



BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 22 May 2019
4pm

at

Guyra Council Chambers

Members

Councillor Simon Murray (Mayor)
Councillor Dorothy Robinson (Deputy Mayor)
Councillor Peter Bailey
Councillor Jon Galletly
Councillor Diane Gray
Councillor Libby Martin
Councillor Andrew Murat
Councillor Debra O'Brien
Councillor Margaret O'Connor
Councillor Ian Tiley
Councillor Bradley Widders

AGENDA

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19.1 FOR DECISION: Guyra Kerbside collection contract

As this report deals with commercial information of a confidential nature that would, if disclosed, confer a commercial advantage on a competitor of the Council (Section 10A (2)(d)(ii) of the Local Government Act 1993). Council closes this meeting in accordance with Council's Code of Meeting Practice, as consideration of this matter in open Council would be contrary to the public interest.

20 Close of Ordinary Meeting

Item:	9.1	Ref: AINT/2019/09393
Title:	FOR DECISION: Code of Meeting Practice - Submissions Received	Container: ARC16/0620
Author:	Nathalie Heaton, Service Leader Governance, Risk and Corporate Planning	
Attachments:	1. Draft ARC Code of Meeting Practice 2. Submissions received in relation to including the Civic Prayer in the Code of Meeting Practice	

RECOMMENDATION:

- (a) That the submissions on the Code of Meeting Practice be noted; and**
- (b) That the Code of Meeting Practice be adopted.**

Background:

A report was provided at the Ordinary Council meeting held on 27 March 2019. A representative from Lindsay Taylor Lawyers was present to provide guidance in relation to the Code. Council resolved to place the draft Code of Meeting Practice on public exhibition, seeking submissions from the public.

30 submissions were received by the end of exhibition period at 5.00pm on 15 May 2019. The submissions related to the Civic Prayer, as opposed to a Civic Affirmation. The submissions are included within the attachments.

The submissions received are in some cases templated. Where addresses were indicated, the addresses were based in Armidale and Guyra (14 submissions listed Armidale and 1 Guyra address) and as such are not a representation of the whole region; it should also be noted that percentage of submissions across the region is 0.1%.

Although it is recognised that Australian parliaments are opened with a Christian prayer and the preamble to the Australian Constitution refers to 'a humble reliance on the blessing of Almighty God', Section 116 of the Commonwealth Constitution nonetheless states the following:
The Commonwealth shall not make any law for establishing any religion, or for imposing any religious observance, or for prohibiting the free exercise of any religion, and no religious test shall be required as a qualification for any office or public trust under the Commonwealth.

This is interpreted as establishing the separation between Church and State. It also indicates that Australia does not have one established church.

Australia has had a separation between Church and State since Federation. There are a number of religions other than Christian faiths within the Local Government Area. Further the spiritual traditions of the Aboriginal people are part of the local plurality of religions.

An affirmation is a solemn declaration, similar to a prayer without the religious implications. Removing the prayer is in step with embracing religious diversity, encompassing a range of beliefs.

Quoting from Council's Community Strategic Plan:

"While there are many common features and pastimes which people enjoy, there are also many differing needs and priorities across a variety of demographics and segments of the community.

It is essential that all people, wherever they live, have access to services, events and activities which enable them to feel included, to do what they love and to participate in cultural, sporting and social activities. It is through these interactions that we are able to maintain a strong sense of community, and a culture where we help and support one another."

Armidale prides itself on being an inclusive community, with a larger percentage of overseas arrivals; 31% of residents born overseas arriving between 2006-2011, compared to 14.3% in regional NSW.

Acceptance of all beliefs demonstrates tolerance and supports unity; an affirmation is an inclusive statement. Local Government is central to the community and plays a critical role of leadership and fostering inclusion.

Key Issues and Risks

The new code has been designed to achieve a range of outcomes, namely:

- promoting, as the principal object of meetings, the making of decisions by the governing bodies of councils that are in the best interests of the council and the community as a whole;
- promoting more accessible, orderly, effective and efficient meetings and to provide councils with the tools to achieve these outcomes;
- prescribing principles to inform the way in which meetings are conducted and to prescribe meeting rules that are consistent with these principles;
- codifying areas of common practice across councils in a way that is clear, efficient, leads to better informed and more effective decision making and that is consistent with the requirements of the Act;
- promoting greater consistency between councils across the State in key areas of meetings practice without losing the ability to allow some variation in practice to meet local needs or expectations;
- allowing greater flexibility in the conduct of meetings to accommodate a range of potential scenarios that are not addressed by the current meeting rules;
- simplifying the language currently used to make the prescribed meeting rules more accessible and easier to understand; and
- modernising the rules to accommodate current and emerging technologies (e.g. electronic notice, electronic voting systems and webcasting).

Integrated Planning and Reporting Framework

Community Strategic Plan 2017-2027: Leadership for the Region

L3 – Council demonstrates sound organisational health and has a culture which promotes action, accountability and transparency.

Delivery Program 2018-2021

L3.4 – Ensure the organisation is well led and managed through implementation of the Good Governance Framework.

Operational Plan 2018-2019

L3.4.1 – Provide governance services to the organisation to ensure we are meeting our legislative requirements.

Stakeholder Engagement

Before adopting the new model code of meeting practice, councils are required to publicly exhibit the draft code for at least 28 days and provide members of the community at least 42 days in which to comment on the draft code.

Financial Implications

There are no extraneous financial implications to consider.

Next Steps

Circulate the Code of Meeting Practice to Chairs of Committees.

Item: 9.2 **Ref:** AINT/2019/10580
Title: FOR DECISION: 2018/19 Third Quarter Budget Review **Container:**
ARC18/2703
Author: Kelly Stidworthy, Service Leader - Finance
Attachments: 1. 2018/19 Third Quarter Budget Review

RECOMMENDATION:

- a) That Council note the 2018/19 Third Quarter Budget Review.
- b) That Council resolve to amend the 2018/19 budget in accordance with the Quarterly Budget Review Statement for the period 1 January 2019 to 31 March 2019 tabled at the attachment.

Background:

Section 203(1) of the *Local Government (General) Regulation 2005* requires Council's responsible accounting officer to prepare and submit a quarterly budget review statement within 2 months of the end of each quarter.

The original 2018/19 forecast operating result was a deficit of \$3.8m. Council's revised operating result is a surplus of \$250k on a consolidated basis.

Unrestricted cash at 30 June 2019 is forecast to be \$5.9m. The unrestricted cash position is critical to ensure that Council has a buffer against financial risk and unexpected events such as natural disasters.

Work is also continuing on a range of projects within Council to improve Council's financial position and increase funding available for unrestricted cash, internal cash reserves and capital projects. These include projects such as the land divestment strategy. As these projects produce further yields these returns will be recognised in subsequent budget reviews.

The Quarterly Budget Review Statement for the period 1 January 2019 to 31 March 2019 tabled in the attachment contains the revised 2018/19 budget as outlined above.

Key Issues and Risks

Risks remain in relation to unexpected events and over expenditure on projects. While these are carefully managed, Council is delivering a range of projects and there is always a risk that project overruns and scope creep will occur.

Integrated Planning and Reporting Framework

Community Strategic Plan – Leadership for the Region

L2 – Council exceeds community expectations when managing its budget and operations.

L2.1 – Financial sustainability is maintained through effective short and long term financial management

L2.1.3 – Develop effective financial management systems

Stakeholder Engagement

Senior Leadership Team

Financial Implications

The 2018/19 Third Quarter Budget Review contains a forecast consolidated operating surplus of \$250k and unrestricted cash forecast of \$5.9m.

Next Steps

Update the 2018/19 budget with the attached estimates and continue to monitor budget performance.

Item: 10.1 **Ref:** AINT/2019/10131
Title: FOR DECISION: Evocities **Container:** ARC16/1035-2
Author: Greg Lawrence, Service Leader Economic Development and Marketing
Attachments: 1. Minutes - Regional Growth Advisory Committee - 11 April 2019

RECOMMENDATION:

- a) **That the Regional Growth Advisory Committee (RGAC) report is noted.**
- b) **That Council adopts the recommendation of the RGAC to withdraw from the Evocities program.**
- c) **That as part of the budgeting process, staff prepare a report for Council's consideration that provides potential options for the funding.**

Background:

At the ordinary meeting of council held on the 27 February, Council resolved that as part of our commitment to Evocities, the MOU for renewal include a clause that Evocities will conduct an external review of its operations and circulate the review findings to the Evocities member Councils.

Staff held telephone discussions with the Executive of Evocities to explain our request. Subsequent to this, Evocities advised that they will not conduct any external review and suggested that Armidale Regional Council could if they so wish conduct their own review.

This information was reported to the meeting of the Regional Growth Advisory Committee (RGAC) held on the 11 April as per the attached minutes, who unanimously agreed to recommend to Council to withdraw our commitment to the Evocities programme. The withdrawal is recommended given concerns by the RGAC and Council, as to what the Armidale region is receiving in return for our significant investment (\$320K over 4 years). Based on reporting provided by Evocities there was little evidence of a direct correlation between the marketing activities of Evocities and direct benefits to the Armidale Region, over the last four years of membership with respect to population growth or business attraction. In addition Evocities has refused Armidale Regional Council's request to include in the MOU an external review of Evocities benefits and circulate the review findings to member Councils.

The withdrawal of membership offers Council an opportunity to consider what other activities or initiatives might substitute in the future.

Staff are proposing to provide a report to Council to articulate what those options might entail.

Key Issues and Risks

We are not part of the collective marketing under the Evocities banner.

Integrated Planning and Reporting Framework

Stakeholder Engagement

Council meeting 27th February
Regional Growth Advisory Committee
Evocities

Financial Implications

\$80k per year for four year plus CPI was our Evocities membership.

Next Steps

Staff write to the Chair of Evocities advising of our resignation.

Item:	11.1	Ref: AINT/2019/10004
Title:	FOR DECISION: Planning Proposal for Draft Amendment No. 14 to Armidale Dumaresq LEP 2012	Container: ARC16/1049
Author:	Shili Wang, Strategic Planner	
Attachments:	1. Planning Proposal No 14 - Draft	

RECOMMENDATION:

- a) **That Planning Proposal No. 14 to amend Armidale Dumaresq Local Environmental Plan 2012 – which proposes to reclassify Lot 101 DP 1237922 (86 Dangar Street, Armidale) from community land to operational land – be forwarded to the Department of Planning and Environment with a request for a Gateway Determination, in accordance with section 3.34 of the *Environmental Planning and Assessment Act 1979*.**
- b) **That, subject to Gateway Determination, a further report is to be provided to Council following public exhibition of Planning Proposal No. 14 to amend Armidale Dumaresq Local Environmental Plan 2012.**
- c) **That the Armidale Ex Services Memorial Club be advised of Council’s resolution.**

Background:

At its meeting of 24 August 2016 Council resolved (Minute no. 109/16, Item 7.1.1):

- a) *That pursuant to Section 55 of the Environmental Planning and Assessment Act 1979, Council prepare a Planning Proposal to amend the Armidale Dumaresq Local Environment Plan 2012 to reclassify and consolidate land in Dangar Street being Lot 1 DP 1136216 and part Lot 3 DP 1131420 from Community Land to Operational Land for the purpose of a car park.*
- b) *That the Interim General Manager be authorised to deal and proceed with matters associated with the consolidation of Lot 1 DP 1136216 and part Lot 3 DP 1131420.*
- c) *That an independent valuation be commissioned for both the sale and for leasing purposes over the lands the subject of the reclassification and consolidation.*
- d) *That the Armidale Ex Services Memorial Club car park lease be extended on a month to month basis, at an annual rental of \$115.00 (2016/17), inclusive GST, while the reclassification process is undertaken.*

It should be noted that the section numbers of the *Environmental Planning and Assessment Act 1979* ('EP&A Act 1979') have since been renumbered, following changes to the Act coming into force 1 March 2018. Furthermore, Lot 1 DP 1136212 and Lot 3 DP 1131420 no longer exist as a result of a boundary adjustment applying to the land, and the relevant land is now known as Lot 101 DP 1237922.

The delay in actioning the planning proposal has been the result of seeking legal advice concerning elements of the Planning Proposal. This advice supports Council progressing with the Planning Proposal. As a result this report is being presented to Council to resolve to process to the next stage of the reclassification.

Council is the Planning Proposal Authority (PPA) within the meaning of s3.32 of the EP&A Act 1979, and Council’s Strategic Planning Officers have prepared a Planning Proposal to amend Armidale Dumaresq Local Environmental Plan 2012 (the ‘LEP’). The objective of Planning Proposal No. 14 is to formalise and improve car parking use arrangements between Armidale Regional Council and the Armidale Ex Services Memorial Club (the ‘Club’), by reclassifying Lot 101 DP 1237922 (the ‘Site’) from community land to operational land within the meaning of the

Local Government Act 1993 ('LG Act 1993'). The Site comprises the car parking area leased to the Club over the past 45 years.

Planning Proposal No. 14 is attached to this report (Attachment 1). The Site is currently zoned B4 Mixed Use per the LEP, and is used as a carpark by the Club, located in central Armidale. Council owns the Site and leases it to the Club. The Site is bordered to the north by Dumaresq Creeklands and public walking track, and adjoins 137 Dumaresq Street (Lot 102 DP 1237922) containing the Club building to the south. Despite the long-standing lease arrangement of the Site, the land is identified as community land under the LG Act 1993.

To resolve this anomaly, it is proposed to reclassify the Site to operational land within the meaning of the LG Act 1993. In reclassifying the land, Council would have the potential to sell the Site to the Club if it resolves to do so. It should be noted that part of the funds from the sale (or funds from adjusting the lease amount based on recent land valuation) are intended to go towards Council purchasing 84B Dangar Street (Lot 105 DP 1237922) from the Club, as this Lot contains part of the Creeklands public walking track. Council endorsed this arrangement at its April 26, 2018 meeting.

No part of the Creeklands walking track or open space is proposed to be reclassified to operational land.

This report recommends that the Planning Proposal prepared by Council Officers, be forwarded to the NSW Department of Planning & Environment (DPE) with a request for a Gateway Determination.

Next Steps

Following Council's endorsement of the Planning Proposal, the Proposal will be sent to DPE with a request for a Gateway Determination. The Gateway Determination will specify whether the Planning Proposal can proceed, any specialist studies that may be required, the public authorities to be consulted, and community consultation requirements.

Once those matters have been addressed, a Final Planning Proposal and Council report will be submitted to Council for its confirmation that it wishes for DPE to progress amendments to the LEP; Council may not be able to exercise its local plan-making delegations as the NSW Governor's approval may need to be sought in relation to removing the presumed 'public reserve' status of the land.

Planning Proposals to reclassify public land are to be publicly exhibited for a minimum of 28 days, followed by a public hearing which gives the community the opportunity to expand on written submissions and discuss issues with an independent chair in a public forum. After the exhibition period has ended, at least 21 days public notice is to be given before the hearing.

As a courtesy, and to progress lease/sale negotiations, the Armidale Ex-Services Club will be advised in writing of Council's resolution to lodge the Planning Proposal with DPE.

Key Issues and Risks

Governance

LEPs are statutory documents and the preparation/amendment of an LEP must be in accordance with the EP&A Act 1979 and its Regulations. The Planning Proposal has been prepared with regard to Division 3.4 of the EP&A Act, *A Guide to Preparing Planning Proposals A Guide to Preparing Local Environmental Plans* (August, 2016) and PN-16-001 LEP practice note – Classification and reclassification of public land through a local environmental plan issued by DPE. Consideration has also been given to Practice Note No. 1 – Public Land Management (Revised May 2000) issued by the department of Local Government.

Per the LG Act 1993, public land is identified to mean any land (including a public reserve) vested in or under the control of the council. All public lands must be classified by council as either 'community' or 'operational' (ss. 25, 26 of LG Act 1993). The purpose of classification is to identify clearly land made available for use by the general public (community), and land which is not (operational). The current use of the Site is not aligned with its classification as community land under the LG Act 1993 as it has been used for 45 years as a car park for the Club. The Planning Proposal is considered the only means of reclassifying the Site to operational land, and thus formalising and improving car parking use arrangements between Council and the Club.

The Site arguably forms part of a 'public reserve' as defined by the LG Act 1993 as part of the Site was resumed by Council in 1953 "for the purpose of providing, controlling and managing a park" (refer p. 15-17 of Attachment 1). As outlined in the Planning Proposal, the NSW Governor's approval may be required as the Proposal seeks to potentially remove a public reserve from circulation. Council shall request that DPE make the amendment to the LEP, per *LEP Practice Note 16-001: Classification and reclassification of public land through a local environmental plan* (October 5, 2016) issued by DPE.

Strategic planning framework

The Proposal has demonstrated merit against provisions of the following endorsed strategies/studies (refer Question 3 & 4 of Attachment A):

- *New England North West Regional Plan 2036* (August, 2017) by DPE, and
- *New England Development Strategy* (April, 2010) by WorleyParsons Ltd.

State policies and Ministerial directions

Relevant State Environmental Planning Policies (SEPPs) and Ministerial Directions have been consulted. The Proposal is consistent with all of the above, except Ministerial Direction 4.3 Flood Prone Land. The inconsistency is of minor significance and has been justified in the Planning Proposal (refer p. 32 of Attachment 7).

Flooding

The entirety of the Site is identified as significantly flood prone land, originating from Dumaresq Creek (refer Question 8 of Attachment 1). The Site is to be reclassified to operational land, and as such the Site may be sold in the future and may be developed more intensely than what is the usually the case for community land. It is anticipated, however, that the Site will continue to be used for car parking purposes by the Club. Should any future development of the Site be proposed, it would need to be consistent with the LEP or other relevant environmental planning instrument ('EPI') that may apply to the type of development proposed, with respect to developing flood prone land. Any proposed development of the Site would need to demonstrate that it is compatible with the flood affected nature of the land and solutions would need to be put forward to mitigate adverse impacts on the proposed development and surrounding properties, as stipulated in the LEP or other EPI.

European Heritage

A portion of the adjoining Club site (137 Dumaresq St) is listed as having local archaeological significance in the LEP Schedule 5 (A028 – site of New England Flour Mill). Site investigations have been undertaken as part of previous development applications being lodged for 137 Dumaresq Street, which confirm the local significance of that property adjoining the Site. The approximate location of archaeological remains associated with A028 is clear of the Site by about 30m (refer Question 9 of Attachment 1).

Social Infrastructure

The Site is currently not used for parklands/community facilities/open space, despite its community land classification and proximity to the Dumaresq Creeklands. Reclassifying the Site to operational land will align the actual use of the land with its statutory classification.

Integrated Planning and Reporting Framework

The *Community Strategic Plan 2017 – 2027* (the ‘CSP’) was originally adopted as the final CSP by Council on May 17, 2017. The Planning Proposal is considered to align with the following relevant Community Outcomes (see p. 23 & 24 of Attachment 1):

E1 – The unique climate, landscape and environment of the region is protected, preserved and made accessible.

L2 – Council exceeds community expectations when managing its budget and operations.

P2 – Community programs, services and facilities meet the needs of the community and provide a safe place to live.

Stakeholder Engagement

Preparation of the Planning Proposal has entailed consulting with relevant staff within council. In accordance with *LEP Practice Note 16-001: Classification and reclassification of public land through a local environmental plan* (October 5, 2016) issued by DPE, Planning Proposals to reclassify public land are to be publicly exhibited for a minimum of 28 days, followed by a public hearing which gives the community the opportunity to expand on written submissions and discuss issues with an independent chair in a public forum. After the exhibition period has ended, at least 21 days public notice is to be given before the hearing. This allows the person chairing the hearing sufficient time to consider written submissions and all issues raised.

Following the public hearing the independent chairperson will report to Council on the submissions.

The final form of the community consultation will be specified by DPE, in the Gateway Determination. The Gateway Determination will also confirm the government agencies that need to be consulted; the Planning Proposal identifies the NSW Governor and DPE as needing to be consulted.

Financial Implications

Per recommendation (c) of the 24 August 2016 Council meeting, two independent valuations of the Site were undertaken; one for the sale of the Site and one for continuing leasing purposes of the Site. The Consultant also performed a valuation for 84B Dangar St (Lot 105 DP 1237922), being the land in proximity to the Site, which is currently owned by the Club but contains the cycle and walking path that runs parallel to Dumaresq Creek (refer p.2 **Figure 2**. Location of the Site).

The Site “proposed Lot 101” was valued by a Consultant in June 2017 (prior to Lot 101 in DP 1237922 being registered). The rental value ascribed to the Site per annum was significantly higher than the current peppercorn arrangement. The market value of the Site was just over double that of the valuation attributed to 84B Dangar Street.

Council could renegotiate the lease of the Site or sell the land, following its reclassification to operational land. Council is likely to then acquire 84B Dangar Street, using the funds from the commercial leasing or sale of the Site. Any remaining funds will be internally restricted for the purposes of improvements to Council’s recreational reserves, open spaces, or community facilities. Council endorsed this arrangement at its April 26, 2018 meeting.

Item: 12.1 **Ref:** AINT/2019/09771
Title: FOR DECISION: Adoption - Plan of Management - Kolora Aged Care Site
Container: ARC19/3138
Author: Krista Schmidt, Service Leader Community and Customer Services
Attachments: 1. Draft - Plan of Management Kolora Aged Care Site

RECOMMENDATION:

That Council Adopt the Plan of Management – Kolora Aged Care Site as exhibited.

Background:

Council considered a report at its 25 July 2018 Ordinary Council meeting when it resolved:

- a) **That Council note the report and proceed to finalise a Draft Plan of Management for the Community Land that the new Kolora Aged Care Facility is constructed on, along the terms outlined in this report.**
- b) **That the Draft Plan of Management be exhibited and notified as required by the Local Government Act.**
- c) **That a report be prepared and submitted to Council following the public exhibition period to enable all submissions to be considered.**

The Draft Plan of Management (PoM) was exhibited from 20 March 2019 and submissions were received up until 3 May 2019.

Copies of the Draft PoM were made available at the Council Administration Centre in Armidale and the Council Office in Guyra as well as on Council's website.

One submission was received and indicates that *"it is pleasing to read that Council will maintain & mow its grounds surrounding Kolora Aged care Facility at Guyra."*

The submission does not make any comment or objection to the Draft PoM, but does raise concerns about the current maintenance program. This submission has subsequently been referred to the relevant officer for review and attention.

Key Issues and Risks

The adoption of the Plan of Management will assist with the ongoing management of the outer area of the site. The submission received has been referred to the relevant officer for review and attention.

Integrated Planning and Reporting Framework

Strategic Direction - Our People and Community.

Community Outcome 5 - Services and activities are provided for all ages and segments of our community to promote life-long learning, healthy living and community well-being.

Stakeholder Engagement

The Draft Plan of Management was publicly exhibited from 20 March 2019 and submissions received up until 3 May 2019 in accordance with the provisions of the Local Government Act 1993.

One submission was received and has been addressed in this report.

Financial Implications

There are no financial implications with the Plan of Management that are not ordinarily covered by Council's adopted operational and capital budgets for Kolora.

The management and maintenance of the outer ground area is also covered in the relevant annual operational budget.

Next Steps

Adoption of the Plan of Management completes a formal process required by the Local Government Act.

The Plan of Management will then guide the future management, use and operations on the land.

Item: 13.1 **Ref:** AINT/2019/10572
Title: FOR INFORMATION: Cash & Investment Report for April 2019
Container: ARC16/0001-3
Author: Brad Munns, Financial Accountant
Attachments: 1. Cash and Investments Dashboard - April 2019

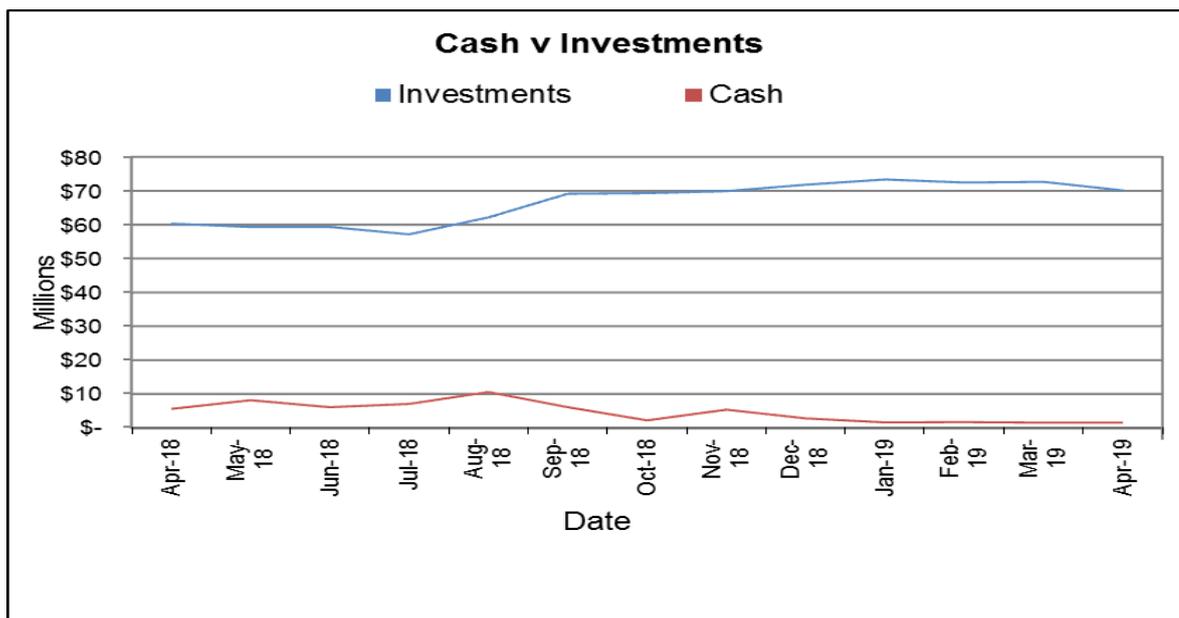
RECOMMENDATION:

That Council note the Cash and Investment Report, as at 30 April 2019, reporting investments held of **\$70,111,883** and a consolidated Bank Account of **\$413.88**, excluding the Trust Fund.

Background

Cash and Investments for the month of April 2019.

Cash and Investments particulars for the period 1 April 2019 to 30 April 2019. At the end of the April period, Council held \$70,111,883 in investments and a consolidated account balance of \$413.88, excluding the Trust Fund. Note that from 31 January 2019 a daily sweep occurs to clear the balance of the General bank account to a \$nil balance, with all excess funds deposited into a High Interest Earning account. This account is included in the calculations for the total of the Investments. The amount of \$413.88 relates to the Preschool bank account.



Cash

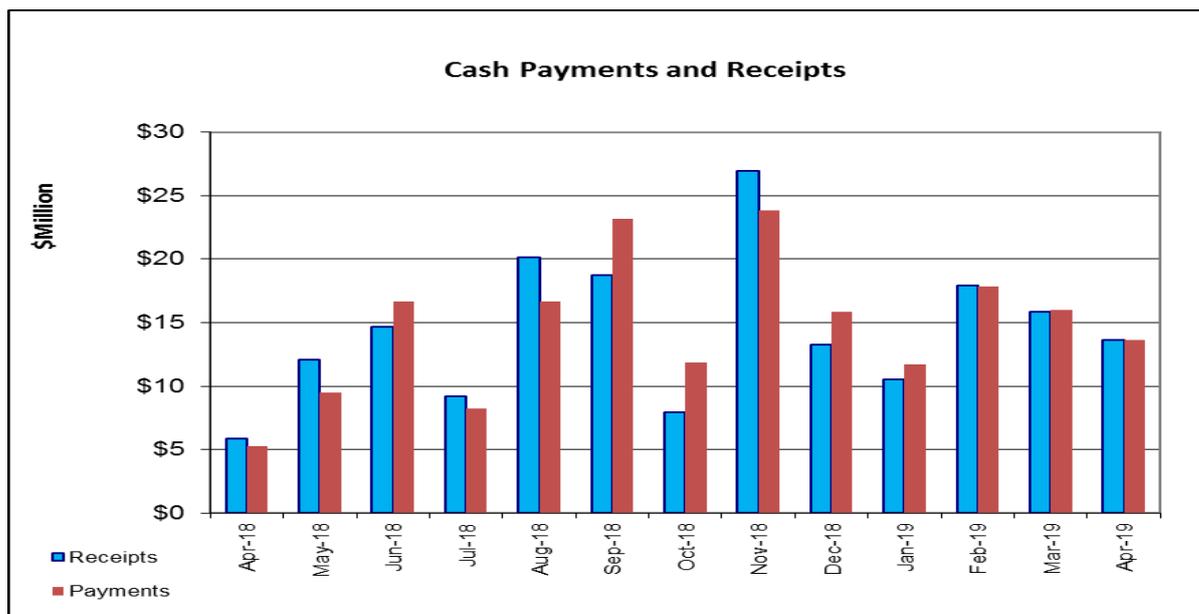
Council's bank account balance as per bank statements at the end of the period 30 April 2019 are as follows:

Bank Account	April 2019	March 2019 comparative	Movement
General Fund	\$413.88	\$16,216.77	(\$15,802.89)
Trust Fund	\$1,516,960.63	\$1,514,570.52	\$2,390.11
Total Cash	\$1,517,374.51	\$1,530,787.29	(\$13,412.78)
High Interest Account	\$6,893,152.42	\$5,443,924.50	(\$1,449,227.92)

Total	\$8,410,526.93	\$6,974,711.79	(\$1,435,815.14)
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During the month the following cash flows occurred.

	April 2019	March 2019 Comparative
Receipts	\$13,640,202.66	\$15,832,782.18
Payments	\$13,653,615.44	\$16,001,061.47
Net	(\$13,412.78)	(\$165,998.24)



The daily sweep for the general account commenced from 31 January 2019. This allows all excess funds to be redirected to a higher earning interest account, whilst still allowing immediate access to the cash if/when required. This also eliminates the need for manually transferring funds between these accounts and reduces the risk of the accounts being in deficient and occurring additional bank fees.

Investments

At 30 April 2019 Council held **\$70,111,883** in investments. This is a net decrease of \$2,540,185.61 from 31 March 2019, as a result of some large payments falling due.

Opening Balance 01.03.2019	\$ 72,652,069.13
Redemptions of Investments	\$(4,000,000.00)
Reinvestments of funds	\$ -
Net transfer to High Interest Account	\$ 1,453,360.96
Increased principle due to maturities	\$ 6,453.43
Closing Balance	\$70,111,883.52

As per the below investment register, the investments are diversified across a range of institutions, with no one institution exceeding 45% of average annual funds invested to ensure the portfolio is in line with the investment policy (adopted 27 July 2016). The new investment policy has passed public exhibition and was adopted by Council. Over the next 12 months as the investments mature, the investments will align with the new policy.

Investment Register

Institution	Rating	Market Value	% of Portfolio	Average Interest Rate
Term Deposits – fixed				
AMP	A1	\$7,000,000.00	9.98%	2.78%
Bendigo Bank	BBB+	\$2,000,000.00	2.85%	2.60%
Beyond Bank	A2	\$6,000,000.00	8.56%	2.76%
BOQ	BBB+	\$7,000,000.00	9.98%	2.70%
CUA	A2	\$6,000,000.00	8.56%	2.72%
ING	A1	\$nil	0.00	0.00
ME Bank	A2	\$6,000,000.00	8.56%	2.66%
MyState	A2	\$5,000,000.00	7.13%	2.80%
NAB	A1+	\$13,000,000.00	18.54%	2.70%
Regional Aust	Unrated	\$1,000,000.00	1.43%	2.65%
Rural Bank	BBB+	\$1,000,000.00	1.43%	2.60%
Westpac	A1+	\$4,000,000.00	5.71%	2.60%
Total Term Deposits		\$58,000,000.00	82.72%	2.71%
High Interest Savings Accounts - variable				
T-Corp Hour Glass Account		\$5,218,731.10	7.44%	2.52%
NAB High Interest Savings Account		\$6,893,152.42	9.83%	1.90%
Total High Interest Accounts		\$12,111,883.52	17.28%	2.21%
Total Investment Portfolio		\$70,111,883.52	100%	2.46%

Institution Rating Split

Rating	Amount	% of Portfolio	Inside Investment Policy Range
A1+	\$17,000,000.00	29.31%	Yes
A1	\$7,000,000.00	12.07%	Yes
A2/BBB+	\$10,000,000.00	17.24%	Yes
A2/BBB/BBB-	\$23,000,000.00	39.66%	*No
Unrated	\$1,000,000.00	1.72%	Yes
Total	\$58,000,000.00	100%	

*The new investment policy has passed public exhibition and has been adopted by Council. Over the next 12 months as the investments mature, the investments will be brought into line with the new policy.

Investment Yield

The Council has invested in Term Deposits which have rates of return higher than the 30 Day BBSW Index. By investing in High Interest Savings Accounts this reduces the average yield across the entire portfolio to be more in line with the 30 day BBSW index.

30 Day BBSW Index	1.64%
Average Interest Rate on Term Deposits	2.71%
Average Interest Rate across Portfolio	2.46%

Interest rates remained steady during April 2019, with the RBA leaving rates on hold.

Key Issues and Risks

The new Investment Policy has been adopted. The current Institution Rating split will require additional attention as the investments fall due. This is due to, the amount invested with any one Institution, based on their S&P rating, has been reduced to restrict single exposure. This will impact the return on investments, as typically the lower credit rating investments have a higher return. It should also be noted that some high term credit rating investments (such as AMP) have set limits on how much we can invest with them. This adds an additional hurdle when investing.

Integrated Planning and Reporting Framework

Community Strategic Plan – Leadership for the Region

L2 – Council exceeds community expectations when managing its budget and operations.

L2.1 – Financial sustainability is maintained through effective short and long term financial management

L2.1.3 – Develop effective financial management systems

Stakeholder Engagement

The monthly report provides the community with a snapshot of Council's cash and investment particulars for the period 1 April 2019 – 30 April 2019

All of Council's investments for the period ending 30 April 2019 are in accordance with:

- Council Investment Policy
- Local Government Act 1993 – Section 625.
- Local Government Act 1993 – Order of the Minister dated 12 January 2011.
- The Local Government (General) Regulation 2005 – Reg 212.

Financial Implications

The investment of surplus funds must remain in line with Council's Investment Policy (adopted 28 Feb 2019). This will ensure sufficient working capital is retained and restrictions are supported by Cash. Cash management complies with the NSW Local Government (General) Regulation 2005.

Next Steps

Continue to monitor the financial position of Armidale Regional Council cash and investments and ensure sufficient working capital is retained and restrictions are supported by cash.

Item: 13.2 **Ref:** AINT/2019/10582
Title: FOR INFORMATION: Monthly Financial Report April 2019 **Container:**
ARC16/0488
Author: Kelly Stidworthy, Service Leader - Finance
Attachments: 1. Monthly Financial Report April 2019

RECOMMENDATION:

That Council note the Monthly Financial Report for April 2019.

Background:

Council has requested the provision of a monthly financial report so that regular review can occur of actual expenditure to budget.

The monthly financial report has been revised based on Councillor feedback and an "Income Statement" report is provided for the following funds:

- General Fund
- Water Supply Fund
- Sewer Supply Fund
- Consolidated

More detailed operating and capital budget reports are also provided.

General Fund

The General Fund is forecast to make an operating deficit of \$317k at 30 June 2019. The revised forecast is an improvement to the original budget, which had forecast an operating deficit of \$3.5m. As at 30 April 2019, Council had an operating surplus of \$3.5m but this is due to rates and annual charges revenue being raised and recognised in July for the full year. As regular expenditure will occur for the remainder of the year, the operating surplus will reduce and eventually revert to a position closer to the forecast operating deficit.

The net budget position represents the forecast cash impact of Council's operating and capital results for the year. Council's revised budget contains a forecast for a positive cash impact in 2018/19 to assist with reducing cashflow risk and improving the level of unrestricted cash, which was at a minimal level at 30 June 2018. The forecast net budget position will only be achieved provided that expenditure remains within budget and forecast revenues are achieved. It is important that Council remains within budget parameters in 2018/19 as this provides the opening position for the 2019/20 budget.

Water Supply Fund

The Water Supply Fund is forecast to make an operating surplus of \$431k at 30 June 2019. This forecast is an improvement to the original budget, which had forecast an operating deficit of \$208k. As at 30 April 2019, Council had an operating surplus of \$1.8m and the Water Supply Fund will likely exceed the current budget forecast although actual depreciation results are still to be determined. As regular expenditure will occur for the remainder of the year, the operating surplus will reduce and eventually revert to a position closer to the forecast operating surplus.

Council has budgeted for a negative cash impact in 2018-19 of \$1.6m due to the requirement to undertake capital works. These works will be funded from the water supply reserve fund.

Sewer Supply Fund

The Sewer Supply Fund is forecast to make an operating deficit of \$636k at 30 June 2019. This forecast is an improvement to the original budget, which had forecast an operating deficit of \$162k. As at 30 April 2019, Council had an operating surplus of \$1.5m but this is due to annual charges being raised and recognised in July for the full year. As regular expenditure will occur for the remainder of the year, the operating surplus will reduce and eventually revert to a position closer to the forecast operating surplus.

Council has budgeted for a negative cash impact in 2018-19 of \$1.5m due to the requirement to undertake capital works. These works will be funded from the sewer supply reserve fund.

Consolidated

The Consolidated forecast is to make an operating surplus of \$250k at 30 June 2019. This forecast is a significant improvement to the original budget, which had forecast an operating deficit of \$3.8m. As at 30 April 2019, Council had an operating surplus of \$6.7m but this is due to rates and annual charges being raised and recognised in July for the full year. As regular expenditure will occur for the remainder of the year, the operating surplus will reduce and eventually revert to a position closer to the forecast operating surplus.

Council's revised budget is for a positive cash impact of \$1.3m in 2018/19. This is a significant improvement to the original budget, which had forecast a negative cash impact of \$7.3m.

Key Issues and Risks

Monitoring of YTD actual performance to budget is important to ensure that expenditure remains within available financial resources.

Integrated Planning and Reporting Framework

Community Strategic Plan – Leadership for the Region

L2 – Council exceeds community expectations when managing its budget and operations.

L2.1 – Financial sustainability is maintained through effective short and long term financial management

L2.1.3 – Develop effective financial management systems

Stakeholder Engagement

The monthly financial report provides information on Council's actual to budget performance.

Financial Implications

The adopted budget does not have provision for overspends or for initiatives not included in the original budget and, as a result, must be closely monitored to ensure that actual expenditure remains within available financial resources. Introduction of any new initiatives requiring expenditure or overspends will require us to make adjustments to either the quantum or quality of projects and services to accommodate. Any overspends or new initiatives identified outside of the original budget must have an accompanying funding source.

Next Steps

Continue to monitor the financial position of Armidale Regional Council and ensure that sound financial management practices are employed to ensure expenditure remains within available financial resources.

Item: 13.3 **Ref:** AINT/2019/09460
Title: FOR INFORMATION: Introduction of the Medium Density Housing Code by the Department of Planning **Container:** ARC16/0801
Author: Ambrose Hallman, Service Leader Sustainability and Development
Attachments: Nil

RECOMMENDATION:

That Council notes the report on the Department of Planning's introduction of the Medium Density Housing Code.

Background:

The Low Rise Medium Density Housing Code allows one and two storey dual occupancies, manor houses and terraces to be carried out under a fast track complying development approval. A complying development approval can be issued within 20 days if the proposal complies with all the relevant requirements in the State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 (the State Policy).

Low rise medium density housing helps housing affordability by providing smaller homes on smaller lots that still provide all the amenities of a single dwelling and can accommodate a wide variety of lifestyles and needs, including growing families or empty nesters

Low rise medium density housing as complying development is only allowed in R1 General Residential, R2 Low Density Residential, and RU5 Village zones, where medium density housing is already permitted under a Council's Local Environmental Plan (LEP). The medium density complying development proposal must meet all of the development standards in the State Policy and the Design Criteria contained in the supporting Low Rise Medium Density Design Guide for complying development.

Since 2015, the NSW Government has consulted widely with the community, industry and councils about the Code. Following an announcement in April 2018, the Code was deferred in most regional Councils until 1 July 2019.

Armidale and Guyra Local Environmental Plan in conjunction with this new State Policy will enable, after 1 July 2019, developers to lodge a Complying Development Certificate with either Council or a Private Accredited Certifier to construct one and two storey dual occupancies, manor houses and terraces in the following zones:

LEP Armidale	Dual Occupancies	Terrance Housing	Manor Houses
R1 General Residential	Yes	Yes	Yes
R2 Low Density Residential	Yes	No	No
RU5 Village	Yes	Yes	Yes
LEP Guyra			
R1 General Residential	Yes	Yes	Yes
RU5 Village	Yes	Yes	Yes

The definition of these development types are listed below:

manor house: means a residential flat building containing 3 or 4 dwellings, where:
(a) each dwelling is attached to another dwelling by a common wall or floor, and

*(b) at least 1 dwelling is partially or wholly located above another dwelling, and
(c) the building contains no more than 2 storeys (excluding any basement).*

multi dwelling housing (terraces) means multi dwelling housing where all dwellings are attached and face, and are generally aligned along, 1 or more public roads.

dual occupancy means a dual occupancy (attached) or a dual occupancy (detached).

The Department of Planning has also developed an education video which help explain the proposed changes

<https://www.youtube.com/watch?v=k9gBfj98Qrk&feature=youtu.be>

Key Issues and Risks

CDC assessments are not a merits assessment like Development Applications, CDC's must fully comply with the numeric standards of the State Policy and no deviation is permitted. This deemed to satisfy approach means the applications are not required to be notified to the adjoining land owners which may result in a two storey building being erected on the next door property with.

Integrated Planning and Reporting Framework

L3 – Council demonstrates sound organisational health and has a culture which promotes action, accountability and transparency.

Delivery Program 2018-2021

L3.4 – Ensure the organisation is well led and managed through implementation of the Good Governance Framework.

Operational Plan 2018-2019

L3.4.1 – Provide governance services to the organisation to ensure we are meeting our legislative requirements.

Stakeholder Engagement

The State government has undertaken consultation in the preparation of this policy. It is proposed that Councils undertake education via updated to the webpage and undertaking a press release.

Financial Implications

There should be limited impact on the Sustainability and Development budget.

Next Steps

Issue press release and update the website to advise the community of future changes.

Item: 13.4 **Ref:** AINT/2019/09288
Title: FOR INFORMATION: Expression of Interest for Code of Conduct Panel
Container: ARC16/0617
Author: Nathalie Heaton, Service Leader Governance, Risk and Corporate Planning
Attachments: Nil

RECOMMENDATION:

That the report on the Code of Conduct Review Panel be noted.

Background:

The Office of Local Government released an updated Model Code of Conduct for local Councils in NSW. Council adopted its Code of Conduct and the Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW at the Ordinary Council meeting held on 27 March 2019.

Key Issues and Risks

The panel of conduct reviewers has not been reviewed since amalgamation.

The Procedures state that the Council must by resolution establish a panel of conduct reviewers. The panel of conduct reviewers is to be established following a public expression of interest process and an expression of interest for members of the council's panel of conduct reviewers must, at a minimum, be advertised locally and in the Sydney metropolitan area.

Criteria are set within the procedures and the panel of conduct reviewers is to have a term of four years. Council is in the process of securing the services of suitably qualified professionals to constitute Council's Panel of Conduct Reviewers. A further report will be presented to Council seeking endorsement of the Panel of Conduct Reviewers when the process is complete.

Integrated Planning and Reporting Framework

Community Strategic Plan – Leadership for the Region

L2 – Council exceeds community expectations when managing its budget and operations

L2.3 – Council's strategic planning documents are integrated in a way which delivers community outcomes while effectively managing budgets, asset management and workforce planning

L2.3.1 – Develop and review Integrated Planning and Reporting Framework in line with statutory requirements

Stakeholder Engagement

Advertising in national newspaper and local newspaper.

Financial Implications

\$700 advertising costs.

Next Steps

That a specification be drafted, and that advertising be arranged in a national/regional newspaper and locally. Once submissions have been received, a report will be drafted for Council to consider and establish the panel of conduct reviewers.

Item:	13.5	Ref: AINT/2019/10207
Title:	FOR INFORMATION: Summary of Resolutions of Council November 2018 - April 2019	Container: ARC17/1962
Author:	Jessica Bower, Executive Officer	
Attachments:	1. Resolutions of Armidale Regional Council - November 2018 to April 2019	

RECOMMENDATION:

That the report outlining resolutions of Council from November 2018 to April 2019 and actions carried out be noted.

Background:

The attached document is a progress report on the implementation of resolutions of Council.

Key Issues and Risks

The key issues and risks of each of the resolutions are varied and were outlined in the original reports to Council.

Integrated Planning and Reporting Framework

Community Strategic Plan – Leadership for the Region; Environment and Infrastructure; Growth, Prosperity and Economic Development; Our People and Community

Stakeholder Engagement

The resolutions outlined in the attachment have been previously adopted by Council.

Financial Implications

The financial implications of each of the resolutions are varied.

Next Steps

This report will be provided on a monthly basis for the previous six months.

Item: 16.1 **Ref:** AINT/2019/10450
Title: FOR DECISION: Minutes - Regional Growth Advisory Committee 11 April 2019 **Container:** ARC16/0169
Author: Belinda Ackling, Personal Assistant
Attachments: 1. Minutes - Regional Growth Advisory Committee - 11 April 2019

RECOMMENDATION:

That the Minutes of the Regional Growth Advisory Committee meeting held on 11 April 2019 be endorsed.

- a) **That the commitment to the Evocities program be withdrawn.**
- b) **That Economic Development Department presents to the Committee a report providing options and costings for promoting the Armidale Region, with specific outcomes and how to make best use of budget allocation commitment of \$80k.'**
- c) **That Council consider the stand alone Evocities report.**

That Council note the following recommendation made by the Committee.

- d) **That Council consider continuing with the prior budget allocation commitment for Evocities and investing it in a Regional Marketing Campaign for Armidale LGA.**

Management Comment

Council note the Committees recommendation to withdraw from the Evocities program and repurpose the proposed funding for next financial year is contingent on Council's support and agreement.

Item: 16.2 **Ref:** AINT/2019/10083
Title: FOR INFORMATION: Minutes - Armidale Regional Aboriginal Advisory
Committee - 24 April 2019 **Container:** ARC16/0605
Author: Aimee Hutton, Interim Program Leader Community Services
Attachments: 1. Minutes - Armidale Regional Aboriginal Advisory Committee - 24
April 2019

RECOMMENDATION:

**That the Minutes of the Armidale Regional Aboriginal Advisory Committee meeting held on
Wednesday 24 April 2019 be noted.**

Item: 16.3 **Ref:** AINT/2019/10260
Title: FOR DECISION - Minutes - Traffic Advisory Committee 7 May 2019
Container: ARC16/0168
Author: Belinda Ackling, Personal Assistant
Attachments: 1. Minutes - Traffic Advisory Committee - 07 May 2019

RECOMMENDATION:

- a) That the Minutes of the Traffic Advisory Committee meeting held on 7 May 2019 be noted and endorsed.
- b) That Guideposts be installed to delineate a number of substandard curves on the unsealed section of Donald Road.
- c) That Guideposts be installed on Donald Road at a narrow section of road where the trees encroach within a metre of the edge of the road.
- d) That the signage for the Rifle Range identifying the hidden driveway be referred to RMS for approval.
- e) That the two end bays opposite W23 & W22 (Agronomy) on Trevenna Road, be converted to "No Parking" providing a drop off and pick up zone.
- f) That Chevron Alignment Markers (CAMS) be installed on Dumaresq Dam Road at identified road sections.
- g) That line marking be installed on Dumaresq Dam Road along the winding section starting approximately 1.8km from Boorolong Road, for an approximate length of 2km.
- h) That line marking be installed on Dumaresq Dam Road on the approach to the Boorolong Road intersection, for an approximate length of 400m and associated guideposts be installed.