



Merry Christmas

Inverell Shire Council
Business Paper
Ordinary Meeting of Council
16 December, 2015

INVERELL SHIRE COUNCIL

NOTICE OF ORDINARY MEETING OF COUNCIL

10 December, 2015

An Ordinary Meeting of Council will be held in the Council Chambers, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 16 December, 2015, commencing at **3pm**.

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

P J HENRY PSM

GENERAL MANAGER

A G E N D A

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






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>Destinations</i>	<i>Icon</i>	<i>Code</i>
<p>1. A recognised leader in a broader context.</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>2. A community that is healthy, educated and sustained.</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>3. An environment that is protected and sustained.</p> <p>Giving priority to sustainable agriculture, the protection and conservation of rivers, waterways bio diversity and the built environment.</p>		E
<p>4. A strong local economy.</p> <p>Giving priority to economic and employment growth and the attraction of visitors.</p>		B
<p>5. The Communities are served by sustainable services and infrastructure.</p> <p>Giving priority to the provision of community focused services and the maintenance, enhancement and upgrade of infrastructure.</p>		S



MEETING CALENDAR

October 2015 – September 2016

	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
Ordinary Meetings	3:00 pm	28	25	16	No Meeting	24	23	27	25	^22	27	24	*28
Major Committees		Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
Civil and Environmental Services	8:30 am	14	11	No Meetings	No Meetings	10	9	13	11	8	13	10	14
Economic and Community Sustainability	10:30 am												

^ Meeting at which the Management Plan for 2016/2017 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, 25 NOVEMBER, 2015, COMMENCING AT 3 PM.

PRESENT: Cr P J Harmon (Mayor) [Chairperson], Crs D F Baker, P J Girle, B C Johnston, D C Jones and A A Michael.

The Acting General Manager (Ken Beddie) and Director Civil & Environmental Services (Brett McInnes).

APOLOGIES **S13.6.9/08**

The Acting General Manager advised that Cr Castledine tendered an apology for personal reasons and Cr Peters and Cr Watts tendered their apologies for business reasons and sought leave of absence.

***112/15 RESOLVED** (Johnston/Jones) that the apology from Cr Castledine for personal reasons and Cr Peters and Cr Watts due to their absence for business reasons be accepted, and that leave of absence be granted.*

CONFIRMATION OF MINUTES **S13.5.2/08**

***113/15 RESOLVED** (Baker/Johnston) that the Minutes of the Ordinary Meeting of Council held on 28 October, 2015, 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.

PUBLIC FORUM **S13.5.6/08**

At this juncture, the time being 3.02pm, the Mayor welcomed the members of the public and opened the Public Forum Session by inviting members of the public to speak:

Pam McLeay Country Women's Association Domestic Violence Forum and Dinner 2016

Mrs McLeay advised that Inverell has been selected as one of the 16 Centres in NSW to conduct a Domestic Violence Forum and Dinner in April, 2016. Mrs McLeay asked if Council could send representatives/staff to the Forum and Dinner. Mrs McLeay tabled a letter to Council and asked if Council would consider providing financial support to facilitate a guest speaker for the event.

At this juncture, the time being 3.10pm, the Public Forum Session closed and Council resumed the balance of the Agenda.

SECTION B
ADVOCACY REPORTS

Cr Jones NBN Services

Cr Jones advised that Ashford and Tingha wireless services have been turned on.

Cr Girle Northern Inland Innovation Awards

Cr Girle advised Council that McLean Care was successful in taking out the 2015 Northern Inland Innovation Award for health, aged care and disabilities for their Bush Compass program.

Cr Michael Local Area Command (LAC) Police Awards

Cr Michael noted the LAC Police Awards ceremony in Armidale. A number of local Officers received awards.

Cr Baker Public Libraries Conference

Cr Baker attended the NSW Conference and provided Council with an overview of the Conference proceedings.

**SECTION C
COMMITTEE REPORTS**

**1. WASTE MANAGEMENT SUNSET COMMITTEE MEETING MINUTES –
28 OCTOBER 2015 S31.9.3**

114/15 RESOLVED (Girle/Jones) that:

- i) *the Minutes of the Waste Management Sunset Committee Meeting held on Wednesday, 28 October, 2015, be received and noted; and*
- ii) *the following recommendation of the Waste Management Sunset Committee be adopted by Council:*

1. INVERELL LANDFILL OPENING HOURS S31.16.12

That traffic counters be installed at the waste facility for a suitable period to enable representative data to be obtained. Further, that a decision on the operating hours be made after this data is reported to the next meeting of the Committee.

**2. CIVIL & ENVIRONMENTAL SERVICES COMMITTEE MEETING MINUTES –
11 NOVEMBER 2015 S4.11.16/07**

115/15 RESOLVED (Jones/Michael) that:

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

1. REQUEST FOR SIGNAGE - NATIONAL TRANSPORT MUSEUM S28.27.17

That the National Transport Museum be advised that Council is not able to accede to their request in this matter.

2. PROPOSED DEDICATION OF CROWN ROADS TO INVERELL SHIRE
COUNCIL - PART STANNIFER ROAD AND TINGHA STREET, STANNIFER
S28.22.1/08

That Council accept dedication of Part Stannifer Road and Tingha Street in the village of Stannifer.

3. ROAD CLOSURE - VENETIAN CARNIVAL S28.23.1/08

That:

- i) Council grant a permit for the Venetian Carnival and permission for the closure of Captain Cook Drive between the Byron Street Roundabout and the entrance of Pasterfield car park between the hours of 5pm and 10pm on Saturday, 5 December, 2015;
- ii) Council not accede to the request for placement of the carnival rides on the Captain Cook Drive road surface; and
- iii) Council provide a donation of \$200.00 towards the cost of the road closure for the carnival.

4. APPLICATION FOR RESTRICTED ACCESS VEHICLE ROUTE - ELSMORE ROAD S28.15.3

That 8.76km of SR 246 Elsmore Road, from MR135 Guyra Road to Paradise Road and 5.89km of SR 260 Paradise Road, from SR 246 Elsmore Road to the property entrance at "Paradise Station" be approved and gazetted as B-Double Route.

5. PREPARATION OF STRUCTURE PLANS FOR NEW RESIDENTIAL AREAS S18.13.1

That:

- i) a brief be prepared for the preparation of Structure Plans for New Residential Areas identified in the Inverell Development Control Plan 2013;
- ii) based on the brief, expressions of interest be called from suitably qualified consultants to complete the Structure Plans; and
- iii) a further report be prepared for Council to consider the expressions of interest and if it wishes to proceed with the project.

6. FIXING COUNTRY ROADS PROGRAM S15.8.48/02

That:

- i) the projects to be submitted to the Fixing Country Roads Program be the replacement of Mathers Bridge and the upgrade of MR187; and
- ii) a further report be prepared in respect of the opening up of the roads in the northern area of the Shire to higher productivity heavy vehicles.

7. SCAVENGING RIGHTS - INVERELL LANDFILL S31.2.8

That:

- i) the Scavenging Rights Schedule be as follows:

Product	Allocation
Glass/Aluminium Cans/PET/Paper	Northaven
E-Waste	Warra-Li
Revolve Store	Warra-Li

<i>Ferrous/Non-Ferrous Metals</i>	<i>Council</i>
<i>Tyres</i>	<i>Council</i>
<i>Concrete</i>	<i>Council</i>
<i>Batteries</i>	<i>Council</i>
<i>Timber</i>	<i>Council</i>
<i>Green Waste</i>	<i>Council</i>
<i>All Other Material</i>	<i>Council</i>

- ii) *the granting of certain scavenging rights to Warra-Li be dependent on the organisation completing the construction of the required infrastructure and dependent on their ability to manage the Revolve Store on a continuing basis to Council's satisfaction; and*
- iii) *the allocation of scavenging rights from the waste stream be subject to annual review at Council's sole discretion.*

3. ECONOMIC & COMMUNITY SUSTAINABILITY COMMITTEE MEETING MINUTES – 11 NOVEMBER 2015 S4.11.17/07

116/15 RESOLVED (Baker/Michael) that:

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

1. REQUEST TO LICENCE LAND – WATTS S5.10.150

That:

- i) *Council enter into a Licence Agreement with Mr Cameron Watts for Lot 1, Part Lot 2, DP 1135514, Delvyn Drive, Inverell for a two (2) year period with a further two (2) year option;*
- ii) *the Licence fee be \$350.00 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.*

2. REQUEST FOR DONATION – INVERELL COMMUNITY GARDENS S12.22.1/08

That Council provide the Inverell Community Gardens with a general waste bin and a 360L recycle bin provided that the Inverell Community Gardens accept responsibility for the annual collection charges.

3. EXPIRING LICENCE AGREEMENT S5.10.107

That:

- i) *Council renew the agreement with Inverell Building Supplies for Part Lot 2, DP 1126040 for a further five (5) year period;*

- ii) *the licence fee be \$650.00 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. CHANGES TO ESSENTIAL ENERGY'S REGIONAL STRUCTURE S8.5.4

That Council write to the AER and Local Member, Mr Adam Marshall expressing Council's significant concerns at the impact on service delivery and continuity of supply flowing from the AER's recent decision in respect of Essential Energy.

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

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.*

6. QUARTERLY BUDGET AND OPERATIONAL PLAN REVIEW 2015/2016
S12.5.1/08

That:

- i) *Council's Quarterly Budget and Operational Plan Review for 30 September, 2015 be adopted; and*
- ii) *the proposed variations to budget votes for the 2015/2016 Financial Year be adopted providing an estimated Cash Surplus at 30 June, 2016 from operations of \$6,952.*

SECTION D
DESTINATION REPORTS

1. COPETON FRESH WATER SWIM 2016 – REQUEST FOR SPONSORSHIP
S26.1.1/08

GM-A **117/15 RESOLVED** (Baker/Jones) *that:*

- i) *Council provide sponsorship of \$2,000 to the 2016 event, being a contribution towards the 5km individual swim event; and*
- ii) *the event be named by Council as the 'Sapphire City 5km Swim'.*

2. GRAMAN WAR MEMORIAL HALL COMMITTEE S5.13.8

GM-N
CSOP-A **118/15 RESOLVED** (Johnston/Girle) *that:*

- (i) *the information be received and noted; and*
- (ii) *the following persons be authorised as office bearers of the Graman War Memorial Hall Committee:*

<i>President:</i>	<i>Lois Reardon</i>
<i>Secretary:</i>	<i>Annie Nicolle</i>
<i>Treasurer:</i>	<i>Jodie Ceely</i>

3. DISPLAY OF STREET BANNERS IN CBD S2.23.1

CSOT-A **119/15 RESOLVED** (Johnston/Jones) that a further report be provided to the next Civil and Environmental Services Committee meeting in respect of suitable locations in Byron Street for a banner facility including detailed costs.

4. GREAT INLAND FISHING FESTIVAL COMMITTEE - APPOINTMENT OF OFFICEHOLDERS S26.3.8

GM-N **120/15 RESOLVED** (Baker/Johnston) that the following persons be appointed to the
CSOP-A nominated positions on the Great Inland Fishing Festival Committee:

President – Mr Alex Ribiero
Senior Vice President – Mr Michael Shelton
Junior Vice President – Mr David Allan
Secretary – Mr Joe Press
Treasurer – Mr Steve Harris
Publicity Officer – (awaiting confirmation)

**SECTION E
INFORMATION REPORTS**

**1. STRATEGIC TASKS – ‘SIGN OFF’ – SEPTEMBER & OCTOBER 2015
S4.13.2**

2. QUESTIONS WITHOUT NOTICE S13.5.5/08

**3. CONSTRUCTION CERTIFICATES APPROVED FOR
OCTOBER 2015 S7.2.4/08**

**4. COMPLYING DEVELOPMENT CERTIFICATES APPROVED DURING
OCTOBER 2015 S7.2.4/08**

**5. SUMMARY OF BUILDING CONSTRUCTION FOR OCTOBER 2015
S7.2.4/08**

**6. DEVELOPMENT CONSENTS AND REFUSALS DURING OCTOBER 2015
S18.10.2/08**

7. SEPTIC TANK APPROVALS FOR OCTOBER 2015 S29.19.1

8. ORDINANCE ACTIVITIES REPORT FOR OCTOBER 2015 S18.10.1

121/15 RESOLVED (Jones/Girle) that the items contained in the Information Reports to the Ordinary Meeting of Council held on Wednesday, 25 November, 2015, be received and noted.

There being no further business, the meeting closed at 3.28pm.

CR P J HARMON

CHAIRPERSON

TO ORDINARY MEETING OF COUNCIL 16/12/2015

ITEM NO:	1.	FILE NO: S5.2.1/18
DESTINATION 4:	A strong local economy	B
SUBJECT:	EXPRESSIONS OF INTEREST - 104 OTHO STREET, INVERELL (LISTING)	
PREPARED BY:	Stephen Golding - Executive Manager Corporate and Community Services	

SUMMARY:

Council invited Expressions of Interest (EOI) for a concept Development of 104 Otho Street, Inverell. Expressions closed on 29 October, 2015. Council is asked to consider a confidential report in this matter.

COMMENTARY:

Local Government Act 1993 (the Act), and the *Local Government (General) Regulation 2005* makes provision for the closure of meetings to the public and media in specified circumstances. In particular s.10A of the Act provides that Council may close to the public and media so much of a meeting as relates to the discussion and consideration of information identified in s.10A(2). The matters which may be closed to the public and media, as stated in the Act, must involve:

- (a) *Personnel matters concerning particular individuals (other than councillors.)*
- (b) *The personal hardship of any resident or ratepayer.*
- (c) *Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*
- (d) *Commercial information of a confidential nature that would, if disclosed:*
 - (i) *prejudice the commercial position of the person who supplied it, or*
 - (ii) *confer a commercial advantage on a competitor of the council, or*
 - (iii) *reveal a trade secret.*
- (e) *Information that would, if disclosed, prejudice the maintenance of law.*
- (f) *Matters affecting the security of the council, councillors, council staff or council property.*
- (g) *Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.*
- (h) *Information concerning the nature and location of a place or an item of Aboriginal significance on community land.*

In considering whether to close a part of a meeting to the public and media, Councillors are also reminded of further provisions of s.10D of the Act which states:

Grounds for closing part of meeting to be specified

- (1) *The grounds on which part of a meeting is closed must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting.*
- (2) *The grounds must specify the following:*
 - (a) *the relevant provision of section 10A (2),*
 - (b) *the matter that is to be discussed during the closed part of the meeting,*

- (c) *the reasons why the part of the meeting is being closed, including (if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret) an explanation of the way in which discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

Having regard for the requirements stated in s.10D of the Act Councillors should note that the matter listed for discussion in Closed Committee includes information provided by the applicants which is considered to be commercially sensitive.

The recommendation that this item of business be considered in Closed Committee is specifically relied on section 10A(2)(d)(i) of the Act as consideration of the matter involves:

- a) Commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it, and
- b) On balance, the public interest in preserving the confidentiality of the matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: B.06 Plan for and promote private and commercial businesses and residential, industrial and commercial development.

Term Achievement: B.06.01 Sufficient and serviced lands are available to meet the Shire's business development and residential needs.

Operational Objective: B.06.01.01 To maintain a suitable portfolio of land for development and sale at a fair market price.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

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.*

ITEM NO:	2.	FILE NO: S5.19.1
DESTINATION 1:	A recognised leader in a broader context	R
SUBJECT:	CROWN LANDS - REVIEW OF LAND MANAGEMENT PRACTICES	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

The outcome of the State Government's Review of the Management of Crown Lands is provided for Council's information.

COMMENTARY:

In March 2014, the State Government commenced a review of the way Crown Lands are managed. A final position paper has now been released and a summary of this position is shown below.

Background

The Crown Estate comprises 42% of the State (33 million hectares). The Estate is comprised of 34,000 reserves, with 700 being managed by community groups and 7800 by Councils. This area excludes National Parks and State Forests.

The Government initiated a review of Management practises with a view of delivering a system that makes the best use of the State's Crown Reserves.

The two (2) major outcomes of the review are:

- a) A restructuring of the Crown Lands Division as a Public Trading Enterprise, and
- b) Empowering Local Government to seek the Management rights to certain Reserves where a community benefit can be demonstrated.

The Government intends to introduce legislation to Parliament early in 2016 to give effect to the range of matters that support the two (2) abovementioned review outcomes.

Details of Review

The review made over 36 separate recommendations to the Government, with only one (1) recommendation not being supported. A number of the recommendations have a direct impact on Councils, while some recommendations could have an implication for Councils depending on local circumstances.

The recommendations that fall into these categories are mentioned below:

a) Direct Impact

Recommendation 3: "Devolve land of local interest to councils to meet local needs"

Comment: The Review makes the point that Councils can manage local land more effectively than Crown Lands and therefore 'management' of a reserve could be transferred to Councils. This issue will need to be closely monitored as a unilateral transfer of land should not occur. Councils should initiate the transfer process, and only after a strong business case supporting the need for Council to assume management has been made.

Recommendation 9: "Benchmark return on assets against opportunity costs".

Comment: Council currently manages a number of Reserves that carry an annual fee, payable to Crown Lands. It is reasonable to assume this method of 'fee setting' will only result in an increase in annual rentals for certain reserves. This is a matter that Council will need to consider if any community group seeks to encourage Council to take over management of Crown Lands.

Recommendation 20: "Amend the Road Act to remove the Minister for Lands as a Roads Authority", and

Recommendation 21: "Responsibility for all roads used to provide access to the general public to rest with other authorities".

Comment: These matters are to be further discussed with stakeholders. The clear implication is that Crown Roads could be transferred to other authorities including Councils. The potential for a transfer of Crown Roads to Council, reclassification as Local Roads, and the resulting cost shift to Councils is a real possibility. This matter must be closely monitored.

b) Indirect Impact

Recommendation 5: "Local Land Services work with relevant stakeholders to develop assessment criteria to review all TSR's and determine their future ownership and management".

Comment: This review has been proposed in other reports over a number of years. Perhaps a finalisation of this outstanding matter will occur during 2016. Council has an interest in this type of review because of its interest in a number of parcels of land in Inverell.

Summary

The Government has indicated that consultation with stakeholders on a number of issues in the review will take place prior to legislation being finalised. Council will need to pursue any opportunity to be involved in the review of the status/management of Crown Roads because of the significant cost impact of this matter.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: R.08 Council leads the community by influencing and participating in policy development to the benefit of the Shire through partnerships and alliances with government, regional interests, shire groups and communities.

Term Achievement: R.08.01 A targeted program of advocacy and policy discussion is being conducted with the active cooperation of others benefiting interests around social, environmental, economic and infrastructure priorities.

Operational Objective: R.08.01.01 To facilitate intergovernmental relations to ensure maximum cooperation between the Council and the Federal and State Governments to achieve the optimum support for the Inverell Shire.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the information be noted.

ITEM NO:	3.	FILE NO: S28.22.1/08
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	PROPOSED DEDICATION OF CROWN ROADS TO INVERELL SHIRE COUNCIL – WATERLOO ROAD, PART WESTERN FEEDER AND ADJOINING UNFORMED ROADS	
PREPARED BY:	Chris Faley, Development Planner	

SUMMARY:

Council has received a request from the Department of Primary Industries – Lands to accept dedication of Waterloo Road, part Western Feeder and three (3) adjoining unformed roads for the purpose of enabling the Sapphire Wind Farm development.

It is recommended that Council accept dedication of Waterloo Road, part Western Feeder and the three (3) adjoining unformed roads.

COMMENTARY:

Correspondence has been received from the New South Wales Department of Primary Industry – Lands (DPI) requesting Council accept dedication of Waterloo Road, part Western Feeder and three (3) adjoining unformed roads. The roads in question are:

- Waterloo Road – From Woodstock Road to the Shire Boundary with Glen Innes Severn Shire;
- Part Western Feeder – Approximately 200 metre section off Waterloo Road;
- Unformed Road 1 – Approximately 860 metre long, located off Waterloo Road approximately 6 kilometres from the Woodstock Road intersection;
- Unformed Road 2 – Approximately 860 metre long, located off Waterloo Road approximately 6 kilometres from the Woodstock Road intersection; and
- Unformed Road 3 – Approximately 1.3 kilometre long, located off Western Feeder approximately 200 metres from Waterloo Road intersection.

A map of the relevant roads is included as Appendix 1 (D13 – D14).

Waterloo Road

Waterloo Road (SR243) is an 18.958 kilometre unsealed road connecting Woodstock Road to the Shire Boundary with Glen Innes Severn Shire in the Kings Plains area.

It generally carries 20-25 vehicles per day (approximately 20% Heavy Vehicles) and is classified as a Rural Collector Road (rural roads carrying moderate volumes of local and commercial traffic and connecting local areas to arterial roads in Council's rural areas).

Council's Asset Management Coordinator has confirmed that Waterloo Road receives regular maintenance from Council and is included in our asset management system. Transferring the road reserve to Council would not add any burden to maintenance regimes.

Western Feeder

With the exception of the 200 metre section, Western Feeder is already a Council dedicated and maintained road. Transferring the 200 metre section to Council would not add any burden to maintenance regimes.

Unformed Roads

It is the intention of the Sapphire Wind Farm to utilise part or all of these road reserves as access to wind turbines.

Council's Asset Management Coordinator and Development Planner met with the Chief Operating Officer of CWP Renewables, Mr Edward Mounsey to discuss the intentions of the wind farm.

Mr Mounsey confirmed that it is the preference of CWP Renewables to liaise with Councils over access issues rather than the LPI. For other wind farm projects, CWP Renewables has generally entered into a lease arrangement with the relevant Council whereby the wind farm would be responsible for the construction, maintenance and rehabilitation of these road reserves.

Should Council be willing to accept dedication of these roads, the option to lease the road reserves to the Sapphire Wind Farm would be available. By leasing the roads reserves, it also removes the ability for the public to utilise these roads.

Conclusion

At the April Ordinary Meeting of Council, Council adopted a policy in relation to Transfer of Crown Roads to Council.

The proposed dedication of Waterloo Road and the unformed roads are consistent with the criteria of this policy, specifically:

Waterloo Road and part Western Feeder

- 1) *Council has historically maintained (excluding private works agreements) the crown road as a public road, which is partly or wholly located within a crown road reserve.*

Unformed Roads

- 6) *It is within the public interest – Sapphire Wind Farm has local, regional and state significance and accepting the roads will assist in facilitating the development.*

Deterioration of the road network associated with construction of the Sapphire Wind Farm has been addressed in the Major Project Development Approval, which contains conditions relating to traffic and road dilapidation, including pre and post dilapidation reports, independent assessors and restoration of any damage that may result from traffic related to the construction.

It is recommended that Council accept dedication of Waterloo Road, part Western Feeder and adjoining unformed roads.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: S.08 Civil infrastructure is secured, maintained and used to optimum benefit.

Term Achievement: S.08.01 An asset management strategy is in operation for civil infrastructure that optimises its use and maintains it to agreed standards fit for its contemporary purpose.

Operational Objective: S.08.01.01 An Asset Management Strategy for Civil assets is developed, maintained and implemented.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That Council accept dedication of Waterloo Road, part Western Feeder and adjoining unformed roads.

ITEM NO:	4.	FILE NO: S5.6.2
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	ASSET MANAGEMENT – INFRASTRUCTURE BACKLOG	
PREPARED BY:	Ken Beddie, Director Corporate and Economic Services	

SUMMARY:

Council will be aware of the recent comments in the print media and on social media in respect of Council's Road Asset Infrastructure Backlog amount and Council's Fit for the Future Roadmap. The following information is provided for the Council's notation.

COMMENTARY:

Council will be aware of recent comments in the print media and on social media in respect of Council's Road Asset Infrastructure Backlog amount as disclosed in Special Schedule 7. The following information and commentary is provided in respect of the un-audited Infrastructure Backlog reported in Council's Annual Financial Statements and Council's Fit for the Future Roadmap.

Since 2001, the General Purpose Financial Reports of Councils have included Special Schedule 7 – Condition of Public Works, an un-audited Schedule which records a range of information of a Council's Assets. Since its inception, only very limited and no prescriptive guidance has been provided to Councils by the Office of Local Government in respect of the completion of this un-audited Schedule.

As the Schedule was un-audited and due to the lack of guidance/prescription in how the Schedule should be completed, the information disclosed in the Schedule by Councils was largely a "best guess" estimate and was prepared by most Councils in a manner to support a case for increased Federal and State Government Infrastructure Funding for Councils. Across the Industry, this led to the level of Infrastructure Backlogs being largely overstated and also including asset upgrade/enhancement costs in most cases, noting that for many grant funding opportunities and especially for Loan Interest Rate subsidies, it was a requirement that the Assets involved were identified in the Council's Infrastructure Backlog.

In 2001, Council's Special Schedule 7 (see Appendix 2, D16) disclosed an estimated Infrastructure Backlog of \$29.5M across all Asset Classes. For most Councils, including Inverell, the Backlog amount not only included the cost of bringing Assets back to a "Satisfactory Standard", but also the costs of major Asset upgrades and enhancements to a higher standard, as no clear definitions had been provided. It has since been clarified that Asset Upgrade and Enhancement Costs are not to be included in the Infrastructure Backlog calculation (see Appendix 2, D16).

This methodology was followed for many years, however, as Council's Asset Management Systems started to develop, Special Schedule 7 while being unaudited was given more attention by the Industry. In 2005, Council's Infrastructure Backlog was reported as being \$13M. Council Infrastructure Backlog was reported at \$14.7M in 2010.

In 2010 the Councils in the region were asked by Regional Development Australia Northern Inland (RDANI) to calculate the cost of upgrading the entire Road Network to Higher Mass Limits (HML) Standard. At the time RDANI were seeking to highlight to the Federal Government the need for a substantial increase in funding for the National Rural Road Network to drive greater transport efficiencies and thereby regional economic growth. To support this push, the figures calculated were carried into Council's un-audited Special Schedule 7, increasing Council's Infrastructure Backlog from \$14.7M in 2009/2010 to \$85.8M in 2010/2011. The HML Road upgrade figures were also used in the preparation of Special Schedule 7 in 2011/2012. While large permanent increase in Federal Road Funding was not achieved, Councils across Australia have benefited greatly since that time by a permanent increase in the Roads to Recovery Program Funding of 10.4% (\$86K), and also this Council has benefited in 2014/2015, 2015/2016 and will again benefit in 2016/2017 from special one-off increases in Roads to Recovery Program Funding totalling \$3.8M. The actions of RDANI were no doubt beneficial in highlighting the Rural Road funding issues at a Federal level.

In seeking to understand where the NSW Local Government Industry were at in respect of Asset Management as the major provider of Infrastructure Assets in NSW, the Office of Local Government undertook a Local Government Infrastructure Audit in early 2013 and then published the Audit Outcomes in June, 2013. In this Audit, Council's Asset Management Systems were found to be "moderate", with the Audit taking into consideration the Special Schedule 7 Backlog figures for 2011/2012, which included the cost of upgrading all of Council's Roads to HML Standard, which were substantially inflated, but which had never the less served a purpose.

In concert with the Local Government Infrastructure Audit, in March, 2013 the Office of Local Government released the Integrated Planning and Reporting Manual. The Manual provided the strongest guidance yet for Council Staff in the Condition Rating (Asset Assessment) of a Council's asset and the preparation of Special Schedule 7 (see Appendix 2). However, the final model to be utilised by each Council again was not prescribed and the matter remains open for "individual interpretation". What this continues to mean is that an Asset that is considered to be in a "satisfactory condition" by one Council may in fact be considered as being "unsatisfactory" by another Council who has access to a higher level of financial and other resources.

In an attempt to overcome this issue and to fulfil the Road Asset Revaluation Audit requirements as at 30 June, 2015, Council undertook an Independent Review of its Road Infrastructure Assets in early 2015. The review involved utilising specialist Independent Asset Management Contractors to undertake a Road Asset data capture and Condition Assessment. In this process, Council's Road Infrastructure Assets were assessed against the Nationally recognised Rocond 90 (as developed by Roads and Maritime NSW) and the Australian Road Research Boards National Bridge Assessment procedure.

This is the most comprehensive review that has been undertaken of Council's Road Infrastructure Assets and Council's approach to this matter was endorsed by Council's External Auditor. This approach led to Council receiving an "Unqualified" Audit Report for 2014/2015, aided the development of Council's Fit for the Future Roadmap and ultimately led to Council being independently assessed by IPART as "Fit for the Future".

When Council undertook the full Independent Review of its Road Infrastructure Assets, the Office of Local Government had provided preliminary advice to Councils that Special Schedule 7 would be audited as at 30 June, 2015. While this did not eventuate, Council placed itself in a position where its Special Schedule 7 was auditable at 30 June, 2015. The cost to bring Council's Assets to a "Satisfactory Standard" (ie Backlog) at 30 June, 2015 was \$5.1M. This is a cost of \$10.1M less the \$5.0M amount allocated in 2015/2016 to the Special Road Infrastructure Backlog Program. The community are already seeing the benefits of this major Council initiative with for example, 51 kilometres of the 76 kilometre length of the Bruxner Highway in Inverell Shire being Heavy Patched and Resealed in the last three (3) months.

The Office of Local Government in Circular 29 - 15 has now provided details of the process for the Audit of Special Schedule 7. The process will be as follows:

- **Stage 1:** Auditors to conduct an Asset Management Audit Preparedness Assessment as part of, or immediately following, the 2014/15 financial audit.
- **Stage 2:** Special Schedule 7 to be reviewed and updated by the end of 2015.
- **Stage 3:** Auditors to conduct an audit of the updated Special Schedule 7 as part of the 2015/16 financial audit.

The Office of Local Government proposes the following outcomes from this process:

What this will mean for your council

- In Stage 1, Council's auditor will assess the systems and processes that are in place to gather, manage and report on infrastructure assets.
- Councils should undertake a self-assessment using the Asset Management Audit Preparedness Assessment 2015 Workbook prior to the auditor's assessment.
- The auditor is required to submit their assessment to Council and to the Office of Local Government by 30 November, 2015.
- The auditor's assessment should be used by councils to enhance their asset management systems and processes prior to the audit of Special Schedule 7 in 2016.

Key points

- The assessment is designed to help Councils identify deficiencies in their asset management systems and processes that could impact on audit opinion in 2015/16.
- The Office will utilise the information from the assessments to identify those areas of greatest weakness and to determine any capacity building priorities.

Council's Auditor has completed Council's Asset Management Audit Preparedness Assessment and Council is waiting on the outcome of this Assessment. A copy of the Assessment will be provided to the Audit and Risk Committee at their February, 2016 Meeting. That said, this process will not impact Council's reported Infrastructure Backlog amount.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND OPERATIONAL PLAN:

Strategy: S.08 Civil infrastructure is secured, maintained and used to optimum benefit.

Term Achievement: S.08.01 An asset management strategy is in operation for civil infrastructure that optimises its use and maintains it to agreed standards fit for its contemporary purpose.

Operational Objective: S.08.01.01 An Asset Management Strategy for Civil assets is developed, maintained and implemented.

POLICY IMPLICATIONS:

Council has adopted its Fit for the Future Roadmap which provides a strategy for removing the Infrastructure Backlog in the medium term and ensuring the Backlog does not re-occur.

CHIEF FINANCIAL OFFICERS COMMENT:

As shown in Appendix 2 (D15), Council's unfunded Infrastructure Backlog relates entirely to the Rural Sealed Road Network. Council's Fit for the Future Roadmap puts in place a sound strategy to ensure the remaining Backlog is addressed and that the Backlog does not reoccur. This Strategy is dependant, however, on the continuation of Council's Operational Efficiency and Effectiveness Program and the granting of the indicated 14.25% Special Rate Variation by IPART for Road Asset Renewals and Maintenance. As noted in this Business Paper, the 2016/2017 Rate Peg will be only 1.8% which will be less than the increase in Council's Salaries and Wages putting further pressure on Council Services and Infrastructure, and which is also less than the indicative 2.5% Rate Peg increase utilised in most Council's Fit for the Future Roadmaps.

It is interesting to note that while the State Government is focussing strongly on Local Government's Infrastructure Backlog, that a NSW Auditor General's Report advises that the Road Maintenance Backlog for State Roads in NSW grew from \$2.7 billion in 2012/2013 to \$5.3 billion in 2014/2015. These figures do not indicate whether the State Government also has a Road Infrastructure Backlog for Road Asset Renewal works.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

That the information be received and noted.

ITEM NO:	5.	FILE NO: S18.6.36/04
DESTINATION 3:	An environment that is protected and sustained	E
SUBJECT:	PHOTOGRAPHIC ARCHIVAL RECORDING – NEWSTEAD STATION GROUP (LISTING)	
PREPARED BY:	Chris Faley, Development Planner	

SUMMARY:

It is requested that Council consider a confidential report regarding the *Newstead Station Group* of buildings, which are listed as an item of environmental heritage under the *Inverell Local Environmental Plan 2012*.

COMMENTARY:

Local Government Act 1993 (the Act), and the *Local Government (General) Regulation 2005* makes provision for the closure of meetings to the public and media in specified circumstances. In particular s.10A of the Act provides that Council may close to the public and media so much of a meeting as relates to the discussion and consideration of information identified in s.10A(2). The matters which may be closed to the public and media, as stated in the Act, must involve:

- (a) *Personnel matters concerning particular individuals (other than councillors.)*
- (b) *The personal hardship of any resident or ratepayer.*
- (c) *Information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.*
- (d) *Commercial information of a confidential nature that would, if disclosed:*
 - (i) *prejudice the commercial position of the person who supplied it, or*
 - (ii) *confer a commercial advantage on a competitor of the council, or*
 - (iii) *reveal a trade secret.*
- (e) *Information that would, if disclosed, prejudice the maintenance of law.*
- (f) *Matters affecting the security of the council, councillors, council staff or council property.*
- (g) *Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege.*
- (h) *Information concerning the nature and location of a place or an item of Aboriginal significance on community land.*

In considering whether to close a part of a meeting to the public and media, Councillors are also reminded of further provisions of s.10D of the Act which states:

Grounds for closing part of meeting to be specified

- (1) *The grounds on which part of a meeting is closed must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting.*
- (2) *The grounds must specify the following:*
 - (a) *the relevant provision of section 10A (2),*
 - (b) *the matter that is to be discussed during the closed part of the meeting,*
 - (c) *the reasons why the part of the meeting is being closed, including (if the matter concerned is a matter other than a personnel matter concerning particular individuals, the personal hardship of a resident or ratepayer or a trade secret) an explanation of the way in which discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

Having regard for the requirements stated in s.10D of the Act Councillors should note that the matter listed for discussion in Closed Council includes information provided by the applicants which is considered to be sensitive.

The recommendation that this item of business be considered in Closed Committee is specifically relied on section 10A(2)(h) of the Act as consideration of the matter involves:

- a) *Information concerning the nature and location of a place or an item of Aboriginal significance on community land, and*
- b) *On balance, the public interest in preserving the confidentiality of the matter outweighs the public interest in openness and transparency in Council decision-making by discussing the matter in open meeting.*

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.03.01 Industrial and residential estate areas designed constructed and maintained to deliver ecologically sustainable outcomes.

Operational Objective: E.03.01.01 To establish measures and processes to protect the built environment and safety of the residents of the Shire through both direct control and education.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

The likely cost the Photographic Archival Recording would be in the order of \$10,000.

LEGAL IMPLICATIONS:

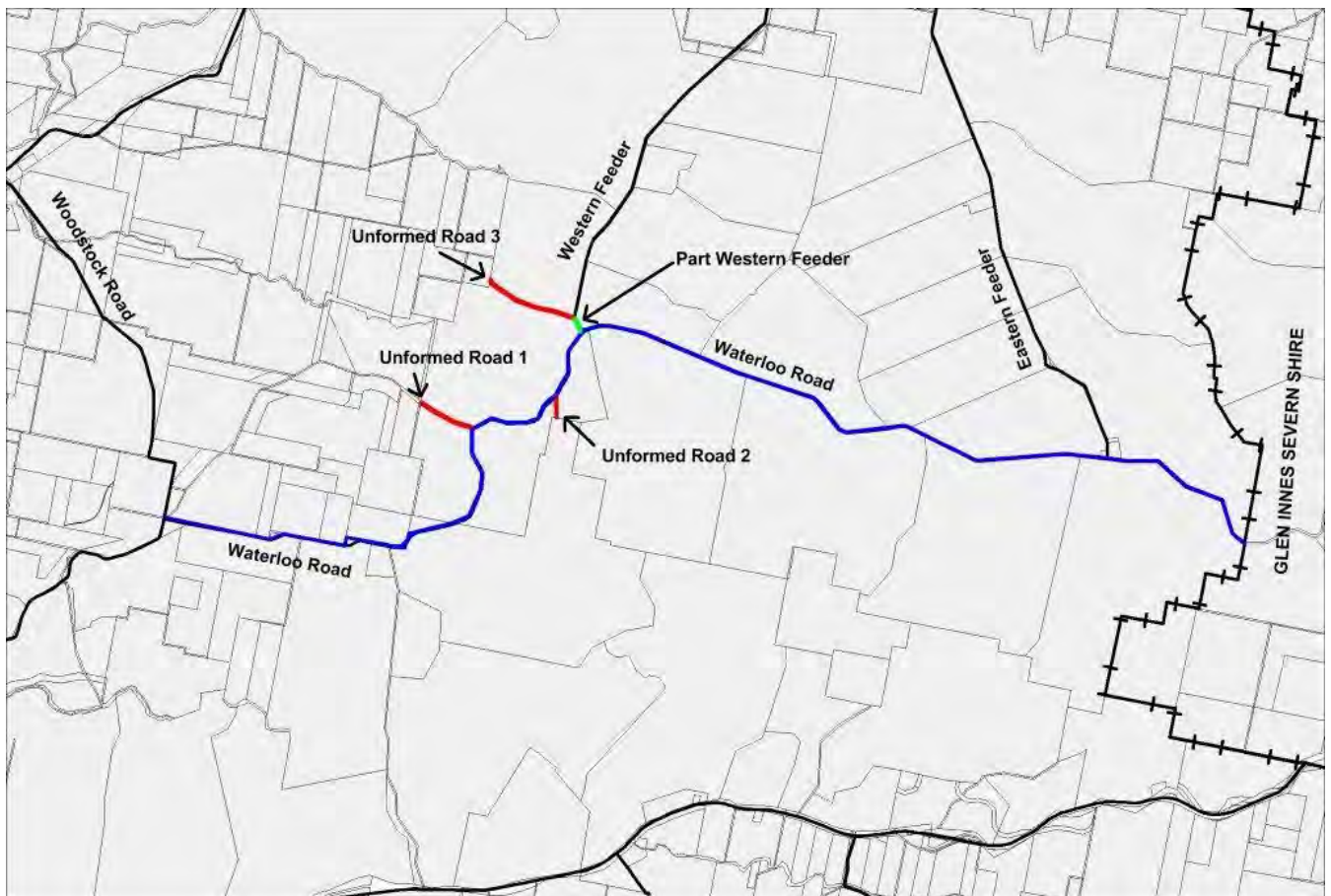
Nil.

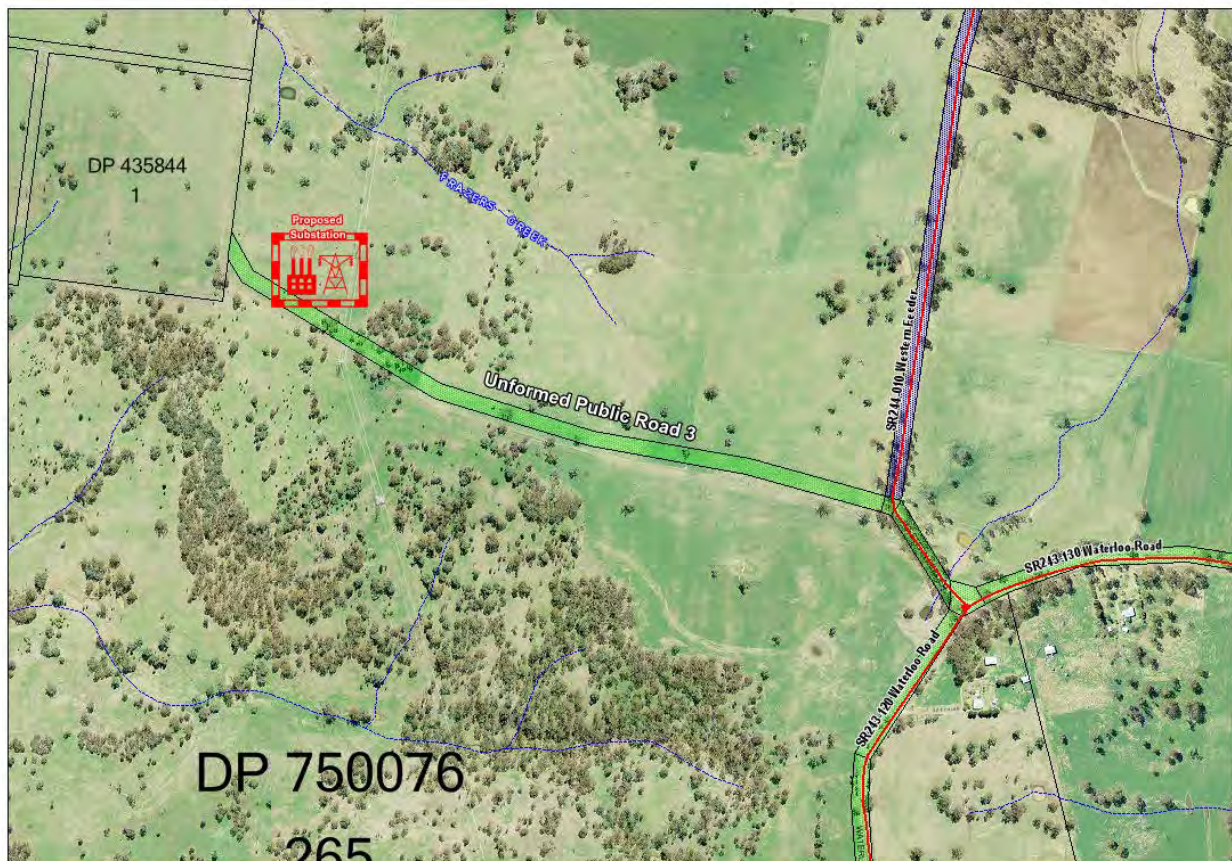
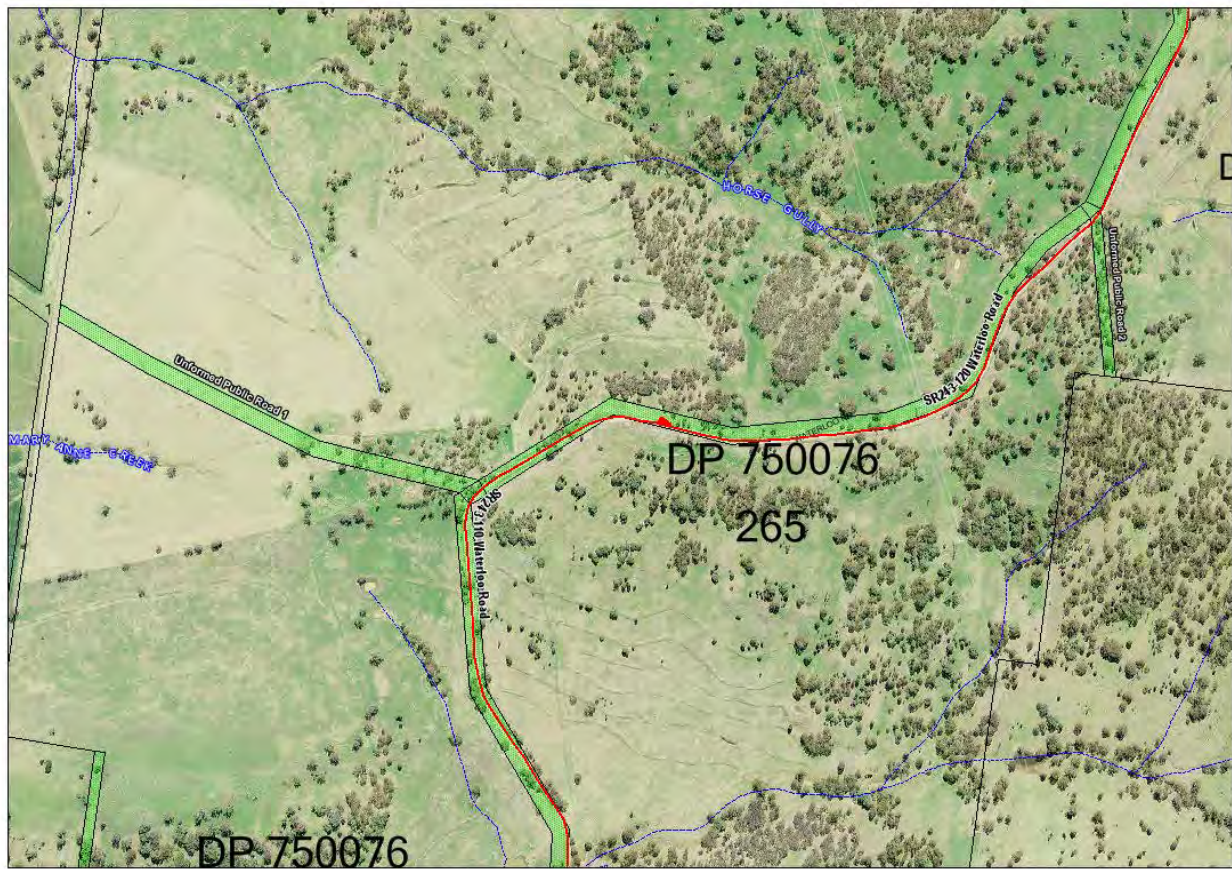
RECOMMENDATION:

That the matter be referred to Closed Council for consideration as:

- i) the matters and information are 'Information concerning the nature and location of a place or an item of Aboriginal significance on community land.' (Section 10A(2)(h) 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.*

APPENDIX 1





APPENDIX 2

SPECIAL SCHEDULE 7 (Unaudited) - SUMMARY (figures taken from published Annual Financial Statements).

Reported Costs (Unaudited) to bring Assets to a "satisfactory standard".

Asset Category	2000/2001 ('000)	2004/2005 ('000)	2008/2009 ('000)	2009/2010 ('000)	2010/2011 ('000)	2011/2012 ('000)	2012/2013 ('000)	2013/2014 ('000)	2014/2015 ('000)
Public Buildings	232	-	-	-	-	-	-	-	-
Other Structures	-	10	-	-	-	-	-	-	-
Bitumen Roads	18,000	7,240	7,240	7,240	67,108	65,906	24,280	20,856	5,097
					(includes estimated cost to bring all roads to HML standard across the Shire).		(Desktop review to remove incorrect HML road upgrade costs from the figures)		(Independent assessment of road assets 2015)
Gravel Roads	5,000	4,100	1,235	1,235	8,317	7,574	6,070	4,891	-
					(includes estimated cost to bring all roads to HML standard across the Shire).		(Desktop review to remove incorrect HML road upgrade costs from the figures)		(Independent assessment of road assets 2015)
Bridges/Causeways	2,600	900	1,050	810	1,330	913	-	-	-
Footpaths/Carparks etc	300	-	-	-	240	-	-	-	-
					(Bitumen Cycleway Swanbrook Road + Delungra Footpath - works now completed)				
Water	1,400	-	748	2,460	3,640	3,066	-	-	-
						(Ashford Water Plant - new Plant completed)			
Sewer	1,500	740	1,957	2,950	3,800	2,950	-	-	-
						(Sewer Pump Station No.2 - completed and Inverell Treatment Plant funded and works in progress)			
Drainage	500	-	-	-	1,350	-	-	-	-
					(Upgrade/Enhancement costs, not an Infrastructure Backlog - Gilgai Drainage Upgrade Project)				
TOTAL COSTS	29,532	12,990	12,230	14,695	85,785	80,409	30,350	25,747	5,097

ASSET CONDITION RATINGS

- The Integrated Planning and Reporting Manual (2013) requires that Councils adopt a consistent approach to the identification of asset conditions. The following condition levels are to be applied universally to all assets, but these have not been prescribed by the State Government. Councils are, however, encouraged to adopt the following five category model. (see page 90 of the Manual)

Level	Condition	Description
1	Excellent	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Average	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required.

- The Integrated Planning and Reporting Manual (2013) clarified for the first time, that the cost to bring an asset to a "satisfactory standard" cannot include any costs of upgrading an asset to a "higher or enhanced" standard. Hence the costs of upgrading Council's road network to Higher Mass Limits Vehicle standards (as disclosed in 2010/2011 and 2011/2012) or safety enhancements etc cannot be included in Special Schedule 7, and were subsequently removed from the unaudited costs in 2013.

- Asset Renewal, that is the action of returning an asset to a "satisfactory standard" as defined by the International Infrastructure Management Manual (IPWEA - Nov 2011) are, "works to upgrade, refurbish or replace existing facilities, with facilities of equivalent capacity or performance". Asset Enhancement, as defined by the Manual, "means to heighten, intensify or improve the facilities.

- Office of Local Government training delivered by Jeff Roorda and Associates in 2014 advised Councils that the cost to "Bring Assets to a Satisfactory Standard"(BTS) is, "the sum of Modern Equivalent Renewal Cost of high residual risk assets not financed in the current or next years budget. This is based on assets due for renewal but not funded. Cost to bring to satisfactory is the most modern equivalent capital treatment to keep the asset in service". The definition is supported by Council's External Auditor.

- The "Infrastructure Backlog" is the funding gap between the cost to bring Assets to "satisfactory standard" and "available funding".

ROAD INFRASTRUCTURE

- The Integrated Planning and Reporting Manual (2013) notes that the conditions for Roads are particularly important when considering the pavement structure and the seal of the road. The manual suggests more specific descriptions of condition levels which are utilised by Council. (see page 91 of the Manual)

Level	Condition	Description
1	Excellent	Normal maintenance
2	Good	Some surface/pavement structure deterioration - patching only needed for repair
3	Average	Serious surface/pavement structure deterioration - requires resurfacing or recycling of pavement structure
4	Poor	Deterioration materially affecting entire surface/ pavement structure - requires renovation within 1 year
5	Very poor	Deterioration is of sufficient extent to render the surface/pavement structure unserviceable.

- Commencing in 2015 the Office of Local Government implemented an Audit Program for Special Schedule 7. The 2015 first stage of this program is an independent assessment of Council's Asset Management Systems. This assessment was conducted in November and Council is currently awaiting the outcome of the assessment. In preparation for the assessment and to enable the completion of the required 30 June, 2015 Road Asset Revaluation (Audited), Council engaged specialist independent contractors to complete a Data Capture and Condition Assessment of Council's Road Infrastructure Asset Class against Rocond90 (Roads and Maritime NSW Road Assessment Manual) and the Australian Road Research Boards National Bridge Assessment Procedure. This information was utilised to complete Council's Special Schedule 7 as at 30 June, 2015 and Council's Fit for the Future Roadmap.

The Cost to bring Council's Road Assets to a "Satisfactory Standard", (not a New or Upgraded/Enhanced Standard) was estimated at \$10.1M as at 30 June, 2015. As the Infrastructure Backlog is that amount of required works that cannot be funded in the current or next years budget (ie the 2015/2016 or 2016/2017 Budgets) this figure was reduced by the \$5.0M special budget allocation provided in 2015/2016 to the Special Road Infrastructure Backlog Asset Renewal Program. This special funding allocation is supplemented by the additional special Roads to Recovery Program grant allocations.

As advised in Council's Fit for the Future Roadmap, the 14.25% Special Rate Variation is required, and is, the only source of funding available to address the remaining Roads Backlog and to provide sufficient funds to prevent the Roads Backlog from re-occurring.

TO ORDINARY MEETING OF COUNCIL 16/12/2015

ITEM NO:	1.	FILE NO: S4.11.5/08	
DESTINATION 1:	A recognised leader in a broader context		R
SUBJECT:	MANAGEMENT TEAM MATTERS		
PREPARED BY:	Hayley Nichols, Corporate Support Officer – Publishing		

SUMMARY:

Matters circulated to Management Team during October, 2015.

INFORMATION:

The following items were circulated to the Management Team during October, 2015:

- i) Policy on Workplace Bullying and Harassment
- ii) Risk Management Committee Meeting Minutes – 24 September 2015
- iii) Workplace Surveillance Policy

ITEM NO:	2.	FILE NO: S4.13.2	
DESTINATION 1:	A recognised leader in a broader context		R
SUBJECT:	STRATEGIC TASKS – ‘SIGN OFF’ – NOVEMBER 2015		
PREPARED BY:	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, 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.

Date	Compliance Requirement	Achieved/Not Achieved	Comments
17 November, 2015	Second instalment of 2015-2016 Financial Assistance Grants.	Achieved	Payment receipted 30 November, 2015.
17 November, 2015	LIRS claim period open for all projects approved for funding.	Achieved	Claims submitted 9 November, 2015.
28 November, 2015	Last day for notice for presentation of audited Financial Reports (s.418(2)).	Achieved	Audited financial statements presented to Ordinary Meeting of Council, October, 2015.
30 November, 2015	Second quarter rates instalment due (s.562).	Achieved	Rates notices issued and second quarter rates installment due 30 November, 2015.
30 November, 2015	Electronic lodgement of Grants Commission General Data Return.	Achieved	Lodged 26 November, 2015.
30 November, 2015	Last day for RAO to submit QBRS review to Council (LGGR cl.203(1)).	Achieved	Presented to Ordinary Meeting of Council October, 2015.
30 November, 2015	Last day for adoption of Policy on payment of expenses and provisions of facilities for Mayors & Councillors for 2015/16 to be adopted (s.252). (Policy to be submitted to the OLG within 28 days of adoption).	Achieved	Adopted at June, 2015 Ordinary Meeting of Council.
30 November, 2015	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.

I confirm that the performance criteria as set out in the criteria for scheduled tasks have been met for the months of November, 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

ITEM NO:	3.	FILE NO: S7.2.4/08
DESTINATION 3:	An environment that is protected and sustained.	E
SUBJECT:	CONSTRUCTION CERTIFICATES APPROVED FOR NOVEMBER 2015	
PREPARED BY:	Nicole Riley, Administration Officer	

SUMMARY:

The following details the Construction Certificates approved by Council for November, 2015.

INFORMATION:

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-103/2015	Mr Nicholas John Kneipp	23 Pindaroi Road, Bukkulla NSW 2360	Alterations & Additions	8,000
CC-111/2015	Mrs Sheriden Hellen Troskie	46 Warana Drive, Inverell NSW 2360	Change of Use – Shed to Dwelling	250,000
CC-113/2015	Mrs Annie Glenys Whitaker	126 Short Street, Inverell NSW 2360	Granny Flat	85,000
CC-114/2015	Mr Paul Gerard Swain	30 Jack Street, Inverell NSW 2360	New Shed	9,000
CC-117/2015	Mr Jason John Lewis	215-217 Byron Street, Inverell NSW 2360	Shade Sails	15,000
CC-119/2015	National Transport Museum	11 Schwenkes Lane, Gilgai NSW 2360	New Sign	1,000
CC-121/2015	Mr Steven John Mann	3762 Bundarra Road, Gilgai NSW 2360	New Shed	4,100
CC-126/2015	Mr Luke Charles Holder	Fernhill Road, Inverell NSW 2360	New Shed	10,000
Monthly estimated value of Approvals: November 2015			8	\$382,100

AMENDED CONSTRUCTION CERTIFICATES

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-66/2015A	Boss Engineering	40 Taylor Avenue, Inverell NSW 2360	Construction of New Industrial Building (Air Seeder & Assembly) Earthworks	90,000
Monthly estimated value of Approvals: November 2015			1	\$90,000

SUMMARY:

The following details the Construction Certificates approved by Private Certifier for November, 2015.

INFORMATION:

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-120/2015	New England North West Planning Services	3 Corella Court, Inverell NSW 2360	New Dwelling	280,000
CC-123/2015	New England Building Consultants	49 Oliver Street, Inverell NSW 2360	Bearing Centre	380,000
CC-124/2015	Sterling Constructions Services (Aust) Pty Ltd	46 Sapphire Street, Inverell NSW 2360	New Duplex	340,000
CC-128/2015	New England North West Planning Services	25 Froude Street, Inverell NSW 2360	Shed	11,000
Monthly estimated value of Approvals: November 2015			4	\$1,011,000

ITEM NO:	4.	FILE NO: S7.2.4/08
DESTINATION 3:	An environment that is protected and sustained.	E
SUBJECT:	COMPLYING DEVELOPMENT CERTIFICATES APPROVED DURING NOVEMBER 2015	
PREPARED BY:	Nicole Riley, Administration Officer	

SUMMARY:

The following details the Complying Development Certificates approved by Council during November, 2015.

INFORMATION:

<u>Complying Development Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CD-55/2015	Mr Peter John Browett and Mrs Sally Anne Browett	19 Bells Lane North, Little Plain NSW 2360	Pool and Gazebo	17,000
CD-56/2015	Leisure Pools Clarence Valley & Tablelands	18 Pearson Road, Inverell NSW 2360	Installation of Pool	37,730
Monthly estimated value of Approvals: November 2015			2	\$54,730

AMENDED COMPLYING DEVELOPMENT CERTIFICATES

Nil.

SUMMARY:

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

INFORMATION:

Nil.

ITEM NO:	5.	FILE NO: S7.2.4/08
DESTINATION 3:	An environment that is protected and sustained.	E
SUBJECT:	SUMMARY OF BUILDING CONSTRUCTION FOR NOVEMBER 2015	
PREPARED BY:	Nicole Riley, Administration Officer	

SUMMARY:

The following report summarises the Building Construction for the Inverell Shire in November, 2015.

INFORMATION:

Total Building Construction for Inverell Shire for November, 2015:

<u>Type of Consent</u>	<u>Number</u>	<u>\$ Amount</u>
Construction Certificates – Council Approved	8	382,100
Construction Certificates – Private Certifier	4	1,011,000
Complying Development – Council Approved	2	54,730
Complying Development – Private Certifier	NIL	NIL
Totals	14	\$1,447,830

Estimated Value of Approvals issued in the financial ytd in:	2015/2016 (72)	\$ 7,340,137
	2014/2015 (78)	\$ 11,482,742

ITEM NO:	6.	FILE NO: S18.10.2/08
DESTINATION 3:	An environment that is protected and sustained	E
SUBJECT:	DEVELOPMENT CONSENTS AND REFUSALS DURING NOVEMBER 2015	
PREPARED BY:	Nicole Riley, Administration Officer	

SUMMARY:

The following details the Development Consents and Refusals during November, 2015.

INFORMATION:

APPROVALS

<u>Development Application Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Development</u>	<u>\$ Amount</u>
DA-116/2015	J I Noad & Co	61 Doncaster Drive, Inverell NSW 2360	One (1) into Two (2) Lot Subdivision	NIL
DA-126/2015	Tenterfield Surveys	2381 Bedwell Downs Road, Yetman NSW 2410	One (1) into Two (2) Lot Subdivision	NIL
DA-149/2015	Mr Nicholas John Kneipp and Mrs Janet Anne Kneipp	23 Pindaroi Road, Bukkulla NSW 2360	Alterations & Additions	8,000
DA- 150/2015	Mr John Buchan	3207 Bundarra Road, Gilgai NSW 2360	New Dwelling	375,000

DA-156/2015	Mrs Sheriden Hellen Troskie	46 Warana Drive, Inverell NSW 2360	Change of Use – Shed to Dwelling	250,000
DA-158/2015	New England North West Planning Services	25 Froude Street, Inverell NSW 2360	Shed	11,000
DA-159/2015	Mr Ross Connell	457 Rifle Range Road, Inverell NSW 2360	Single Dwelling Use Only	NIL
DA-160/2015	Mrs Annie Glenys Whitaker	126 Short Street, Inverell NSW 2360	Granny Flat	85,000
DA-161/2015	Mr Paul Gerard Swain	30 Jack Street, Inverell NSW 2360	New Shed	9,000
DA-163/2015	CKT Developments Pty Ltd	76 Thomas Lane, Gum Flat NSW 2360	New Dwelling	160,000
DA-164/2015	Ms Sally Fox	96 Otho Street, Inverell NSW 2360	First Use – Hairdresser	5,700
DA-165/2015	Tattersalls Hotel	123 Byron Street, Inverell NSW 2360	Storage Shed	100,000
DA-166/2015	Mr David John Traynor	39 Herbert Street, Inverell NSW 2360	Deck & Carport	19,000
DA-167/2015	Mr Jason John Lewis	215-217 Byron Street Inverell NSW 2360	Shade Sails	15,000
DA-168/2015	Mr Matthew Charles Pye	724 Ashford Road, Inverell NSW 2360	Granny Flat	25,000
DA-169/2015	Mr Benjamin David McMahon	17 Coolibah Drive, Inverell NSW 2360	One (1) into Three (3) Lot Subdivision	NIL
DA-172/2015	National Transport Museum	11 Schwenkes Lane, Gilgai NSW 2360	New Sign	1,000
DA-173/2015	Mr Steven John Mann	3762 Bundarra Road, Gilgai NSW 2360	New Shed	4,100
DA-178/2015	Mr Luke Charles Holder	Fernhill Road, Inverell NSW 2360	New Shed	10,000
Monthly estimated value of Approvals: November 2015			19	\$1,077,800

DEVELOPMENT AMENDMENTS

<u>Development Application Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Development</u>	<u>\$ Amount</u>
DA-98/2010/A	Mr Peter Leslie Taylor and Mrs Robyn Maree Taylor	11 Jack Street, Inverell NSW 2360	Boundary Adjustment	NIL
DA-107/2012/A	Inverell Community Garden	Corner of Byron Street and Swanbrook Road, Inverell NSW 2360	Community Garden – Playground & Chook Shed	NIL
DA-92/2015A	Boss Engineering	40 Taylor Avenue, Inverell NSW 2360	Construction of Awnings and Amenities	90,000

REFUSALS

Nil.

ITEM NO:	7.	FILE NO: S29.19.1
DESTINATION 3:	An environment that is protected and sustained	E
SUBJECT:	SEPTIC TANK APPROVALS FOR NOVEMBER 2015	
PREPARED BY:	Nicole Riley, Administration Officer	

SUMMARY:

The following details the Septic Tank approvals for November, 2015.

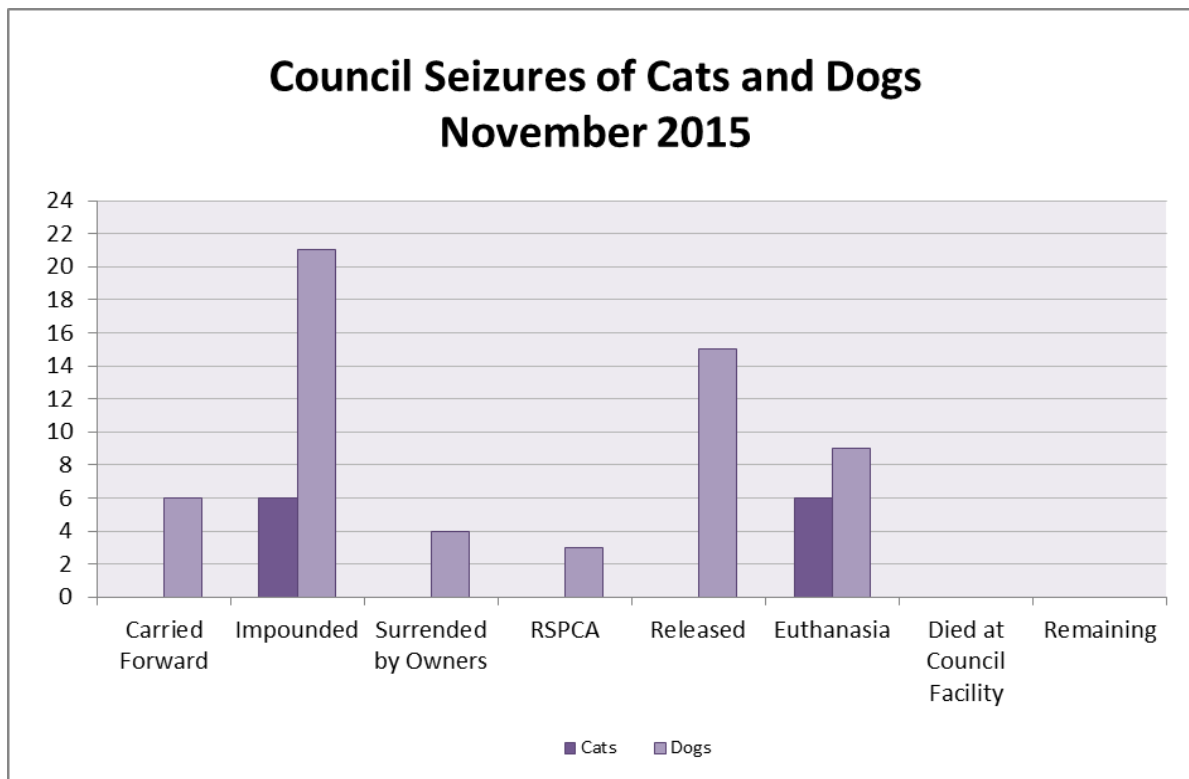
INFORMATION:

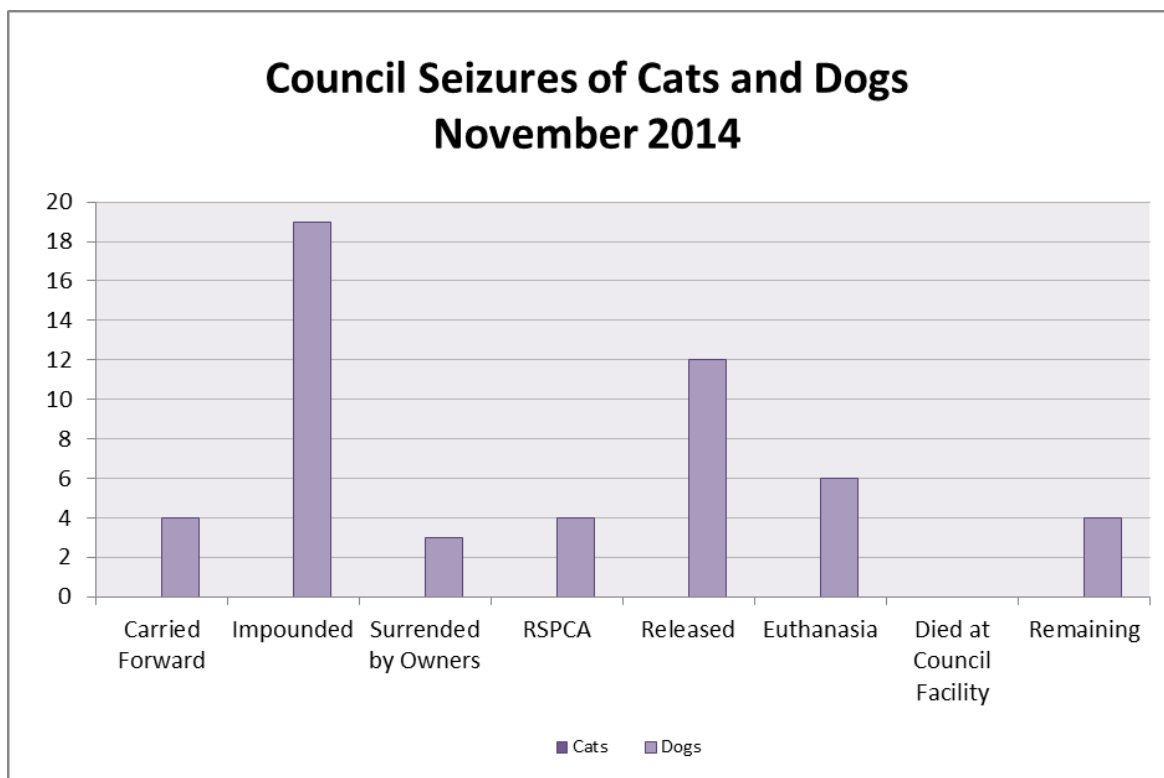
<u>Application Number</u>	<u>Applicant</u>	<u>Property</u>
S-34/2015	CKT Developments Pty Ltd	76 Thomas Lane, Gum Flat NSW 2360

ITEM NO:	8.	FILE NO: S18.10.1
DESTINATION 3:	An environment that is protected and sustained	E
SUBJECT:	ORDINANCE ACTIVITIES REPORT FOR NOVEMBER 2015	
PREPARED BY:	Nicole Riley, Administration Officer	

SUMMARY:

The following details the number of various Ordinance activities carried out during November, 2015 in comparison to the same month in 2014.

INFORMATION:**COMPLIANCE****Inverell Shire Council Pound Monthly Report November 2015**



ITEM NO:	9.	FILE NO: S28.21.1/08
DESTINATION 5:	The communities are served by sustainable services and infrastructure.	S
SUBJECT:	WORKS UPDATE	
PREPARED BY:	Scott Hamilton, Project Engineer	

SUMMARY:

This report is intended to keep Council updated on the capital works and maintenance programs.

COMMENTARY:**Cameron Park Upgrade**

Construction works are continuing on the cricket nets and playground areas. Fencing on the Medora Street boundary and the Equestrian Centre boundary is programmed to be completed by the end of December, 2015. Construction on the canteen and amenities building has commenced with the earthworks and concrete work currently being undertaken. Building works will progress into 2016 with completion planned for early February, 2016. Parks and Gardens staff are in the process of completing a tree planting plan for the park, once the plan is finalised extensive tree planting will be undertaken to provide shade and visual amenity.

HW12 Gwydir Highway Rehabilitation & Widening

Construction works have commenced on two (2) kilometre rehabilitation and widening project along the Gwydir Highway, 24 kilometres west of Inverell. Practical completion of the first stage, a 690 metre section on the western end of the project site has been reached. A bitumen seal for this stage is programmed for early December, 2015. Crews will break for the Christmas period with subsequent works re-commencing early January, 2016. Project completion is planned for mid February, 2016.

2015 Bitumen Resealing Program

The 2015 bitumen resealing program was completed on 20 November, 2015. Works were completed on schedule even though four (4) days were lost due to wet weather. Bruxner Way had 51 kilometres of bitumen resealing carried out under this program. Line marking on all reseal segments have been completed with an additional 50 kilometres of line marking completed on the Bruxner Way in conjunction with this program.

HW12 Asphalt Resurfacing Program

Asphalt resurfacing works were undertaken on the main bridge over the Macintyre River and along Otho Street between Evans Street and Byron Street. The works commenced on Sunday 30 November, 2015 and were completed on Thursday, 3 December, 2015. Wet weather affected completion of the work on Tuesday night, however milling of the Evans Street intersection proceeded with asphalt laying being postponed until the following night.

Fulton Hogan were contracted to carry out the resurfacing works which involved milling off 40mm of the old asphalt and replacing with new asphalt. The works were completed between the hours of 7pm and 4am to minimise disruption to business owners along Otho Street. The parking lanes will be rejuvenated at a later date to enhance visual amenity

Fulton Hogan has completed asphalt resurfacing works along Warialda Road and Byron Street for Council in the past and their quality of workmanship has exceeded expectations. Fulton Hogan is contracted on a regular basis for other Roads and Maritime Services (RMS) work and form part of the RMS panel contract for asphalt services.

Council also took this opportunity to carry out repair work on the shared crossing adjacent to Subway in Byron Street. This crossing sustained damage over a number of years with the existing interlock paving being replaced with a new asphalt surface.

Maintenance Grading

Maintenance grading works were undertaken on the following roads during November, 2015:

SR 24	Mt Hallam Road	11.0km
SR 28	Goat Rock Road	4.0km
SR 33	Limestone Road	23.9km
SR 34	Sandy Creek Road	6.8km
SR 44	Pindaroi Road	16.8km
SR 59	Graman Road	24.3km
SR 60	Nullamanna Road	40.2km
SR 63	Beaumont Road	2.8km
SR 64	Voss Road	2.4km
SR 71	Hoskins Road	2.9km
SR 91	Gunyan Road	4.0km
SR 137	Macintyre Station Lane	0.9km
SR 218	Old Stannifer Road	3.3km
SR 225	Arrawatta Road	11.5km
SR 226	McInerneys Lane	2.4km

Total 157.2km

Gravel Resheeting Program

Gravel resheeting works were undertaken on the following roads during November, 2015:

SR 65 Tucka Tucka Road	11.5km
SR 194 Glenwood Road	1.2km
SR 196 Onus Road	2.3km
SR 198 Gowrie Road	1.1km
SR 283 Staggy Creek Road	0.5km
Total	16.6km

Gravel Patching

Gravel patching works were undertaken on the following roads during November, 2015:

SR 130 Waddells Lane
SR 215 Schwenkes Lane
SR 232 Poolbrook Road

Other Maintenance Activities

Council's State, Regional and Local Roads, Urban and Village Street maintenance activities, such as bitumen, drainage and shoulder repairs as well as vegetation control are continuing as required. Town maintenance will continue as programmed.

ITEM NO:	10.	FILE NO: S18.6.11
DESTINATION 3:	An environment that is protected and sustained	E
SUBJECT:	VIEW SHARING AND RIGHTS TO A VIEW	
PREPARED BY:	Chris Faley, Development Planner	

SUMMARY:

The purpose of this report is to provide information to Councillors regarding an article published by Lindsay Taylor Lawyers in relation to view sharing and rights to a view.

COMMENTARY:

Lindsay Taylor Lawyers (LTL) is a specialist New South Wales planning, environment and local government law firm. LTL recently published articles relating to recent Land and Environment Court Decisions and other matters relevant to Council operations.

On 19 November, 2015, LTL published an article relating to view sharing and rights to a view. This article has particular relevance to Council following the determination of a recent development and the matters that were considered in the assessment of that development. A copy of the article by LTL is included as Appendix 1 (E14 – E15) for Councillor's information.

ITEM NO:	11.	FILE NO: S25.11.3
DESTINATION 1:	A recognised leader in a broader context	R
SUBJECT:	RATE CAP - 2016/2017 FINANCIAL YEAR	
PREPARED BY:	Paul Henry, General Manager	

SUMMARY:

IPART has released its determination of the 2016/2017 rate cap. This information is being provided for the information of Council.

COMMENTARY:

IPART has now released its determination of the 2016/2017 rate cap. Councils will be permitted to increase the 2015/2016 General Fund rate income by 1.8% in the following financial year.

The determination noted the 2.4% increase in employee award increases, a 5.1% increase in other business service costs and a 3.6% increase in plant and equipment costs. IPART gave particular importance to the drop in fuel prices and electricity costs over the assessment period.

The LGNSW has criticised the determination; citing the inadequate rate cap being exacerbated by the FAGS freeze and continued cost shifting onto Local Government by the State Government.

The determination process could be questioned as to how much influence the 'Fit for the Future' program had on the outcome. It is clear that the task for all Councils, but particularly those Councils that were declared 'not fit', during 2016/2017 has been made more problematical.

RECOMMENDATION:

That the items contained in the Information Reports to the Ordinary Meeting of Council held on Wednesday, 16 December, 2015, be received and noted.

APPENDIX 1

View Sharing and Rights to Views | in focus

Page 1 of 3

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View Sharing and Rights to Views

Posted on November 18, 2015 by Alex Kelly

The Courts have acknowledged that views from a person's home can have considerable value. However, that does not mean that a person has the power to protect and maintain their view as a legal, proprietary right.

Planning Principles re View Sharing

The Land & Environment Court has a well established planning principle in respect of the assessment of impacts of development on views which was set out in *Tenacity Consulting v Warringah Council* (2004) NSWLEC 140 ("*Tenacity*"). Also many councils have provisions in their local environmental plans aimed at allowing for reasonable sharing of views.

In my experience, some home owners have formed the mistaken opinion that they have a proprietary right to a view as a result of the decision in *Tenacity*.

A 'planning principle' is not binding law. It is described by the Court as a statement of a desirable outcome from a chain of reasoning aimed at reaching a planning decision, or a list of appropriate matters to be considered in making a planning decision. Although a planning principle is not binding on a decision maker, the Court will try to apply the principle consistently in appeals before it, unless it is inconsistent with the council's applicable controls. If a planning principle is observed by the Council when assessing a development, the planning decision is more likely to be sound in the eyes of the Court.

In other words, if an application is made to a council for development which has the potential to impact on neighbouring views, then it is desirable that the council assess the impact on views in accordance with the 4 step process set out in *Tenacity*, including determining whether the impact is negligible, minor, moderate, severe or devastating.

However, *Tenacity* does not provide that anyone has a proprietary right to retain all or part of the views enjoyed (or capable of enjoyment) from their land. The Court specifically acknowledges that entire loss of a view in some cases (although a devastating impact) could be reasonable in the circumstances). Also the case is merely concerned with the planning decision, and does not deal with whether a landowner can enforce any right to a view against another landowner.

No ownership of a View

That issue was dealt with by the High Court in *Victoria Park Racing & Recreation Grounds Co Ltd v Taylor* [1937] HCA 45, which remains good law today. The High Court held that a property owner does not own the views (spectacles) from his or her land. Justice Dixon stated: "*I find difficulty in attaching any precise meaning to the phrase 'property in a spectacle'. A "spectacle" cannot be "owned" in any ordinary sense of that word.*"

This position has been reinforced in several subsequent decisions of the Court and, as a legal principle, remains relatively unchanged. In *Robson v Leischke* [2008] NSWLEC 152, His Honour, Preston CJ, summarised the limited powers available to an aggrieved land owner when, at paragraph [86] of his judgment, he stated:

*...a defendant may erect a building or other structure such as a fence, or plant a tree on his or her land which interferes with the neighbour's enjoyment of their land. The building, structure or tree may...**spoil the neighbour's view** ...yet such interferences are not **actionable as a nuisance**.*

Proceedings by an Aggrieved Neighbour

It is not open to a neighbour to commence proceedings to challenge the merits of a decision by a Council to approve a development that causes "unacceptable" loss of views.

An aggrieved landowner may make submissions to the Council with respect to the anticipated view loss. However, the weight afforded to a submission must be balanced against many other considerations relevant to the assessment process pursuant to section 79C of the *Environmental Planning and Assessment Act 1979*. Accordingly, there is no guarantee that the submission will influence the outcome.

If the decision has already been made to approve the development, the only legal avenue available to an affected landowner is to commence civil proceedings against the council. However such a challenge would have to point to some error of law in coming to the decision such as a question as to the council's jurisdiction to make the decision, or failure to take into account mandatory, relevant considerations. It is no sufficient to argue that the decision is bad, or even wrong.

Even if the neighbour were successful in overturning the decision of the council based on an error of law, the council may subsequently reassess the development application and issue a similarly devastating approval.

If a council considers that view loss is significant enough to refuse consent to a development and has refused consent, the applicant can appeal to the Land and Environment Court. As part of those proceedings, objectors can have their voice heard in support of council's refusal. However, an objectors' rights in such proceedings are limited: see Megan Hawley's previous blog on Managing Resident Expectations in Planning Appeals [here](#).

Conclusion

Property owners have no right to a view; the law is clear on this point and has been since 1937. *Tenacity* did nothing to affect this position, although it does provide guidance to decision makers in respect of the proper assessment of impacts on views.

Homebuyers should be careful when purchasing a property the value of which is largely contingent on the retention of a view, particularly when that view has the potential to be blocked by a subsequent development.

Even a devastating impact on view loss may not be enough to cause a Council to refuse a development application. The decision is entirely up to Council and an aggrieved neighbour may not have a great deal of success in challenging any such decision.

The planning principle in *Tenacity* can be read [here](#) from paragraph 23 onwards.



About alex kelly

Alex has been practicing in the field of Environmental Planning Law since his admission to practice in 2011. Since that time, he has acted for both public and private sector clients throughout the South Coast, Highlands and South Eastern Region including as the in-house solicitor for a major local coastal council. Alex's experience includes advising Councils on various areas of law including development, compliance, environmental crime, leasing and licensing of public land, contractual disputes, tendering guidelines, probity and drafting. He often appears in the Land and Environment Court of NSW and the Local Court.

[View all posts by alex kelly →](#)

TO ORDINARY MEETING OF COUNCIL 16/12/2015

ITEM NO:	1.	FILE NO: S12.12.2/08
DESTINATION 5:	The communities are served by sustainable services and infrastructure	S
SUBJECT:	GOVERNANCE - MONTHLY INVESTMENT REPORT	
PREPARED BY:	Paul Pay, Manager Financial Services	

SUMMARY:

To report the balance of investments held as at 30 November, 2015.

COMMENTARY:

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 30 November, 2015 and an update of the investment environment:

- (a) Council's Investments as at 30 November, 2015.
- (b) Council's Investments by Fund as at 30 November, 2015.
- (c) Interest – Budgeted vs Actual.
- (d) Investment Portfolio Performance.
- (e) Investment Commentary.
- (f) Certification – Responsible Accounting Officer.

A) Council Investments as at 30 November, 2015.

Term Deposit Investment Group											
<i>Investment No.</i>	<i>Borrower</i>	<i>Account No.</i>	<i>FUND</i>	<i>Rating</i>	<i>Risk Rating</i>	<i>Purchase Date</i>	<i>Maturity Date</i>	<i>Current Yield</i>	<i>Principal Value</i>	<i>Current value</i>	<i>Term (days)</i>
16/07	St George Bank	0354191684	General	A1+	1	02-Sep-15	02-Dec-15	2.60%	1,000,000	1,000,000	91
15/20	CBA	255650139682	Sewer	A1+	1	11-Dec-14	11-Dec-15	3.55%	1,500,000	1,500,000	365
15/35	National Australia Bank	84-516-3709	General	A1+	1	17-Jun-15	14-Dec-15	3.00%	2,000,000	2,000,000	180
15/33	National Australia Bank	94-191-1076	General	A1+	1	01-Jun-15	04-Jan-16	3.00%	2,000,000	2,000,000	217
15/34	National Australia Bank	13-782-7359	General	A1+	1	10-Jun-15	11-Jan-16	3.00%	1,000,000	1,000,000	215
15/37	St George Bank	354564217	General	A1+	1	22-Jun-15	22-Jan-16	3.05%	2,000,000	2,000,000	214
15/36	Suncorp	4010002104	General	A1+	1	22-Jun-15	18-Jan-16	3.00%	1,000,000	1,000,000	210
15/32	CBA	255650138612	General	A1+	1	28-May-15	28-Jan-16	3.05%	1,000,000	1,000,000	245
16/01	National Australia Bank	94-943-0648	Water	A1+	1	13-Aug-15	09-Feb-16	2.90%	1,000,000	1,000,000	180
16/05	IMB	43637	General	A2	2	28-Aug-15	01-Mar-16	2.80%	1,000,000	1,000,000	186
16/03	AMP BANK	TD676788581-353235	General	A1	2	28-Aug-15	01-Mar-16	2.90%	2,000,000	2,000,000	186
16/06	Suncorp	4180726	General	A1+	1	28-Aug-15	01-Mar-16	2.80%	1,000,000	1,000,000	186
16/08	AMP BANK	TD016305328-354197	General	A1	2	04-Sep-15	01-Mar-16	2.90%	1,000,000	1,000,000	179
16/09	AMP BANK	TD000404707-354196	Water	A1	2	04-Sep-15	01-Mar-16	2.90%	1,000,000	1,000,000	179
16/12	National Australia Bank	73-096-3984	Sewer	A1+	1	17-Sep-15	17-Mar-19	3.00%	2,000,000	2,000,000	180
16/16	Bank West	4406033	Sewer	A1+	1	28-Oct-15	23-Mar-16	2.85%	2,000,000	2,000,000	147
15/38	National Australia Bank	16-437-5597	Water	A1+	1	22-Jun-15	23-Mar-16	3.05%	1,000,000	1,000,000	274
16/13	St George Bank	353307121	General	A1+	1	08-Oct-15	08-Apr-16	2.86%	2,000,000	2,000,000	183
16/01	National Australia Bank	39-818-0450	General	A1+	1	15-Jul-15	11-Apr-16	2.95%	2,000,000	2,000,000	271
16/14	National Australia Bank	11-976-1659	General	A1+	1	15-Oct-15	11-Apr-16	2.95%	1,000,000	1,000,000	179
16/15	St George Bank	352507702	General	A1+	1	16-Oct-15	16-Apr-16	2.80%	1,000,000	1,000,000	183
16/17	Suncorp	4181377	General	A1+	1	28-Oct-15	28-Apr-16	2.90%	2,000,000	2,000,000	183
16/18	Bank West	4386793	General	A1+	1	26-Nov-15	28-Apr-16	3.00%	2,000,000	2,000,000	90
16/10	CBA	06255650139260	General	A1+	1	16-Sep-15	16-May-16	2.70%	1,000,000	1,000,000	243
16/11	National Australia Bank	94-942-1426	General	A1+	1	16-Sep-15	15-Sep-16	2.80%	1,000,000	1,000,000	365
15/19	CBA	255650139690	General	A1+	1	11-Dec-14	11-Dec-16	3.80%	1,000,000	1,000,000	732
14/22	Westpac	032-555 23-2282	General	A1+	1	17-Dec-13	16-Dec-16	4.31%	2,000,000	2,000,000	1095
15/01	CBA	255650139789	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/02	CBA	255650140915	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/03	CBA	255650140923	General	A1+	1	15-Jul-14	15-Jul-17	4.05%	1,000,000	1,000,000	1095
15/09	CBA	255650141168	General	A1+	1	01-Sep-14	01-Sep-17	3.90%	1,000,000	1,000,000	1096
15/10	Bank of Queensland	11307	General	A1	2	02-Sep-14	03-Sep-18	4.10%	1,000,000	1,000,000	1462
Sub Total - Term Deposit Investment Group									TOTALS	43,500,000	43,500,000

Cash Deposits Accounts Investment Group											
As at Date	Borrower	Account No.	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	
30/11/15	National Australia Bank (Cash Maximiser)	83-038-3012	General	A1+	1			2.50%	1,000,000	1,000,000	
30/11/15	UBS Cash Management Account	450193	General	A1+	1			2.25%	1,043,367	1,043,367	
Sub Total - Cash Deposits Accounts Investment Group									2,043,367	2,043,367	
Floating Rate Notes Investment Group											
As at Date	Borrower	Account No.	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Current value	
Sub Total - Floating Rate Notes Investment Group									-	-	
Structured Products Investment Group											
As at Date	Borrower	Account No.	FUND	Rating	Risk Rating	Purchase Date	Maturity Date	Current Yield	Principal Value	Written Down Value 30-6-15	Current value
31/10/15	Lehman Brothers Treasury Co B.V (CPPI-745)	7457	Water	DD	5		9/5/2010*	0.00%	300,000	18,000	18,000
Sub Total - Structured Products Investment Group									300,000	18,000	18,000

The written down value of the Structured Product Investment Group as at 30 June, 2015 was \$18,000, now holding at \$18,000. As previously advised, the write down in the value of Structured Products has been funded from previous years above benchmark investment returns (\$6.8M) which had been held in Internal Restricted Assets. These investments were all rated AA- and up to AAA (strong investment grade) when they were entered into and were permissible under the Ministers Investment Order. As noted by the Auditor in their 2013/2014 Audit Report, the Sewer Fund maintains a sound financial position to meet its operational requirements and the Water Fund maintains a strong financial position.

B) Council Investments by Fund 30 November, 2015

Portfolio by Fund	as at 31-10-2015	30/11/2015
General Fund	37,043,367	37,043,367
Water Fund	3,018,000	3,018,000
Sewer Fund	5,500,000	5,500,000
TOTAL	\$45,561,367.27	\$45,561,367.27

Council's investment portfolio has been steady during November, 2015. This was in respect of normal cash flow movements for receipts collected and payments made during November, 2015.

While the level of investments has been largely maintained over recent years, these will decrease during 2015/2016 as a number of major projects are completed. These include:

- Ashford Water Treatment Plant \$ 1.0 M
- Inverell Sewerage Treatment Works \$ 3.0 M
- Infrastructure Backlog Program \$4.01M

In addition to these amounts, Council also holds substantial unexpended Grant Funds in the General Fund which can only be utilised for the purpose for which they were granted.

C) Interest – Budgeted verses Actual Result to Date

Ledger		2015/2016 Budget	Actuals to Date
General Fund	128820	938,800.00	276,684.65
Water Fund	812350	50,000.00	19,788.76
Sewer Fund	906320	70,000.00	35,352.94
TOTAL		\$ 1,058,800.00	\$ 331,826.35

The interest received to date (cash basis) is in accordance with Budget and does not include accruals. It is again expected that Council's Investment Portfolio will achieve benchmark returns in 2015/2016.

D) Investment Portfolio Performance

Investment Portfolio Return		Benchmarks	
	% pa	Aus Bond Bank Bill	11am Cash Rate
Benchmark as at 30-11-15		2.37%	2.00%
Term Deposits	3.17%		
Cash Deposit Accounts	2.38%		
Floating Rate Notes			
Structured Products*	0.00%		

*Structured Products exclude 1 CDO's currently in default and returning zero coupon

E) Investment Commentary

Council's investment portfolio returns exceeded the 11am Cash Rate benchmark in all investment categories except for Structured Products and Term Deposits exceed the UBSA Bank Bill Index benchmark. Money is held in cash deposits accounts for liquidity purposes.

Council's investment portfolio of \$45.5M is almost entirely invested in fixed term deposits. Overall, the portfolio is highly liquid, highly rated and short-dated from a counterparty perspective.

The RBA kept interest rates unchanged at 2.00% in its meeting in December. The unemployment rate fell to 5.9% in October (from 6.2% the previous month) despite the participation rate rising from 64.9% to 65.0%. This has boosted consumer sentiment ahead of the holiday period, and takes some pressure off the RBA to cut rates again. Unemployment has been declining for a year in trend terms, and job numbers appear to have accelerated.

The RBA commentary on the December decision suggested that the cut under consideration was derailed by positive data – “prospects for an improvement in economic conditions had firmed a little over recent months and that leaving the cash rate unchanged was appropriate.” They also noted that lower inflation provides scope to cut again if needed – an easing bias language.

Having previously fully factored in a 25bp rate cut by early 2016, money markets are now pricing in a small chance of another cut by mid next year, although it has been fluctuating with updated news flows.

Council staff will continue to monitor interest movements to ensure the best possible returns on investments.

F) Certification – Responsible Accounting Officer

I Ken Beddie, hereby certify that the investments listed in this report have been made in accordance with Section 625 of the *Local Government Act 1993*, Clause 212 of the Local Government (General) Regulations 2005 and Council's Investment Policy.

RELATIONSHIP TO STRATEGIC PLAN, DELIVERY PLAN AND MANAGEMENT PLAN:

Strategy: S.01 Sound Local Government Administration, Governance and Financial Management are provided.

Term Achievement: S.01.02 A sound long term financial position is maintained.

Operational Objective: S.01.02.01 To manage Council Finances with the view to ensuring Council's ongoing financial health and stability, the discharge of statutory and fiduciary responsibilities, proper accounting systems and standards and an efficient and equitable revenue base.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

It is noted that the volatility for current financial markets and pending legal actions will not impact on Council's Rates and Charges, its ability to deliver its existing Services across the funds, or its medium or long term sustainability. Council's overall Investment Portfolio remains sounds.

LEGAL IMPLICATIONS:

Nil.

RECOMMENDATION:

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.*