTION CERTIFICATES**

Nil

#### **SUMMARY:**

The following details the Construction Certificates approved by Private Certifier for December, 2014 and January, 2015.

#### **INFORMATION:**

Nil.

<b>ITEM NO:</b>	7.	<b>FILE NO:</b> S7.2.4/07 & S7.2.4/08
<b>DESTINATION 3:</b>	An environment that is protected and sustained.	<b>E</b>
<b>SUBJECT:</b>	<b>COMPLYING DEVELOPMENT CERTIFICATES APPROVED DURING DECEMBER 2014 AND JANUARY 2015</b>	
<b>PREPARED BY:</b>	Emma Schiemer, Administration Officer	

#### **SUMMARY:**

The following details the Complying Development Certificates approved by Council during December, 2014 and January, 2015.

**INFORMATION:****DECEMBER 2014**

<b><u>Complying Development Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Construction</u></b>	<b><u>\$ Amount</u></b>
CD-66/2014	Ms Ayesha Marlone	45 Short Street, Inverell NSW 2360	New Pool	8,000
CD-67/2014	Mrs Caroline Mary Palmer	293 Swanbrook Road, Inverell NSW 2360	Construct Sauna and Entertainment Area	120,000
<b>Monthly estimated value of Approvals: December 2014</b>			<b>2</b>	<b>\$128,000</b>

**JANUARY 2015**

<b><u>Complying Development Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Construction</u></b>	<b><u>\$ Amount</u></b>
CD-68/2014	Mr Peter William Oliver and Mrs Rosalind Alice Oliver	258 Fernhill Road, Inverell NSW 2360	New Dwelling	354,000
CD-70/2014	Mr Matthew James Cathie	378 Swanbrook Road, Inverell NSW 2360	New Swimming Pool	25,000
CD-1/2015	Mrs Lynette Gaye Hill	56 Killean Street, Inverell NSW 2360	New Awning and Double Carport	13,000
CD-2/2015	GD & VM Scott Building Contractors Pty Ltd	508 Copeton Dam Road, Gum Flat NSW 2360	Swimming Pool	35,000
CD-4/2015	Mr Ronald Douglas Brown	163 Old Bundarra Road, Inverell NSW 2360	Extension to Existing Dwelling	35,000
<b>Monthly estimated value of Approvals: January 2015</b>			<b>5</b>	<b>\$462,000</b>

**AMENDED COMPLYING DEVELOPMENT CERTIFICATES**

Nil

**SUMMARY:**

The following details the Complying Development Certificates approved by Private Certifier for January, 2015.

**INFORMATION:**

<u>Complying Development Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CD-7/2015	Sixhills Group Pty Limited	1 Vivian Street, Inverell NSW 2360	Minor Internal Building Alterations to an Existing Commercial Premises	NIL
<b>Monthly estimated value of Approvals: January, 2015</b>			<b>1</b>	<b>NIL</b>

<b>ITEM NO:</b>	8.	<b>FILE NO:</b> S7.2.4/07 & S7.2.4/08
<b>DESTINATION 3:</b>	An environment that is protected and sustained.	<b>E</b>
<b>SUBJECT:</b>	<b>SUMMARY OF BUILDING CONSTRUCTION FOR DECEMBER 2014 AND JANUARY 2015</b>	
<b>PREPARED BY:</b>	Emma Schiemer, Administration Officer	

**SUMMARY:**

The following report summarises the Building Construction for the Inverell Shire in December, 2014 and January, 2015.

**INFORMATION:****Total Building Construction for Inverell Shire for December, 2014:**

<u>Type of Consent</u>	<u>Number</u>	<u>\$ Amount</u>
Construction Certificates – Council Approved	12	711,500
Construction Certificates – Private Certifier	0	Nil
Complying Development – Council Approved	2	128,000
Complying Development – Private Certifier	0	Nil
<b>Totals</b>	<b>14</b>	<b>\$839,500</b>

**Total Building Construction for Inverell Shire for January, 2015:**

<u>Type of Consent</u>	<u>Number</u>	<u>\$ Amount</u>
Construction Certificates – Council Approved	7	4,894,000
Construction Certificates – Private Certifier	0	Nil



Complying Development – Council Approved	<b>5</b>	<b>462,000</b>
Complying Development – Private Certifier	<b>1</b>	<b>Nil</b>
<b>Totals</b>	<b>13</b>	<b>\$5,356,000</b>

Estimated Value of Approvals issued in the financial ytd in: **2014/2015 (105) \$ 17,678,242**  
 2013/2014 (91) \$ 8,017,964

<b>ITEM NO:</b>	9.	<b>FILE NO:</b> S18.10.2/07 & S18.10.2/08
<b>DESTINATION 3:</b>	An environment that is protected and sustained	<b>E</b>
<b>SUBJECT:</b>	<b>DEVELOPMENT CONSENTS AND REFUSALS DURING DECEMBER 2014 AND JANUARY 2015</b>	
<b>PREPARED BY:</b>	Emma Schiemer, Administration Officer	

**SUMMARY:**

The following details the Development Consents and Refusals during December, 2014 and January, 2015.

**INFORMATION:**

**APPROVALS - DECEMBER 2014**

<b><u>Development Application Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Development</u></b>	<b><u>\$ Amount</u></b>
DA-71/2014	Abode Building Design	68-76 Evans Street, Inverell NSW 2360	Boundary Adjustment and Consolidation	NIL
DA-135/2014	Mr Digby Charles McNeil	Sweaney Street, Inverell NSW 2360	Construction of Three (3) Serviced Apartments on First Floor of Existing Building	150,000
DA-136/2014	Danbuilt Pty Ltd	6-8 Cloonan Terrace, Inverell NSW 2360	New Entertainment Awning and Shed	84,000
DA-139/2014	Mr Guy Chesterton Pilcher	77 King Street, Inverell NSW 2360	New Shed	8,000
DA-140/2014	Mr Benjamin Thomas Partridge	27 Lang Street, Inverell NSW 2360	Alterations and Additions	90,000
DA-142/2014	Mr Michael Brian Jorgensen	28 Chisholm Street, Inverell NSW 2360	New Shed	25,000

DA-145/2014	Best Employment Ltd	37-39 Campbell Street, Inverell NSW 2360	Change of Use – Office to Respite Day Care Centre	NIL
DA-146/2014	Inverell Shire Council	9 Albury Street, Ashford NSW 2361	Removal of Underground Fuel Tanks and Installation of Above Ground Diesel Tank	70,000
DA-147/2014	Inverell Shire Council	10 Oliver Street, Inverell NSW 2360	Remove/Relocate Onsite Structures Including Dwelling	NIL
DA-148/2014	Inverell Shire Council	22 Oliver Street, Inverell NSW 2360	Remove/Relocate Onsite Structures Including Dwelling	NIL
DA-150/2014	Mr David James McGrath	79-81 Inverell Street, Delungra NSW 2403	Construct a Shed	5,000
DA-151/2014	Mr Benjamin William Boland	86 Doncaster Drive, Inverell NSW 2360	Temporary Occupation of Shed	NIL
DA-152/2014	Mr Scott Robert Abra	107 Brae Street, Inverell NSW 2360	Construct Garage	19,500
DA-153/2014	Pacific Petroleum Products P/L	17-21 Brissett Street, Inverell NSW 2360	Install Above Ground Diesel Fuel Tank	100,000
DA-154/2014	Rodrigo Palacio	126 MacIntyre Street, Inverell NSW 2360	Temporary (6 Months) Occupation of Caravan	NIL
DA-156/2014	Mr Bruce William Wall and Mrs Juanita Wall	44 Caloola Drive, Inverell NSW 2360	New Swimming Pool	19,000
DA-157/2014	Mrs Mary Michelle McLachlan	67 Butler Street, Inverell NSW 2360	Alterations and Additions	88,000
DA-159/2014	Circus Royale	10 Tingha Road, Inverell NSW 2360	Circus	NIL
DA-160/2014	Mrs Katie Brown	21 Otho Street, Inverell NSW 2360	Use of Premises for the Sale of Food/Drink	NIL
DA-162/2014	Church Communities Australia	4188 Gwydir Highway, Elsmore NSW 2360	Alterations and additions	32,000
<b>Monthly estimated value of Approvals: December, 2014</b>			<b>20</b>	<b>\$690,500</b>

**APPROVALS - JANUARY 2015**

<b><u>Development Application Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Development</u></b>	<b><u>\$ Amount</u></b>
DA-90/2014	Mrs Sally Ann Williams	254 Yetman Road, Inverell NSW 2360	Change of Use (Shed to Dwelling) and Alterations/Additions	124,000

DA-155/2014	Danbuilt Pty Ltd	Oakland Lane, Inverell NSW 2360	Construct Dwelling and Shed	496,000
DA-158/2014	Julie Anne Martin	90 Evans Street, Inverell NSW 2360	Health Consulting Rooms	10,000
DA-163/2014	Mr Colin John Moore	53 Wood Street, Inverell NSW 2360	New Dwelling	180,000
DA-164/2014	Tenterfield Surveys	45 Duff Street, Ashford NSW 2361	Subdivision	NIL
DA-2/2015	National Transport Museum	Armstrong Street Road Reserve Adjacent to Tingha Road	Transport Museum Sign	NIL
DA-3/2015	MB & CM Jorgensen Pty Ltd	17 Sunnyside Place, Inverell NSW 2360	New Dwelling	308,000
DA-8/2015	Best Employment Ltd	Lot 100 DP 1185793, Being Lease of Part Lot 1 DP 818029	New Sign	500
<b>Monthly estimated value of Approvals: January, 2015</b>			<b>8</b>	<b>\$1,118,500</b>

**DEVELOPMENT AMENDMENTS – DECEMBER 2014**

<b><u>Development Application Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Development</u></b>	<b><u>\$ Amount</u></b>
DA-202/2009/B	Delungra Memorial Bowling Club	30 Inverell Street, Delungra NSW 2403	Addition of a Deck	N/A
<b>Monthly estimated value of Approvals: December, 2014</b>			<b>1</b>	<b>N/A</b>

**DEVELOPMENT AMENDMENTS – JANUARY 2015**

<b><u>Development Application Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Development</u></b>	<b><u>\$ Amount</u></b>
DA-163/2010/A	Bundarra Business Solutions	133A-133D Old Bundarra Road, Inverell NSW 2360	Modification to Units 5 and 6 Approved Under DA-163/2010	NIL
<b>Monthly estimated value of Approvals: January 2015</b>			<b>1</b>	<b>NIL</b>

**REFUSALS**

Nil.

<b>ITEM NO:</b>	10.	<b>FILE NO:</b> S29.19.1
<b>DESTINATION 3:</b>	An environment that is protected and sustained	<b>E</b>
<b>SUBJECT:</b>	<b>SEPTIC TANK APPROVALS FOR DECEMBER 2014 AND JANUARY 2015</b>	
<b>PREPARED BY:</b>	Emma Schiemer, Administration Officer	

**SUMMARY:**

The following details the Septic Tank approvals for December, 2014 and January, 2015.

**INFORMATION:****DECEMBER 2014**

<u>Application Number</u>	<u>Applicant</u>	<u>Property</u>
S-28/2014	Mr Joel Chapman	Old Bundarra Road, Inverell NSW 2360

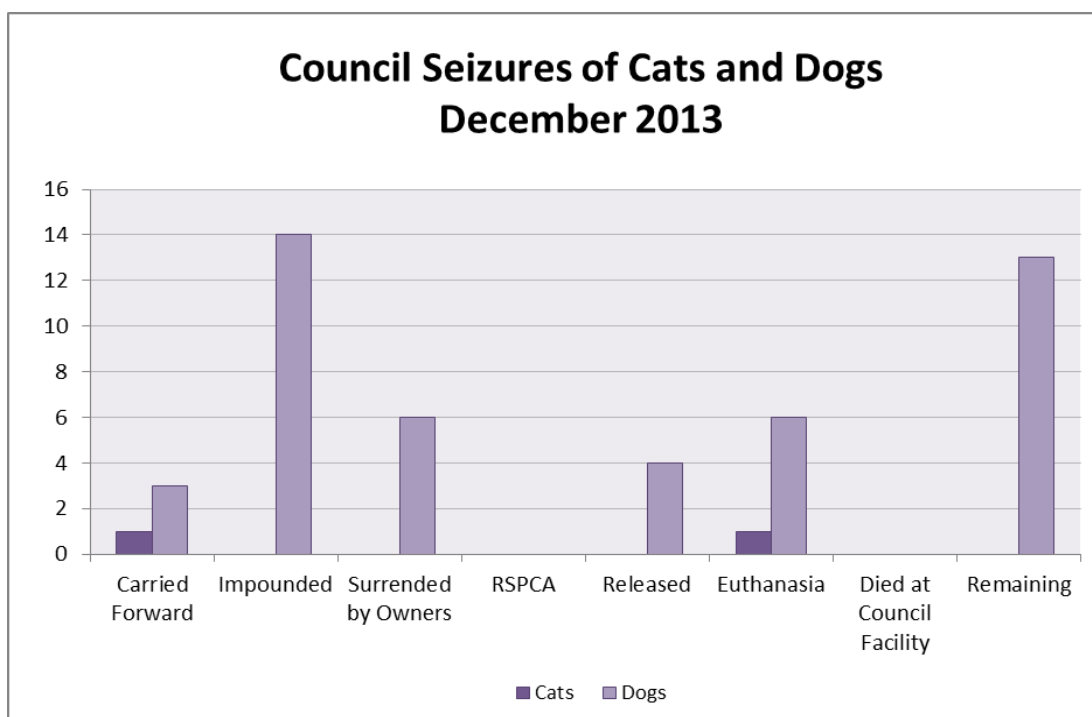
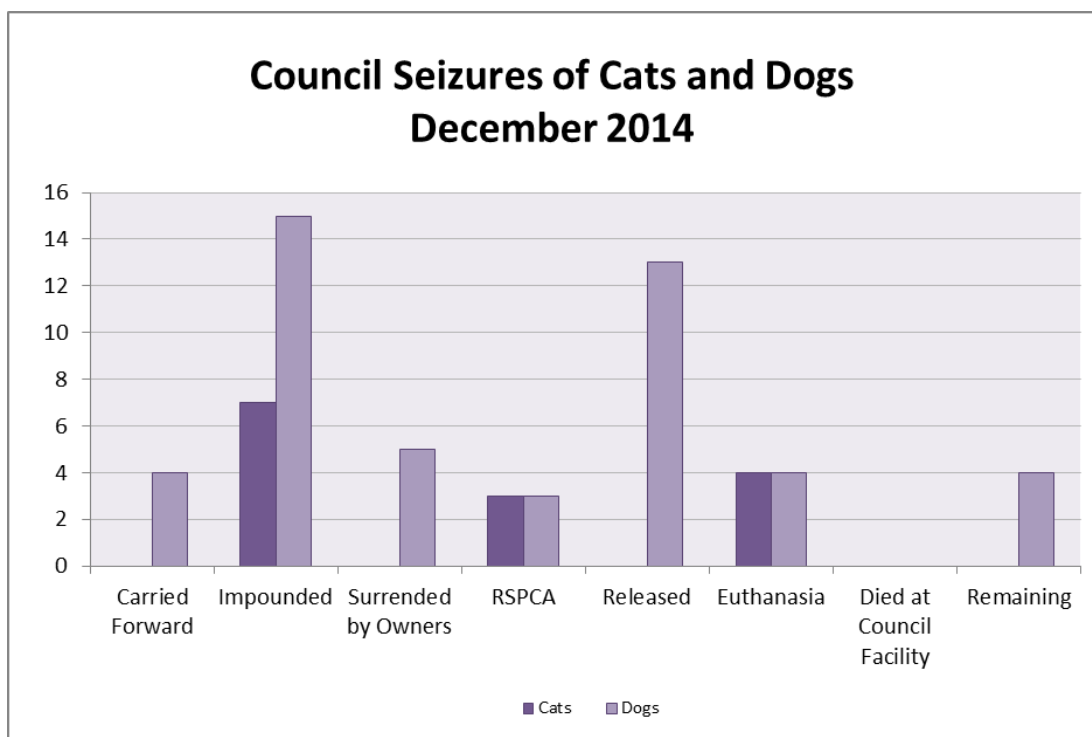
**JANUARY 2015**

<u>Application Number</u>	<u>Applicant</u>	<u>Property</u>
S-26/2014	Mrs Tisha George	385 Old Bundarra Road, Inverell NSW 2360
S-27/2014	Danbuilt Pty Ltd	Oakland Lane, Inverell NSW 2360
S-29/2014	Mr Peter William Oliver	258 Fernhill Road, Inverell NSW 2360

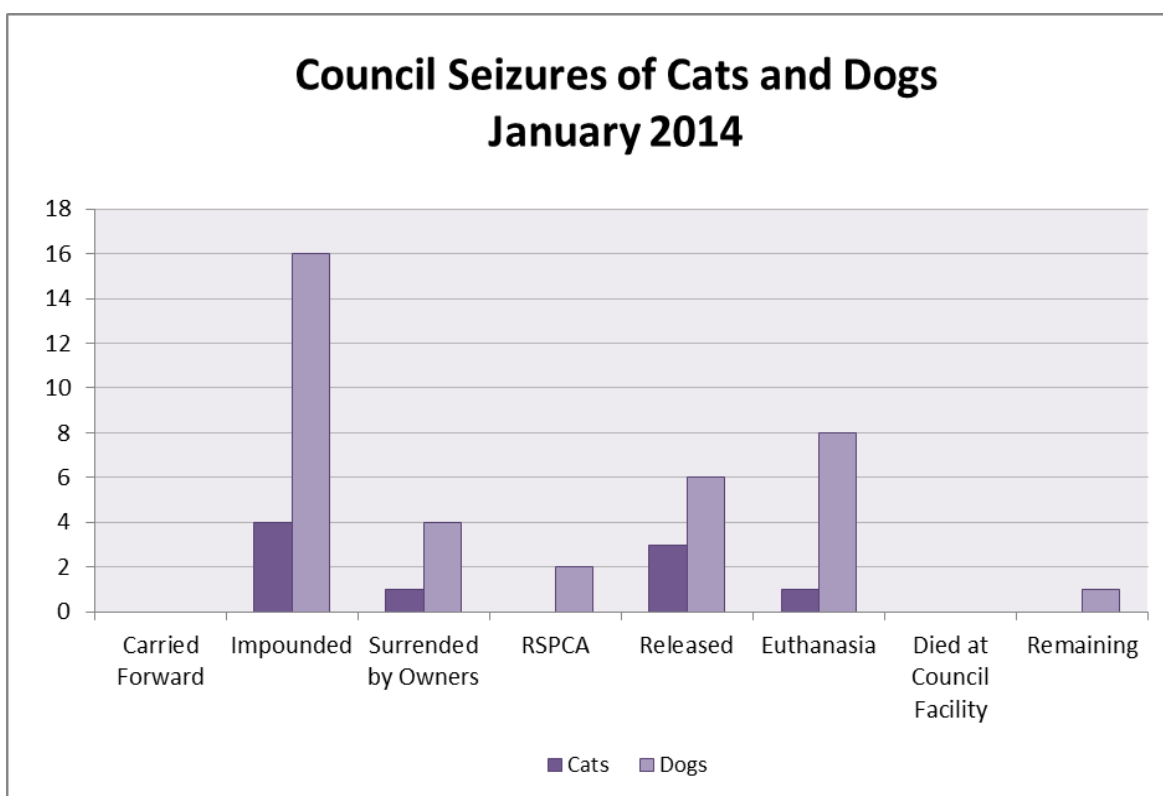
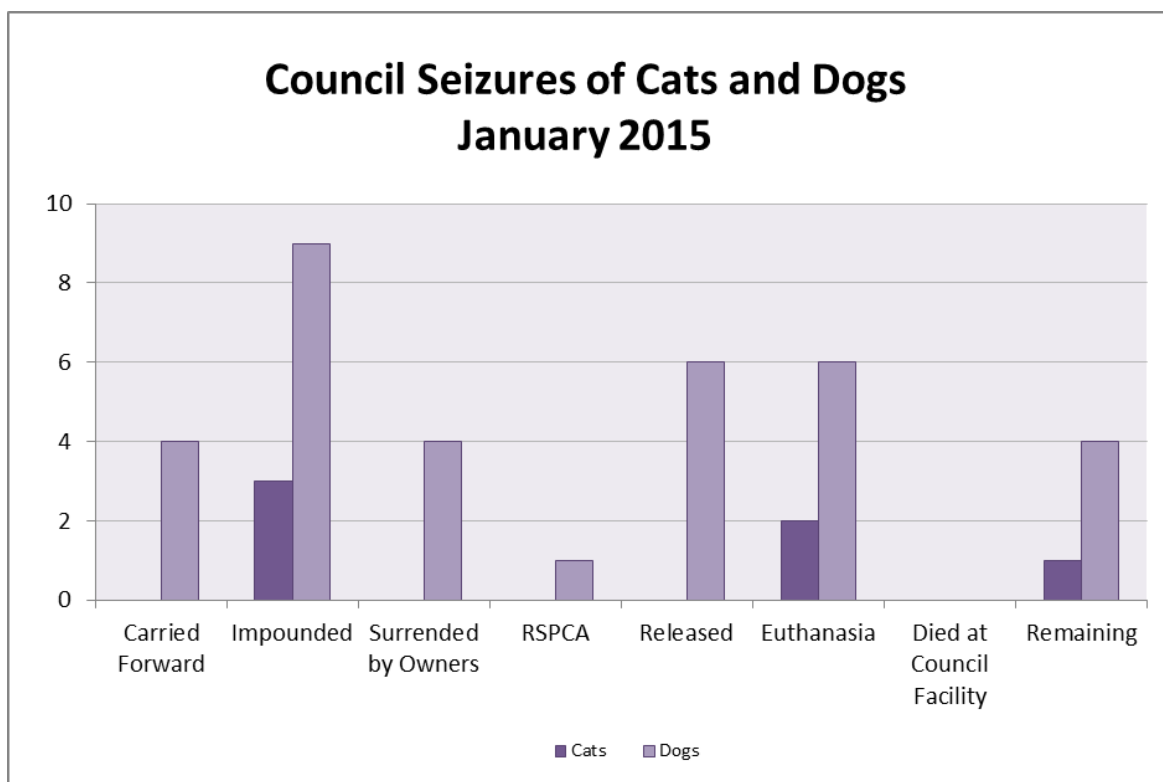
<b>ITEM NO:</b>	11.	<b>FILE NO:</b> S18.10.1
<b>DESTINATION 3:</b>	An environment that is protected and sustained	<b>E</b>
<b>SUBJECT:</b>	<b>ORDINANCE ACTIVITIES REPORT FOR DECEMBER 2014 AND JANUARY 2015</b>	
<b>PREPARED BY:</b>	Emma Schiemer, Administration Officer	

**SUMMARY:**

The following details the number of various Ordinance activities carried out during December, 2014 and January, 2015 in comparison to the same months in the previous year.

**INFORMATION:****COMPLIANCE****Inverell Shire Council Pound Monthly Report December 2014**

**Inverell Shire Council Pound Monthly Report January 2015**



<b>ITEM NO:</b>	12.	<b>FILE NO:</b> S28.7.18/23
<b>DESTINATION 5:</b>	The communities are served by sustainable services and infrastructure	<b>S</b>
<b>SUBJECT:</b>	<b>TINTOT BRIDGE RENEWAL</b>	
<b>PREPARED BY:</b>	Ken Beddie, Director Corporate and Economic Services	

**SUMMARY:**

Council recently submitted an application for \$0.8M grant funding for the replacement of the Tintot Bridge on the Ashford Graman Road. Council has received advice that the funding application has been successful.

**COMMENTARY:**

The Council will be aware that staff recently submitted an application to the NSW Government's "Fixing Country Roads Program" for \$0.8M of grant funding to assist with the \$1M replacement of the Tintot Bridge on the Ashford Graman Road over the Macintyre River. Council has now received advice for Member for Northern Tablelands, Mr Adam Marshall that Council's application has been successful.

The Tintot Bridge is the last all timber bridge structure remaining in the Shire and is not capable of catering for Higher Mass Vehicles. The new \$1M Bridge will cater for these Higher Mass Vehicles and be constructed at a higher level.

The replacement of this bridge is a major milestone for Council, being the last all timber structure in the Shire. This project comes on the back of Council's strong success in its ongoing Asset Renewal Program for the replacement of its aged timber bridges.

At the completion of this project Council will have replaced 18 Timber Bridges over a 16 year period, an outstanding achievement in Local Government Asset Management.

The completion of Council's Timber Bridge Replacement Program will allow Council to direct the annual "Bridges, Culverts and Causeway Renewal Program" funding to the ongoing renewal and upgrade of Council's 4,000 Culvert and Causeway Structures.

**RECOMMENDATION:**

*That the items contained in the Information Reports to the Ordinary Meeting of Council held on Wednesday, 25 February, 2015, be received and noted.*