



BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 12 April 2017
9am

at

Armidale Council Chambers

Members

Administrator, Dr Ian Tiley

AGENDA

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- 10.1 Tender for the construction of landfill cell 1, associated roads, and water management infrastructure for the Armidale Regional Landfill

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.

- 10.2 Tender No A2016/19 Provision of Professional Services for the investigation, Design, Documentation, Contract Management and Site Supervision for the Airport Apron and Lighting Upgrade at Armidale Regional Airport

As this report deals with 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). Council closes part of 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.

Item: 6.1 **Ref:** AINT/2017/04537
Title: Memorandum of Understanding - NSW Department of Family and
Community Services **Container:** ARC16/1315
Author: Ian Tiley, Administrator
Attachments: 1. Final MOU Armidale Regional Council and Family & Community
Services 2017

RECOMMENDATION:

That Armidale Regional Council (ARC) enters into a Memorandum of Understanding with the NSW Department of Family and Community Services Hunter New England and Central Coast District (NSW FACS HNECC) in accordance with the terms detailed in the report.

Introduction:

I present a proposed Memorandum of Understanding (MOU) between Armidale Regional Council (ARC) and Department of Family and Community Services Hunter New England and Central Coast District (NSW FACS HNECC). This proposed MOU is for a term of two years and is the product of recent liaison between representatives of NSW FACS HNECC and ARC to explore potential benefits that would be derived for the community through a partnership.

NSW FACS HNECC is responsible for delivering community services, housing and disability services throughout the district. The MOU demonstrates and documents the intention of the parties to work collaboratively to:

- Improve the lives of families with children.
- Assist young people to reach their full potential.
- Increase opportunities for all people to participate fully in community life.

NSW FACS HNECC provides services to a large cross section of the community and it is the view of the parties that by working together, there is an enhanced ability to better leverage and optimise the resources available.

In particular, to achieve the aims of the MOU, NSW FACS HNECC will contribute to ARC's social planning processes to inform the implementation of services that are based on local needs and harness local strengths, including those of non-government and the private sectors.

It is also intended that NSW FACS HNECC provide input into ARC's Community Wellbeing Advisory Committee as a member of that committee for the duration of the MOU. A report concerning the formalities of that committee will soon be presented to Council.

As the ability to attract funding is pivotal to expanding the range of human services to respond to needs evidenced and demonstrated within the LGA, the parties will collaborate, using their respective expertise, to identify and secure such funding. The potential development of Human Services Hubs for non-government organisations at various sites throughout the LGA is a further opportunity to be explored through the MOU.

Conclusion

This report demonstrates the benefits that collaboration between NSW FACS HNECC and Council can deliver to the Armidale Region and it is my belief that through the medium of the proposed MOU, it will contribute to enhancing the lives of a wide cross section of our community, with particular focus on families with children and young people.

Item:	7.1.1	Ref: AINT/2017/04534
Title:	Draft Amendment No 4 to Armidale Dumaresq LEP 2012	Container: ARC16/1360
Author:	Kathy Martin, Manager Sustainability and Strategic Planning	
Attachments:	<ol style="list-style-type: none">1. Planning Proposal No 4 amended January 20172. Public submission- <i>As this attachment deals with information that would, if disclosed, prejudice the maintenance of law (Section 10A(2)(e) of the Local Government Act 1993). Council closes the 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.</i>3. Consideration of submission	

RECOMMENDATION:

- a) That Council exercise its local plan making delegations under section 59 of the Environmental Planning and Assessment Act 1979 to adopt and make Draft Amendment No 4 to Armidale Dumaresq Local Environmental Plan 2012, consistent with Planning Proposal No 4 (amended January 2017).**
- b) That the proponent and persons who made submissions during the public exhibition period for Planning Proposal No 4 (amended January 2017) be advised of Council's decision.**

Introduction:

At its meeting on 18 January 2017 Council amended Planning Proposal No 4 (March 2015). The amended Proposal seeks to amend Armidale Dumaresq Local Environmental Plan 2012 (ADLEP 2012) by rezoning Lot 10 and part of Lot 9 DP 836850 and the adjoining road reserve, 53A The Avenue and 134-162 Ross Street, Armidale, from E4 Environmental Living to R1 General Residential and E3 Environmental Management and amend the minimum lot sizes across the site to cater for the change in land zoning.

Planning Proposal No 4 (amended January 2017) was forwarded to the Department of Planning and Environment for an altered Gateway Determination, which was issued on 2 February 2017. The Planning Proposal was publicly exhibited from 9 February 2017 to 10 March 2017. One public submission was received raising issues that can be more appropriately addressed at the time a development application is lodged for future development of the land being rezoned. No changes to the exhibited Planning Proposal are considered necessary as a result of publicly exhibiting the Proposal.

It is recommended that Council use its local plan making delegations under section 59 of the *Environmental Planning and Assessment Act 1979* to adopt and make Draft Amendment No 4 to ADLEP 2012, consistent with Planning Proposal No 4 (amended January 2017).

Report:

Planning Proposal No 4 (amended January 2017) applies to Lots 9 and 10 DP 836850 at 53A The Avenue and 134-162 Ross Street, Armidale, and the adjoining Ross Street road reserve. The initial Planning Proposal was prepared by All About Planning on behalf of the owners of 53A The Avenue. The access denial strip at 134-162 Ross Street is owned by Council and is classified as Operational land under the *Local Government Act 1993*. A copy of Planning Proposal No 4 (amended January 2017) is in Attachment 1.

The Proposal seeks to amend ADLEP 2012 by:

- Rezoning part of 53A The Avenue from E4 Environmental Living to R1 General Residential and E3 Environmental Management and altering the lot size standard for from 1 hectare to part 500m² and 4 hectares to enable residential subdivision of the northern part of 53A The Avenue while protecting an endangered ecological community (EEC) on its western boundary, and
- Rezoning 134-162 Ross Street and the adjoining road reserve from E4 Environmental Living to R1 General Residential and altering the lot size standard from 1 hectare to 500m² so that the zoning is contiguous with the existing residential zoning of land on the northern side of the road reserve and proposed residential zoning on 53A The Avenue.

At its meeting on 18 January 2017, Council considered a report that proposed to change Planning Proposal No 4 (March 2015). The proposed changes, which were mainly in response to comments provided by the Office of Environment and Heritage, included introducing an E3 Environmental Management zoning over a Ribbon Gum-Mountain Gum-Snow Gum Grassy Forest/Woodland of the New England Tableland Bioregion EEC and associated buffer on the western boundary of 53A The Avenue and moving the proposed R1 General Residential boundary slightly uphill to partly offset the reduction in potential lot yield as a result of the EEC being excluded from the proposed R1 zone. The following recommendation was adopted by Council (Minute No: 3/17):

- a) That the Planning Proposal for Draft Amendment No 4 to Armidale Dumaresq Local Environmental Plan 2012, which applies to part Lot 9 DP 836850, Lot 10 DP 836850 and the adjoining Ross Street road reserve, Armidale, be amended by:
 - i. zoning part of Lot 9 DP 836850 to E3 Environmental Management and applying a minimum lot size standard of 4 hectares,*
 - ii. altering the southern boundaries of the proposed R1 General Residential zone and 500m² Lot Size on Lot 9 DP 836850, and*
 - iii. including references to the public authorities consulted and specialist studies undertaken in relevant sections of the Planning Proposal.**
- b) That the amended Planning Proposal be forwarded to the Department of Planning and Environment in accordance with section 58(2) of the Environmental Planning and Assessment Act 1979, seeking an alteration to the latest Gateway Determination issued on 8 July 2016.*
- c) If the Department of Planning and Environment issues an altered Gateway Determination, that a further report be provided to Council following implementation of the Gateway Determination's requirements.*
- d) That the Office of Environment and Heritage and the proponent be advised of Council's resolution.*

The proponent was advised of Council's decision following the Council meeting and the Office of Environment and Heritage was advised on 24 January 2017. No further comments or correspondence has been received from the Office of Environment and Heritage in relation to the Planning Proposal.

Altered Gateway Determination

Planning Proposal No 4 (amended January 20017) was forwarded to the Department of Planning and Environment on 20 January 2017 with a request for an altered Gateway Determination, which was issued by the Department on 2 February 2017. The altered Gateway Determination updated the description of the proposed changes to the LEP to reflect the amended Planning Proposal and extended the timeframe for finalising the LEP amendment to 17 July 2017.

Public exhibition

The Gateway Determination required that the Planning Proposal be exhibited for a minimum of 28 days and the notice requirements and exhibition material comply with the relevant section of the Department's *A Guide to Preparing Local Environmental Plans*.

The Planning Proposal and supporting documentation was placed on public exhibition from Thursday, 9 February 2017 to Friday, 10 March 2017, at:

- Council's Armidale Office, 135 Rusden Street, Armidale,
- Armidale Dumaresq Memorial Library, Faulkner Street, Armidale, and
- Council's website at www.armidaleregional.nsw.gov.au

Adjoining owners were notified in writing of the public exhibition and a notice was advertised in Council's newspaper in the Armidale Extra newspaper on Wednesday, 8 February 2017.

During the exhibition period Council received one submission, a copy of which is in Attachment 2. The submission requested that Ross Street be developed from its intersection with Markham Street to at least Judith Street, or Kellys Plains Road. Consideration of the submission is included in Attachment 3. Council currently does not have future plans to construct this section of Ross Street. Future construction of this section of road is a matter that would be more appropriately addressed at the development application stage as future development occurs along Ross Street. At the rezoning stage it is only necessary to indicate whether access is available or can be made available for the proposed future use of the land subject of the rezoning. Planning Proposal No 4 (amended January 2017) indicates that access can be made available and it is considered that no changes are required to the exhibited Planning Proposal in response to the submission.

Making LEP amendment

Along with the altered Gateway Determination of 2 February 2017, Council received authorisation to use its delegations and exercise the Minister's functions under section 59 of the *Environmental Planning and Assessment Act 1979* (EPA Act) to make Draft Amendment No 4. The local plan making functions under section 59 include:

- making arrangements for the drafting of an LEP amendment to give effect to the final Planning Proposal
- following completion of community consultation, deciding:
 - to make an LEP amendment (with or without variation of the Planning Proposal), or
 - not to make the proposed LEP amendment.

It is recommended that Council exercise its local plan making delegations to adopt and proceed to make Draft Amendment No. 4, consistent with exhibited Planning Proposal No. 4 (amended January 2017).

Community Engagement and Internal Consultation

Planning Proposal No 4 (amended January 2017) was placed on public exhibition Thursday, 9 February 2017 to Friday, 10 March 2017 in accordance with the Gateway Determination and adjoining owners were also notified in writing.

Council's Engineering Services were consulted and provided comments on the request in the public submission that Ross Street be constructed between Markham Street and Judith Street/Kellys Plains Road.

Financial Implications

Clause 11 of the *Environmental Planning and Assessment Regulation 2000* (EPA Regulation) allows Council to enter into an agreement or arrangement with a person who requests preparation of a Planning Proposal for the payment of costs and expenses incurred by Council in undertaking matters required in relation to the Planning Proposal. Council has entered into an agreement with the landowner for Planning Proposal Not 4 to pay for costs associated with preparing the Proposal.

Good Governance

Statutory

An LEP is a statutory document and preparing a Planning Proposal and making of an amending LEP must be in accordance with the EPA Act and EPA Regulation.

Policy risk management

There are no known natural hazards or risks applying to the land subject of the Planning Proposal.

Integrated Planning and Reporting Framework

By providing for additional housing sites while protecting an area of EEC, the Planning Proposal and proposed LEP amendment are considered to support:

- the following Strategic Objectives in Council's *Community Strategic Plan 2013-2028*
 - Our People – to have a strong and resilient local economy
 - Our Environment – to improve the condition of native vegetation
- the following Strategic Directions in Council's *Draft Community Strategic Plan 2017-2027*
 - Growth, Prosperity and Economic Development
 - Environment and Infrastructure.

Sustainability Assessment

Social and physical infrastructure

The proposed R1 General Residential zoning will provide for 29 potential residential lots on the Site that may place some demand on existing social infrastructure. However, due to the scale of future development the impact on existing social infrastructure is considered to be limited. The Site is in proximity to schools and bus routes and within walking/cycling distances to recreation areas. Other social infrastructure can be readily accessed by public transport (buses and taxis) and private vehicles.

Adequate physical infrastructure (eg water supply, sewerage services, roads, power and telecommunications) is available, or can be made available, to serve future development of the Site.

Heritage

There are no European heritage items on or adjoining the Site.

Environmental protection

It is proposed to zone the EEC and an associated buffer to E3 Environmental Management and alter the minimum lot size standard to protect the EEC. The existing stand of native trees on the southern end of Lot 9 will retain its E3 Environmental Management zoning.

Item:	7.1.2	Ref: AINT/2017/04890
Title:	DA-155-2016, 1 Green Street Guyra NSW 2365 , 29 Lot Rural Residential Subdivision	Container: DA-155-2016
Author:	Luke Spooner, Town Planner	
Attachments:	1. DA-155-2016 - 1 Green Street GUYRA NSW 2365 - S79C Report to Council - Mr L Spooner	

RECOMMENDATION:

- (a) That having regard to the assessment of the Application, DA-155-2016 be granted a conditional deferred commencement consent in the terms set out in Appendix 1 to this report.
- (b) That those persons that made submissions in relation to the Application be notified of the determination in writing.
- (c) That the integrated agencies that provided their response and general terms of approval to Council be notified of the determination in writing.

Introduction:

On 13 September 2016, Armidale Regional Council received a development application for a 29 lot rural residential subdivision located on the eastern outskirts of the Guyra township. The development site is known as 1 Green Street Guyra NSW 2365 and relates to Lots 22 & 116 DP 755824 and Lots 2 & 3 DP 1217293. The subdivision will be constructed in 5 stages which involves the extension of Green Street, as well as 3 new internal roads. The subdivision will be connected to Council's reticulated water system and each site will be serviced by electricity and telecommunications.

Report:

The development application, DA-155-2016, is for a 29 lot rural residential subdivision on the eastern outskirts of the Guyra township. The proposed new lots are zoned R5-Large lot residential, with a minimum lot size of 8000m². The development can be connected to Council's reticulated water supply but would not be able to connect to the sewer supply. An on site wastewater study has been undertaken to ensure each site is capable of handling the wastewater produced on each site.

The access to the subdivision will be provided via a proposed extension of Green Street, through the Travelling Stock Route (TSR) to the proposed site. The subdivision will create two new cul-de-sacs and one new street which will allow for further expansion to the north and the south if needed in the future.

The development was considered Integrated Development under s91 of the *Environmental Planning and Assessment Act 1979* and required approval from the following State Agencies:

- Department of Primary Industries Water - *Water Management Act 2000*
- Rural Fire Service – *Rural Fires Act 1997*

The development application was lodged with a Statement of Environmental Effects prepared by New England Surveying and Engineering with the following reports and assessments undertaken:

- Geotechnical Report
- Aboriginal Cultural Heritage Study

- Onsite Wastewater Assessment
- Stage 1 Contamination Assessment
- Stage 2 Contamination Assessment
- Bushfire Assessment
- Ecological Assessment.

The Statement of Environmental Effects, the above mentioned reports, approvals from the integrated agencies as well as submissions from the public were all considered when undertaking the s79c assessment for the proposal.

The recommendation is for approval to be granted as deferred commencement only and relies on the applicant gaining approval to construct a road over the travelling stock route which is subject to an Aboriginal Land Claim. The applicant will require consent or withdrawal of that part of the claim from the lodging body, being the NSW Aboriginal Lands Council.

Community Engagement and Internal Consultation

The application was subject to public notification in accordance with the *Environmental Planning and Assessment Act 1979*, *Environmental Planning and Assessment Regulation 2000* and Council's *Development Control Plan 2015*.

Financial Implications

There is not considered to be any unexpected financial implications for Council should the development proceed. All subdivision works, which will become future Council assets, have been reviewed by Council's development engineer during the assessment of the application.

Good Governance

The development application has been assessed in accordance with all relevant legislative requirements.

Integrated Planning and Reporting Framework

All relevant procedures have been followed.

Sustainability Assessment

The development application has been assessed taking into consideration sustainability objectives.

Item: 7.2.1 **Ref:** AINT/2017/05727
Title: Cash & Investments Report March 2017 **Container:** ARC16/0291
Author: Chief Finance and Information Officer
Attachments: 1. March 17 Investments Register

RECOMMENDATION:

That the Cash & Investments report for Armidale Regional Council as at 31 March 2017 be received and noted.

Introduction:

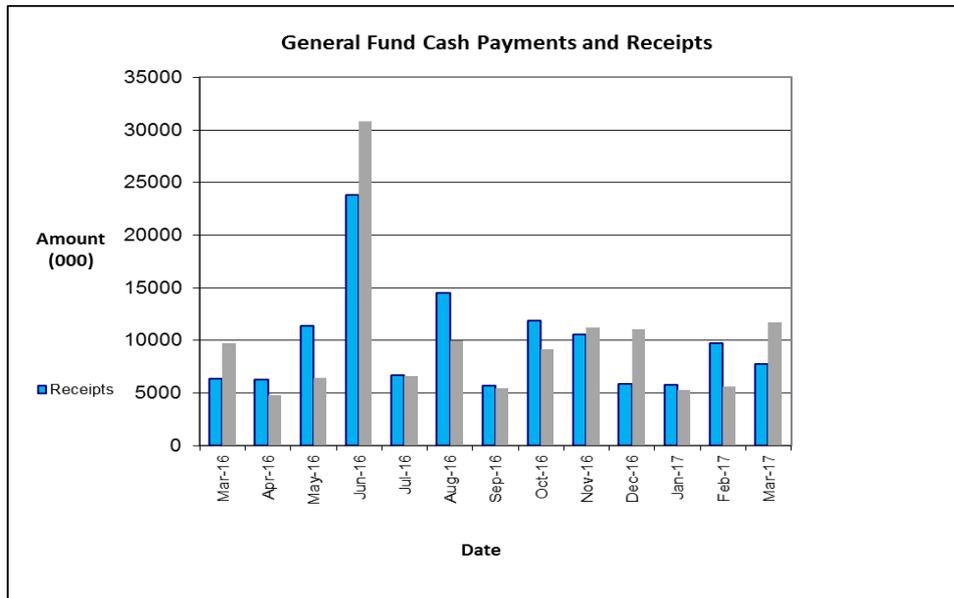
Cash and Investments for the month of March 2017.

Report:

The following is the cash and investments particulars for the period 1 March 2017 to 31 March 2017. At the end of the March period, Council held \$71,235,944.87 in investments and a consolidated bank account balance of \$5,522,717.82 excluding the Trust Fund.

During the month of March, total payments and receipts were \$11.7 million and \$7.7 million respectively. Council's bank account balance as per bank statements at the end of the period 31 March 2017 are as follows:

General Fund	5,522,717.82
Trust Fund	1,164,108.82
Total Bank Balances	6,686,826.64
	%
30 day BBSW Index	1.63
Average Interest Rate on Term Deposit Investments	2.72

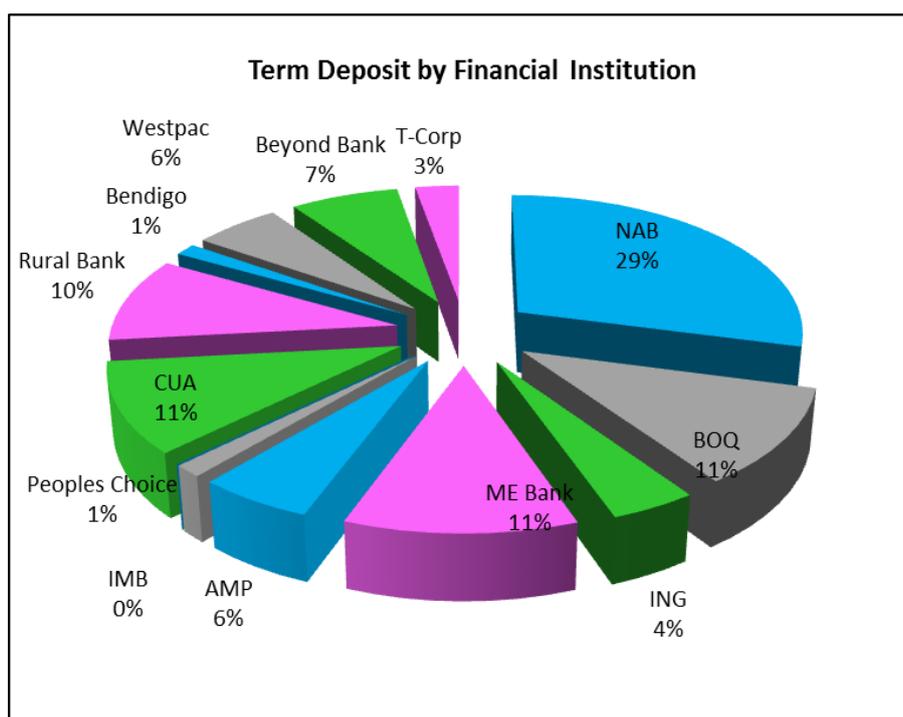


Investments Register

At the end of the March period Council held \$71,235,944.87 in investments, an increase of \$16,494.55 from the end of the February period.

Opening Balance at the beginning of the Period	71,219,450.32
Redemptions to the NAB General and Business A/c's	- 3,000,000.00
Funds Transferred from the NAB General and Business A/c's	3,000,000.00
Increased principal due to roll over of funds	<u>16,494.55</u>
Closing Balance at the end of the Period	<u>71,235,944.87</u>

Row Labels	Sum of Investment at Market Value	Average of Interest Rate %
AMP	4,000,000.00	2.83%
Bank of Queensland	8,000,000.00	2.68%
Bendigo Bank	1,000,000.00	2.65%
Beyond Bank	5,000,000.00	2.77%
Credit Union Australia	7,500,000.00	2.74%
ING	3,000,000.00	2.72%
ME Bank	8,000,000.00	2.81%
NAB	20,716,370.87	2.72%
Peoples Choice Credit Union	1,000,000.00	2.75%
Rural Bank	7,000,000.00	2.55%
T-Corp Hour Glass Account	2,019,574.00	
Westpac	4,000,000.00	2.59%
Grand Total	71,235,944.87	2.71%

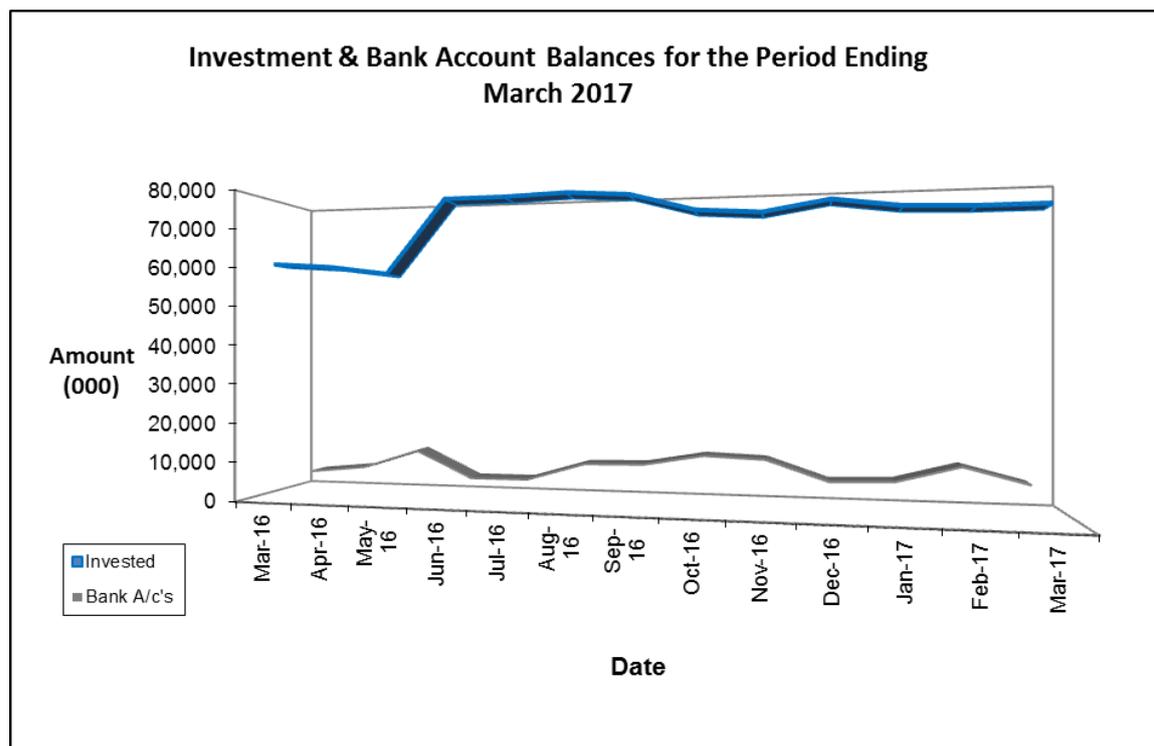


Community Engagement and Internal Consultation

This monthly report provides the community with a snapshot of Council's cash and investment particulars for the period 1 March 2017 to 31 March 2017.

Financial Implications:

That sufficient working capital is retained and restrictions are supported by cash. Cash management complies with the NSW Local Government regulations 2005.



Good Governance

All of Armidale Regional Council's investments for the period ending are in accordance with:

- Council Investment Policy POL152.
- 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.

The investment policy covers aspects of risk associated with interest rates and bank security.

Integrated Planning and Reporting Issues:

Statutory compliance. An Investment Report needs to be tabled at an Ordinary Meeting of Armidale Regional Council by the end of each month.

Sustainability Assessment

Council's financial position is a key component in its economic sustainability in the future.

Item:	7.2.2	Ref: AINT/2017/05929
Title:	Second Quarter Budget Review	Container: ARC16/0441
Author:	John Duggan, Senior Financial Accountant	
Attachments:	Nil	

RECOMMENDATION:

- (a) That the Second Quarter Budget Review for the 2016/2017 financial year as required by the Local Government General Regulation 2005 be noted.**

Introduction:

Section 203 (1) of the Local Government Regulation (General) 2005 requires Council's Responsible Accounting Officer to prepare and submit a Quarterly Budget Review Statement (QBRS) to Council within two months from the end of each quarter.

Council finalised the audit of its 2015/16 Financial Statements during February 2017. As such at the date of this review, brought forward balances were not available, so detailed cash analysis has not been possible as part of this review. This analysis will be included in the third quarter review.

Financial reports presented in this document are extracted from the ledger as at 31st December 2016. The projected 30 June 2017 results are indicative only as reconfiguration was still occurring with Statements finalisation. A cash and asset capitalisation review cannot be produced as part of this review.

Some budget adjustments have been included within this report following consultation with staff, however a full detailed list, including adjustments to date will be provided as part of the third quarter review.

Report:

As required by the local government accounting regulations, the following reports are required.

- Consolidated Income Statement, Cash flow Statement and Financial Performance Indicators
- Income Statement by Fund
- Contracts' Register
- Capital budget review
- Cash and Investments Restrictions.

In this review, due to incomplete financial year end reports for the 2015/16 year, only the following general purpose financial reports are included:

- Consolidated, General Fund, Water Fund and Sewer Fund Income Statements.

Income Statement

Consolidated All Funds

Council's Consolidated Income Statement following the Second quarter review, has projected a \$16,361,000 operating surplus including capital grants income, or a \$11,932,000 surplus excluding the recognition of capital grants income.

	Original Budget Operating Result (,000) Surplus / (Deficit)	December 2016 Revised Budget Operating Result (,000) Surplus / (Deficit)
Including Capital Income	\$16,081	\$16,361
Excluding Capital Grant Income	\$813	\$11,932

The operating result does not include capital expenditure movements. These are included in the Cash Flow Statement.

Armidale Regional Council

Quarterly Budget Review Statement

for the period 01/10/16 to 31/12/16

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2016

Income & Expenses - Council Consolidated

(\$000's)	Original Budget	Approved Change	Revised Budget	Variations	Notes	Projected	Actual
	2016/17	Carry Forwards	2016/17	for this Dec Qtr		Year End Result	YTD figures
Income							
Rates and Annual Charges	26,263		26,263	33		26,296	26,630
User Charges and Fees	19,752	905	20,657	(842)		19,815	14,005
Interest and Investment Revenues	1,937	1,480	3,417	47		3,464	855
Other Revenues	1,891	90	1,981	(43)		1,938	949
Grants & Contributions - Operating	11,824	15,869	27,693	(1,292)		26,401	20,479
Grants & Contributions - Capital	15,268	591	15,859	(11,430)		4,429	1,801
Net gain from disposal of assets	815	72	887	117		1,004	4
Total Income from Continuing Operations	77,750	19,007	96,757	(13,410)		83,347	64,723
Expenses							
Employee Costs	23,589	1,801	25,390	104		25,494	13,742
Borrowing Costs	1,756		1,756	(557)		1,199	1,058
Materials & Contracts	11,934	1,164	13,098	2,760		15,858	8,144
Depreciation	16,029		16,029	(40)		15,989	27
Other Expenses	8,361	274	8,635	(189)		8,446	4,919
Total Expenses from Continuing Operations	61,669	3,239	64,908	2,078		66,986	27,890
Net Operating Result from Continuing Operations	16,081	15,768	31,849	(15,488)		16,361	36,833
Discontinued Operations - Surplus/(Deficit)			-			-	
Net Operating Result from All Operations	16,081	15,768	31,849	(15,488)		16,361	36,833
Net Operating Result before Capital Items	813	15,177	15,990	(4,058)		11,932	35,032

Income Statement by Fund

The General Fund Income Statement following the second quarter review has moved from a net operating deficit after excluding capital grants of \$607,000 to a surplus of \$8,684,000. This is primarily due to the recognition of the merger grant of \$15 Million, offset by expected expenditures to 31 December 2016.

General Fund	Original Budget	December 2016
	Operating Result (,000)	Revised Budget Operating Result (,000)
	Surplus / (Deficit)	Surplus / (Deficit)
Including Capital Income	\$14,006	\$12,794
Excluding Capital Grant Income	(\$607)	\$8,684

Armidale Regional Council

Quarterly Budget Review Statement
 for the period 01/10/16 to 31/12/16

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2016

Income & Expenses - General Fund

(\$000's)	Original Budget	Approved Changes	Revised Budget	Variations	Projected	Actual
	2016/17	Carry Forwards	2016/17	for this Dec Qtr	Year End Result	YTD figures
Income						
Rates and Annual Charges	20,574	-	20,574	33	20,607	20,878
User Charges and Fees	11,358	841	12,199	(798)	11,401	9,742
Interest and Investment Revenues	1,213	1,480	2,693	54	2,747	1,575
Other Revenues	1,260	46	1,306	91	1,397	1,079
Grants & Contributions - Operating	11,630	15,829	27,459	(1,480)	25,979	22,918
Grants & Contributions - Capital	14,613	508	15,121	(11,011)	4,110	1,779
Net gain from disposal of assets	815	72	887	117	1,004	103
Total Income from Continuing Operations	61,463	18,776	80,239	(12,994)	67,245	58,074
Expenses						
Employee Costs	20,749	1,385	22,134	292	22,426	17,148
Borrowing Costs	1,382		1,382	(575)	807	996
Materials & Contracts	6,563	1,036	7,599	4,916	12,515	11,344
Depreciation	11,546		11,546	-	11,546	27
Other Expenses	7,217	249	7,466	(309)	7,157	5,500
Total Expenses from Continuing Operations	47,457	2,670	50,127	4,324	54,451	35,015
Net Operating Result from Continuing Operations	14,006	16,106	30,112	(17,318)	12,794	23,059
Discontinued Operations - Surplus/(Deficit)			-		-	
Net Operating Result from All Operations	14,006	16,106	30,112	(17,318)	12,794	23,059
Net Operating Result before Capital Items	(607)	15,598	14,991	(6,307)	8,684	21,280

The Water Fund Income Statement following the Second quarter review has a net operating surplus after excluding capital grants of \$708,000

Water Fund	Original Budget	December 2016
	Operating Result (,000)	Revised Budget Operating Result (,000)
	Surplus / (Deficit)	Surplus / (Deficit)
Including Capital Income	\$1,406	\$1,207
Excluding Capital Grant Income	\$1,006	\$708

Armidale Regional Council

Quarterly Budget Review Statement
 for the period 01/10/16 to 31/12/16

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2016

Income & Expenses - Water Fund

(\$000's)	Original	Approved Changes	Revised	Variations	Notes	Projected	Actual
	Budget	Carry					
	2016/17	Forwards	2016/17	Dec	Qtr	Result	figures
Income							
Rates and Annual Charges	2,251		2,251			2,251	2,257
User Charges and Fees	6,851	52	6,903	10		6,913	5,299
Interest and Investment Revenues	357		357	-		357	19
Other Revenues	4		4			4	4
Grants & Contributions - Operating	103	(29)	74	(16)		58	-
Grants & Contributions - Capital	400	83	483	16		499	228
Total Income from Continuing Operations	9,966	106	10,072	10		10,082	7,807
Expenses							
Employee Costs	1,650	228	1,878	(9)		1,869	1,007
Borrowing Costs	373		373			373	212
Materials & Contracts	3,240	105	3,345	(7)		3,338	629
Depreciation	2,762		2,762	(19)		2,743	
Other Expenses	535	18	553	(1)		552	232
Total Expenses from Continuing Operations	8,560	351	8,911	(36)		8,875	2,080
Net Operating Result from Continuing Operations	1,406	(245)	1,161	46		1,207	5,727
Discontinued Operations - Surplus/(Deficit)			-			-	
Net Operating Result from All Operations	1,406	(245)	1,161	46		1,207	5,727
Net Operating Result before Capital Items	1,006	(328)	678	30		708	5,499

The Sewer Fund Income Statement following the Second quarter review has a net operating surplus after excluding capital grants of \$472,000.

	Original Budget	December 2016
Sewer Fund	Operating Result (,000)	Revised Budget Operating Result (,000)
	Surplus / (Deficit)	Surplus / (Deficit)
Including Capital Income	\$670	\$625
Excluding Capital Grant Income	\$415	\$472

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2016

Income & Expenses - Sewer Fund

(\$000's)	Original Budget 2016/17	Approved Changes	Revised Budget 2016/17	Variations for this		Projected Year End Result	Actual YTD figures
		Carry Forwards		Dec	Qtr		
Income							
Rates and Annual Charges	3,438		3,438			3,438	3,519
User Charges and Fees	1,544	12	1,556			1,556	1,494
Interest and Investment Revenues	366		366			366	5
Other Revenues	626	43	669			669	291
Grants & Contributions - Operating	91	69	160		102	262	165
Grants & Contributions - Capital	255		255		(102)	153	-
Total Income from Continuing Operations	6,320	124	6,444		-	6,444	5,474
Expenses							
Employee Costs	1,190	187	1,377		23	1,400	753
Borrowing Costs	-		-		19	19	10
Materials & Contracts	2,131	24	2,155		(29)	2,126	236
Depreciation	1,720		1,720		(20)	1,700	-
Other Expenses	609	8	617		(43)	574	539
Total Expenses from Continuing Operations	5,650	219	5,869		(50)	5,819	1,538
Net Operating Result from Continuing Operations	670	(95)	575		50	625	3,936
Discontinued Operations - Surplus/(Deficit)			-			-	
Net Operating Result from All Operations	670	(95)	575		50	625	3,936
Net Operating Result before Capital Items	415	(95)	320		152	472	3,936

Council finalised the audit of its 2015/16 Financial Statements during February 2017. As such at the date of this review, brought forward balances were not available, so detailed cash analysis has not been possible as part of this review. This analysis will be included in the 3rd quarter review.

Councils operating statements on a consolidated basis are indicating that Council will achieve a positive operating result for the 2016/17 year. This has resulted generally from the merger grant of \$15 million, offset by expenditures of approximately \$4 million as at 31 December 2016.

Community Engagement and Internal Consultation

Consultation has occurred with internal stakeholders in making the adjustments to the budget.

Financial Implications

Council needs to be vigilant in its commitment to maintaining a budget surplus and improve the asset renewal rate and needs to consider the long term implications of current decisions and continue to run operating deficits by over-committing.

Council's future budgets need to have sufficient working funds of at least 2% of total turnover in order to absorb small variations to budget. To achieve this figure this year, Council should be aiming for a surplus budget equal or greater than of \$800k.

Good Governance

The Second quarter review was due before Council within 2 months of the end of the period. As staff were still finalising the Annual Statements for 2015/16 at this time, it was not possible to present the report on time. This review provides a broad overview of Councils operating budget. A detailed 3rd quarter review will be provided to Council within the required time.

Integrated Planning and Reporting Framework

The following financial targets are part of Council’s IP&R Resourcing Plans:

Financial Component	Target
Unrestricted Working Funds	A minimum unrestricted working funds balance of 5% of the unrestricted revenues in the same financial year.
Employee Leave Entitlements	Council’s target cash reserve provision is 20%, however, given the current size of the liability and the employee profiles, the potential for large payments on termination or resignation of employees over the next five (5) to ten (10) years will require Council to increase its liability provision from the current 22% to 40% incrementally.
Investments Funds	Restrict suitable level of funds for identified future works or projects. Funds from the sales of assets, surplus equipment or functions with funded depreciation from operating income are directed into an asset management reserve that is to be utilised as part of Council’s asset management strategy programs.
External Borrowings	Council limits debt repayments as a percentage of income to between 0 and 10% of own source revenue.
Operating Budget	Council’s operating budget aims to achieve a surplus of 2% on both a consolidated and business unit level, to maintain an adequate level of working capital and to fund asset replacements or renewals. From any operating surplus Council’s goal is to hold 5% cash from total recurrent sources of revenue as unrestricted funds.

Sustainability Assessment

The operating result in this review is a “one off” improvement because of the inflow of grants. Council needs to remain vigilant in achieving medium and long term sustainability and to become ‘fit’.

Item:	7.2.3	Ref: AINT/2017/04929
Title:	Draft Fees and Charges 2017/2018	Container: ARC16/0390
Author:	Krista Schmidt, Senior Revenue Officer	
Attachments:	1. Draft 2017-2018 Armidale Regional Council Fees and Charges 2. Draft 2017-2018 Armidale Regional Council Statement of Charges for Public Display	

RECOMMENDATION:

- (a) That Council endorse the draft 2017-2018 Fees and Charges for public exhibition.
- (b) That Council advertise the draft 2017-2018 Fees and Charges for 28 days calling of public submissions.
- (c) That a further report be submitted at the completion of the formal exhibition period detailing any submissions received during the exhibition period for Council's consideration.

Introduction:

Council is required to advertise its plans under the Integrated Planning and Reporting framework calling for public submissions.

Report:

Council must review its fees and charges for the following year. The legislative requirements are outlined in the Local Government Act and Regulations.

Due to Armidale Dumaresq and Guyra Shire Councils amalgamation, there is a requirement for the many separate service fees and charges adopted by both former councils to be standardised. While many are statutory fees or charges and do not differ, there are a number of other fees and charges which have been revised and restructured. This allows fees and charges to be consistently applied throughout Armidale Regional Council as a whole. Any fee or charge duplicated across the two former councils have also been identified and removed.

While keeping in mind community sensitivity resulting from amalgamation, wherever possible, discrepancies in amounts charged between the two former councils have been either removed or adjusted to bring fees and charges closer together.

Having regard to meeting the legislative requirements and essential elements outlined in the integrated planning and reporting guidelines, the purpose of this report is to seek Council approval to publicly exhibit the 2017-2018 Draft Fees and Charges as attached for the period from 13 April 2017 for 28 days.

Community Engagement and Internal Consultation

The fees and charges have been revised and harmonised by responsible managers before being reviewed by the Group Leaders and CFO. They are to be placed on public exhibition to seek comments from the community.

Financial Implications

Included in the attached reports is a detailed list of each of the fees and user charges Council is proposing to implement over the 2017-2018 operating year which identifies financial

implications. That there will be a requirement over the next two year to continue to rationalise the fees and charges.

Good Governance

Consistent fees and charges that apply across Armidale Regional Council support good governance.

Integrated Planning and Reporting Framework

Advertising of draft plans calling for public submission on the Draft Fees and Charges, before adoption for implementation from 1 July 2017.

Sustainability Assessment

The Fees and Charges schedule has been prepared to meet NSW Office of Local Governments direction to ensure that all Councils are working towards financial sustainability.

Item:	7.2.4	Ref: AINT/2017/04786
Title:	Annual Financial Statements for the former Guyra Shire Council and the former Armidale Dumaresq Council	Container: ARC16/0347
Author:	John Duggan, Senior Financial Accountant	
Attachments:	Nil	

RECOMMENDATION:

That Council notes the finalisation of the Financial Statements for the former Guyra Shire Council and the former Armidale Dumaresq Council required by Section 419 of the *Local Government Act 1993*.

Introduction:

Council has finalised Financial Statements for the former Guyra Shire and Armidale Dumaresq councils, received audit reports, reported the statements to the internal audit committee, advertised the statements for a period exceeding 28 days and received no submissions.

Report:

Section 419 of the *Local Government Act 1993* requires Council to present its audited financial reports at a Council meeting, together with the auditor's reports, as soon as practicable after receiving a copy of the auditor's report.

The Annual Financial Statements for the "Former" councils as at 12 May 2016 have been completed, audited and forwarded to the Office of Local Government. Both sets were advertised during the week commencing 27 February for public comment. The detail included in each of the public notices is as follows:

Former Armidale Dumaresq Council:

A summary of the Financial Statements is provided below:

	12/5/16	30/6/15
	\$'000	\$'000
Income Statement		
Total income from continuing operations	54,192	52,051
Total expenses from continuing operations	44,674	48,637
Operating result from continuing operations	9,518	3,414
Net operating result for the period		
Net operating result before grants and contributions provided for capital purposes	7,517	369
Statement of Financial Position		
Total current assets	60,792	50,750
Total current liabilities	(13,446)	(12,154)
Total non-current assets	566,814	558,720
Total non-current liabilities	(26,795)	(31,295)
Total equity	587,365	566,021
Other financial information		
Unrestricted current ratio (times)	1.51x	1.57x
Operating performance ratio (%)	18.6%	0.5%
Debt service cover ratio (times)	8.11x	4.59x
Rates and annual charges outstanding ratio (%)	24.9%	8.9%
Infrastructure renewals ratio (%)	70.1%	41.5%

Former Guyra Shire Council:

A summary of the Financial Statements is provided below:

	12/5/16	30/6/15
	\$'000	\$'000
Income Statement		
Total income from continuing operations	14,593	12,793
Total expenses from continuing operations	13,456	12,722
Operating result from continuing operations	1,137	71
Net operating result for the period	1,137	71
Net operating result before grants and contributions provided for capital purposes	(316)	(392)
Statement of Financial Position		
Total current assets	20,811	18,475
Total current liabilities	(5,955)	(5,300)
Total non-current assets	215,467	213,723
Total non-current liabilities	(3,400)	(3,952)
Total equity	226,923	222,946
Other financial information		
Unrestricted current ratio (times)	2.88x	4.94x
Operating performance ratio (%)	14.2%	-8.2%
Debt service cover ratio (times)	8.59x	4.82x
Rates and annual charges outstanding ratio (%)	27.4%	10.8%
Infrastructure renewals ratio (%)	124.1%	72.6%

Under the Australian Accounting Standards and the Local Government Code of Accounting Practice, the statements reflect rates and grants revenues for a 12 month period (to 30 June 2016) and expenses to 12 May 2016. This accounting treatment has resulted in very positive operating results for both Councils which are inconsistent with historical data and will provide further inconsistency for the 2016/17 Annual Financial Statements for the new Armidale Regional Council.

The 2016/17 Annual Statements for Armidale Regional Council will reflect the opposite inconsistency. We expect a poor operating result because rate and grants revenues will be reported for the period from 1 July 2016 to 30 June 2017, whilst expenditure will be reported for the period from 13 May 2016 to 30 June 2017. (An additional 6 weeks)

In simple terms, if we use the expenditure figures above and average them over 46 weeks, the potential variation to our operating result for next year is \$7.582 Million.

The statements from both the former Councils will be combined to form the beginning position for the Armidale Regional Council.

Community Engagement and Internal Consultation

Council's Auditor and the Office of Local Government were consulted in respect to the preparation of the financial statements.

The LGA Section 419 requires council to present its audited financial reports, together with the auditor's reports, at a meeting of the council and that any submissions be considered, no submissions were received.

Financial Implications

The Audit Fees are provided for in the annual operational budget, however additional costs have been incurred because of the need to ensure no major material variations have been presented in the statements because of the cut-off at 12 May 2016.

Good Governance

The Local Government (Council Amalgamations) Proclamation 2016, Clause 27 required the *new council to prepare audited financial reports for the former councils, in respect of the period from 1 July 2015 to the amalgamation day, on or before 31 December 2016.*"

Council appointed the NSW Auditor-General as the Council's Auditor on 23 May 2016.

The Office of Local Government (OLG) subsequently granted an extension for the lodgement of the former Armidale Dumaresq Council's financial statements to 31 January 2017.

The Auditor's Report for the former Guyra Shire Council was received on the 20 December 2016 and the financial statements were lodged with the OLG prior to the 31 December 2016. The Auditor's Report for the former Armidale Dumaresq Council was received on the 14 February 2017, and therefore the financial reports were not lodged with the OLG before the extension period.

Integrated Planning and Reporting Framework

Draft Community Strategic Plan 2017-2027, Community Outcome 2 – Council provides the community with value for money when managing its budget and operations.

Sustainability Assessment

As discussed in the report above, the Statements do not provide a clear picture regarding ongoing financial sustainability. Unfortunately the statements for the forthcoming year will also be skewed. We can make assumptions to demonstrate sustainability principals however because of the different year ends, forward determinations may not be as accurate as if we were based on two 30 June year ends.

Item:	7.2.5	Ref: AINT/2017/03985
Title:	Write off of Guyra Show Society Cattle Yard Loan ARC16/0291	Container:
Author:	Keith Lockyer, Chief Finance and Information Officer	
Attachments:	1. Show Society Loan Repayment Schedule- <i>As this attachment deals with 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). Council closes part of 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.</i>	

RECOMMENDATION:

That council write off the Guyra Show Society Cattle yard loan amounting to \$17,562.50.

Introduction:

In 2008 Council entered into an agreement with the Guyra Show Society to Secure Grant funding of \$15,000.00 & to borrow \$15,000.00 on behalf of the Show society with the proviso that the Show society would repay the loan to Council over 10 years. The \$30,000.00 was allocated to the construction of Cattle yards at the Guyra Show Ground and construction took place in 2008.

Report:

The original amount receivable from the Show Society for the life of the loan was \$21,187.50 which is made up of \$15,000.00 Principal and \$6,187.50 Interest. The show society made payments in 2009 & 2013 amounting to a total of \$3,625.00 reducing the total remaining amount on the loan to \$17,562.50

A copy of the loan repayment schedule is attached.

Council has pursued payment with the Show Society and conducted meetings in the past to attain payment with no outcome. The Show Society negate that they formally entered into an agreement with Council and Council officers have been unable to locate any documentation to suggest otherwise.

As a result of previous meetings, the age of the proposed agreement, and the ambiguity around the liability of the show society to repay the loan this debt would result in a very weak case for legal recovery. Council is the trustee of the show ground where the Cattle yards are located. The reputational risk and damage to the cooperation with the show society is high if Council pursues legal action & probably outweighs the cost of the loan. It is recommended that Council write off the debt and consider the Cattle yard contribution a grant to the Show Society.

Community Engagement and Internal Consultation

The show ground facilities are an integral part of the Armidale Regional Council community and are intended to be maintained and provided for community members now & into the future.

Financial Implications

Council will reduce both short term and long term receivables by the total amount of \$17,562.50.

Good Governance

All future agreements with loans to external parties must be supported by a legally binding contract and will adhere to the financial policies of Council.

Integrated Planning and Reporting Framework

Sustainability Assessment

Item:	7.2.6	Ref: AINT/2017/04785
Title:	Request for Debt Change for New England Regional Indoor Sporting Complex (NERISC)	Container: ARC16/1073
Author:	John Duggan, Senior Financial Accountant	
Attachments:	1. New England Regional Indoor Sporting Complex - Request review of debt/loan	

RECOMMENDATION:

That Council write off interest costs to bring the outstanding debt of \$189,455.91 back to \$150,000 and negotiate an interest free repayment of \$10,000 (minimum) per year over 15 years.

Introduction:

The Administrator has received a request from New England Regional Indoor Sporting Complex (NERISC) to write-off the balance of their outstanding loan as per the attached documents. An examination has occurred regarding a number of options, which has resulted in the recommendation.

Report:

In 2005 the then Armidale Dumaresq Council (ADC) provided a loan of \$300,000 at 7.25 per cent p.a., towards the construction of Stage 1 of The Den. The loan amortisation schedule required repayments of \$30,885 per annum over 14 years. Since NERISC's recurrent operating revenue has also averaged around \$30,000 p. a. they have been unable to keep to the schedule, given other operating costs. However, in the eleven years since 31/12/2005 NERISC has made repayments of \$213,435 to ADC/Armidale Regional Council (ARC), the equivalent of approximately seven years of operating revenue.

NERISC has been paying what it can on an annual basis to meet the debt, however the debt has been increasing as interest costs continue to mount. As at 31/12/16 the amount outstanding was \$181,734.57. The debt now stands at \$189,455.91.

Council originally borrowed the funds from the NAB over 10 years and then entered into an agreement with NERISC. The process was that Council would simply become a 'middleman' and repay the loan to the bank from the funds received from NERISC. There would not be a financial impact on Council and a local community group would have a new asset. NERISC's financial circumstances however could not repay the debt in time and a report was presented to Council in 2007 extending the term of the repayment to 2020. A further report was presented to Council in 2012 Informing Council that the debt would extend beyond 2020.

Council has repaid the original loan to the bank and has incurred the interest costs in prior financial years. Council is not incurring any additional costs at this point and is generating small interest revenues many of which are simply adding to the debt. NERISC has consulted with Councils Chief Financial Officer and has been repaying as much as is possible on an annual basis. Council has other loans with other sporting groups, so it needs to ensure that any action it takes is fair and equitable for all.

A number of possible options are available:

- a) Council could write off the remaining debt including all interest charges to date. This action would have an impact on Council's current budget and end of year result. A cost of

- \$189,455.91 would be incurred as bad debts expense which would reduce Council's operating result by that figure for the current Financial year.
- b) Council could write off interest costs to bring the debt back to \$150,000 and negotiate an interest free repayment of \$10,000 per year over 15 years. This would also have an impact on Council's current budget and end of year result, however the impact would be reduced to \$49,455.91. Discussions have occurred with NERISC and while this is not an ideal option, as it still limits their ability to generate sufficient funds to adequately maintain the facility, it is much better than what currently exists.
 - c) Council could change the debt to an interest free loan and negotiate the repayment of the loan over a longer term (say 15 years). Over recent years NERISC has repaid to Council whatever it could. A figure of approximately \$15,000 represents the average payment per year. A repayment figure higher than \$15,000 would not be sustainable for NERISC. This would have no effect on Council's current budget or end of year result.
 - d) Council could alter the interest rate in the current agreement to make it more in line with current loan costs. Current borrowing rates for this sort of loan would average approximately 4%. Council could reduce the interest rate on the agreement so that the ongoing liability would not increase as much as it is. This would reduce NERISC's ongoing costs however the debt would continue to exist for some time into the future.
 - e) Council could maintain the current agreement. This would leave NERISC in an ongoing unsustainable position.

After examining the possible options, Option B is the recommended action for Council.

- Council incurs a smaller cost against its current budget (\$49,455.91) which can be partially offset by interest costs generated so far this year (\$6,093.69)
- Council has already repaid the loan to the bank.
- Council establishes a repayment schedule that is achievable for NERISC.
- The term of the loan is 15 years
- The debt eventually gets paid.

Community Engagement and Internal Consultation

The writer has consulted with the Treasurer of NERISC who understands Council's position and would prefer a more favourable option. Council has another loan to a sporting group which has similar terms and conditions. A similar request may be forthcoming from this group. The ELT has considered this report and supported the recommendation.

Financial Implications

As detailed in the report the recommendation will have a financial impact on this year's budget and end of year results. A write off expense of \$49,455.91 will be incurred in the current year. However the recommendation also enables NERISC to meet future obligations and also to repay the debt over the next 15 years.

Good Governance

The recommendation is in accordance with Council's current policies.

Integrated Planning and Reporting Framework

There will be no change to Council's integrated planning and reporting framework except in the current year budget.

Sustainability Assessment

The ongoing interest costs that NERISC have incurred will prevent them from extinguishing the debt within the foreseeable future. The recommendation provides a sustainable alternative for NERISC whilst also enabling Council to finalise the debt.

Item: 7.2.7 **Ref:** AINT/2017/05352
Title: Tingha Boundary Adjustment Survey Results **Container:** ARC17/1637
Author: Greg Meyers, Director Planning and Environmental Services
Attachments: 1. Tingha Boundary Adjustment - Proposal 2

RECOMMENDATION:

- a) **That Council note 57% support for a boundary adjustment from those landowners surveyed (and follow up telephone calls to the non-respondents) for the larger area south and south west of the Tingha Village as agreed to between Armidale regional Council and Inverell Shire Council.**
- b) **That Armidale Regional Council, based on the above survey results not oppose the proposed boundary adjustment of approximately 800sq kilometres (see attached map) including Tingha Village, Green Valley Farm and the Georges Creek area south and south west of Tingha.**
- c) **That Council's decision be provided to Inverell Shire Council and The Hon Adam Marshall MP and the Minister for Local Government.**
- d) **That Council undertake a due diligence review of all relevant matters should a local government boundary adjustment between Armidale Regional Council and Inverell Shire Council proceed.**
- e) **Should a boundary adjustment proceed, that the process of distribution of assets and liabilities be through a mutually agreed process coordinated by the Department of Premier and Cabinet and/or the Office of Local Government to ensure equity and fairness for both councils.**
- f) **That Council request all costs incurred by both councils due to the boundary adjustment be adequately funded by the NSW State Government.**

Introduction:

This report outlines the results of the mail survey and follow-up telephone calls to the non-respondents that was undertaken of the landowners in the larger area south and south west of Tingha for the possible absorption and boundary adjustment into Inverell Shire Council as agreed to by both Armidale Regional Council and Inverell Shire Council at a meeting held in Guyra on Monday 13 February 2017.

Report:

Council considered a possible Boundary Adjustment around the village of Tingha at its 8 February 2017 Ordinary meeting in Tingha. This followed representations from the Tingha Citizens Association Incorporated (TCAI) seeking an adjustment of the boundary between the new Armidale Regional Council and Inverell Shire Council.

The initial request from TCAI was for a much larger area of approximately 900km² which included the village of Tingha, all the area south and west of Tingha and an area to the south east and east.

Based on advice provided to Council's Administrator that not all residents south and east of Tingha supported the move, the Administrator at the 8 February 2017, Tingha meeting resolved:

- a) That after carefully considering the request of the Tingha Citizens Association Incorporated (TCAI) and the citizens who signed the petitions, Armidale Regional Council would reluctantly not oppose the township of Tingha and the area identified in the map prepared by Armidale Regional Council and attached to this report (an area of approximately 393 square km) being removed from the Armidale Regional Council LGA and absorbed by the Inverell Shire Council LGA.**
- b) That Council's resolution in regard to this matter be referred to the Minister for Local Government for her further consideration. Further, that should the Minister be of the mind to progress the proposal then the Minister be encouraged to undertake further community consultation.**
- c) Should a boundary adjustment under (a) above proceed, that the process of distribution of assets and liabilities be through a mutually agreed process coordinated by the Department of Premier and Cabinet and/or the Office of Local Government to ensure equity and fairness for both councils.**
- d) That all costs incurred by both councils due to the boundary adjustment be adequately funded by the NSW State Government.**
- e) That Armidale Regional Council will strongly oppose any allocation from the \$5million Merger Transition Fund or the \$10million Strong Community/Regions Fund being moved to the Inverell Shire Council.**
- f) The above resolutions are made after noting the resolutions of Inverell Shire Council from its special meeting held today to not support the proposed boundary position of Armidale Regional Council.**

Following this determination, a meeting was convened and facilitated by local member Adam Marshal MP in Guyra on Monday 13 February 2017, which was attended by Armidale Regional Council Administrator and Chief Executive Officer and Inverell Shire Council Mayor and General Manager.

At this meeting it was agreed that in addition to the area endorsed by ARC at the 8 February 2017 meeting that:

- 1) Green Valley Farm be transferred to Inverell Shire, and
- 2) the fifty households in the George's Creek area will be canvassed to determine which local government they would like to be part of.

As a result of this agreement only those households/properties in the larger agreed area were written to which was a total of 42 rateable properties.

During the survey period a number of telephone enquiries were received from landowners within the smaller agreed area as to why they did not receive a survey, as well as some landowners who were outside both the smaller agreed area and the proposed larger area seeking to be included in the area to move to Inverell. Those who were within the smaller agreed area were advised that Council did not intend to seek their position as it was assumed that the vast majority were in support of the TCAI position. Those submissions received from landowners outside the agreed and proposed area totalled 12.

In addition, a number of submissions were sent directly to Inverell Shire Council who have referred these to ARC for reference. It is noted that a number of the submissions sent to Inverell and also unsolicited submissions to Armidale include properties and submitters which are not identified on Council's landowner database and some would appear to be within Uralla Shire just south of the current ARC boundary. 9 submissions have been received from landowners east and south of Green Valley Farm expressing a desire to also move to the Inverell Shire Council. These have not been considered as part of this report and further expanded area.

Of the 42 surveyed properties in the Georges Creek area, Council received 24 written survey responses. 4 responses did not support the move to Inverell Shire Council and 20 landowners support the move.

As the 20 yes responses did not provide a clear majority of landowners surveyed, Council sought to contact the no-respondents by telephone. Of the 18 non-respondents Council had telephone contact details for 11 landowners. The landowners were contacted on Wednesday and Thursday 5 & 6 April and Council received another 1 no vote and 4 yes votes taking the numbers to 5 not in support of the move and 24 in support being a majority of 57% .

Community Engagement and Internal Consultation

This matter has been initiated by the TCAI and citizens from the Tingha and Inverell environs. Internal discussions with key staff have been held as has discussion between the two councils.

Landowners in the agreed expanded have been consulted through a letter and survey.

It would be expected that further community consultation be held through the Boundaries Commission or Office of Local Government.

Financial Implications

There will be considerable cost and budget implications for both councils should the boundary adjustment proceed. These implications and costs should be covered by the NSW Government no different to the funding that has been provided for the NSW local council mergers.

Good Governance

The process for the boundary adjustment no matter how amicable it may be, needs to follow due diligence and good governance procedures no different to any other merger.

It is expected that either the boundaries Commission or Office of Local Government will be responsible for the next phase in the boundary adjustment process.

Integrated Planning and Reporting Framework

Boundary adjustments are not identified in Council's Community Strategic Plan. However open and transparent governance is and the proposal and process outlined in this report will ensure that reaching a decision has been clearly outlined and demonstrated to the community.

Sustainability Assessment

The boundary adjustment of the larger proposed area outlined in this report from Armidale Regional Council to Inverell Shire Council will see the transfer of rateable properties and income along with the liabilities from one council to the other. This should be clearly understood prior to final proclamation so the residents and ratepayers are aware of the impacts.

Item:	7.2.8	Ref: AINT/2017/05921
Title:	NSW Parliament enacts Fire and Emergency Services Levy Bill (NSW) 2017	Container: ARC16/0086
Author:	Krista Schmidt, Senior Revenue Officer	
Attachments:	Nil	

RECOMMENDATION:

That this report on NSW Parliament enacting the *Fire and Emergency Services Levy Bill (NSW) 2017* be noted.

Introduction:

The *Fire and Emergency Services Levy Bill (NSW) 2017* was passed unamended by the NSW Parliament on 29 March 2017 and will come into effect on 1 July 2017.

From 1 July 2017, the NSW Government is changing the method of funding our community's fire and emergency services. At present, these services are funded by a levy on insurance, which will be removed from 1 July. From this time, all properties, not just insured properties, will directly contribute to the cost of these services through the Fire and Emergency Services Levy (FESL), to be collected by councils alongside council rates. Under the new system, all property owners will contribute to the cost of these services.

Report:

The FESL will be levied in two parts;

- a fixed charge component and
- a variable (ad-valorem) charge based on unimproved land value as determined by the NSW Valuer-General.

NSW Treasury will determine the charges, with different charges being levied on parcels of land depending on the classification of property, residential, farmland, industrial, commercial, vacant or public benefit. All Government property will be exempt from the FESL levy, a rebate will also be provided to eligible pensioners currently receiving a pension rebate on their general rates.

Treasury are yet to determine the exact levy, which will not be published until 30 April 2017, when property values for July 2016 and the budget for the emergency services agencies for 2017-18 are known. The charges will be reviewed and determined by NSW Treasury every year.

Community Engagement and Internal Consultation

A public awareness campaign from the NSW Government for the FESL will commence with digital, search and display advertising from April. The FESL website will be refreshed and updated from this time. A key aim of the campaign is to emphasise that the FESL is a NSW Government Levy designed to fund fire and emergency services paid alongside council rates. The advertising will comprise mainstream media as well as direct mail sent along with council rates notices and will direct queries to the FESL website and call centre.

Additionally, Council will engage the community through various communication channels, including social media, community news and radio to reinforce the messages on the FESL website. Council will have a link to www.fesl.nsw.gov.au on the home page of our website to further assist customers. All communication from Council regarding the FESL will reflect the message and branding of the NSW Government.

The legislation requires that councils notify all landowners of their FESL classification by 30 April 2017. Notifications of FESL classifications should be provided to landowners in conjunction with councils' April rates instalment notices. If a landowner does not receive an April rates instalment notice, a standalone notice of FESL classification will be provided.

Treasury has advised that comprehensive FAQs will be posted to the FESL council portal. Further, Treasury has put together a FESL Flying Squad Team to assist councils in the implementation and communication of the FESL. An initial visit was held with Council staff to assist Treasury to understand and assist with issues faced by councils and allow Treasury to implement the FESL as smoothly as possible.

A second face-to-face engagement with councils took place on 5 April and provided the opportunity for Treasury to provide updated information, and also an opportunity for Council to provide additional valuable feedback and information to Treasury. The focus of the second visit will be the presentation of information to council Customer Service Officers.

At the initial visit Council approached the Treasury training adviser to provide an additional presentation to key representatives of the local stakeholder groups to allow them to be advocates for the smooth implementation and communication of FESL. A 1 hour session was provided on Friday 7 April to these groups.

Financial Implications

The FESL is a NSW Government Levy and NSW Treasury will determine the charges.

Good Governance

The FESL is a NSW Government Levy.

Integrated Planning and Reporting Framework

Council's reporting framework has been considered. This is a statutory requirement.

Sustainability Assessment

The FESL will be applied to meet requirements of the NSW Government.

Item:	7.3.1	Ref: AINT/2017/04962
Title:	Renaming and Rescinding Sections of Cookes Road, Armidale	Container: ARC16/0043
Author:	Kylie Steel, Support Officer	
Attachments:	1. Map - Cookes Road 2. Submission - Steve Widders - Support for Rename 3. Submission - Colin Ahoy - Objection to the Road Name Proposal 4. Geographical Names Board's Notification of Road Name Proposal - Morris Street	

RECOMMENDATION:

- a) That a proposal to rename a section of Cookes Road, between Long Swamp Road and Mann Street, Armidale "Morris Street" be advertised for the period from Wednesday, 19 April 2017 to Tuesday, 17 May 2017 and should no objections be received, the name be adopted.
- b) That Council write to the Geographical Names Board to rescind the name "Cokes Road" for the unformed part-sections between:
 - i) Mann Street and Grafton Road, Armidale; and
 - ii) Simmons Street and Kirkwood Street, Armidale.

Introduction:

Firstly, to provide Council with an update on Item 240/ 16 presented to Council on 7 December 2016 to rename and renumber Cookes Road, between Long Swamp Road and Mann Street, Armidale; and secondly, to rescind the unformed part-sections of Cookes Road.

Report:

1. Cookes Road Rename - between Long Swamp Road and Mann Street, Armidale

Further to Council's Meeting of 7 December 2016, Council wrote to five property owners and 15 residents regarding the addressing anomaly in Cookes Road, Armidale including: the Armidale Local Aboriginal Land Council; Gunidah Gunyah Aboriginal Corporation (managing agents for the Land Council properties); Aboriginal Housing Office; Gayinyaga Committee; Mr Tom Briggs and Mr Steve Widders. An outline of the anomaly and proposal to rename the section of Cookes Road, between Long Swamp Road and Mann Streets was explained requesting the owners and residents put forward road name submissions.

At its meeting, held on 8 March 2017, the Gayinyaga Committee recommended "Morris Street" as a road name suggestion after Sarah Morris. Sarah married Frank Archibald and they raised 12 children of their own and a further 4 or 5 of her brother's children. Ms Walford advised that many of the people, raised in the Aboriginal community, are descendants of Frank and Sarah (nee Morris) Archibald.

In addition to the Gayinyaga Committee's recommendation, two individual submissions were received - one in support of the proposal and one against the proposal as summarised below:

For: Mr Steve Widders - agrees and supports this section of Cookes Road to be renamed to "Morris Street"; however, he believes there should be more input from residents in Cookes Road.

Against: Mr Colin Ahoy, long term resident of Narwan Village, is opposed to any renaming of Cookes (Cooks) Road. He believes further discussion should happen with residents of Narwan Village as residents don't see why it has to change.

Conclusion: It is essential the addressing anomaly be resolved in Cookes Road. As there are 15 properties affected between Long Swamp Road and Mann Street compared to 54 properties affected between Kirkwood Street and Hillards Road. It is more suitable to rename and renumber the least effected residents.

Council submitted "Morris Street" to the Geographical Names Board (GNB) to check for conformance against the New South Wales Address Policy and Addressing Principles outlined in the *NSW Addressing User Manual (AUM)*. In responding the GNB sent Council the "Notification of Road Name Proposal", which it has placed on advertisement to the 10 prescribed authorities as per Section 163 of the *Roads Act 1993* and Part 2 of the *Roads Regulation 2008*: Australia Post; Registrar-General; Surveyor-General; Ambulance Service of NSW; Fire and Rescue NSW; NSW Rural Fire Service; NSW Police Force; State Emergency Service; NSW Volunteer Rescue Association Inc; and Roads and Maritime Services. The closing date for submissions from the authorities is 6 April 2017.

Council intends to advertise the proposed road name "Morris Street" in the local newspapers (*The Armidale Express* and the *Guyra Argus*), Council's "Your Say" on its website and through its Newsletter and write to the owners and residents of Cookes Road, Armidale between Long Swamp Road and Mann Street, Armidale.

The attached map highlights in 'green' the section of Cookes Road to be renamed.

2. Rescind the unformed part-sections of Cookes Road

Item 6.7.3 of the AUM - Roads to be Named - states "*Unformed roads (usually surveyed but unconstructed) should not be named unless a name is, or will be, required for addressing purposes.*"

Item 6.7.7 - Road Extents - states "*The extent of the road shall be defined by the formed road, and shall included only one section navigable by vehicles or foot. Unconnected navigable sections, such as where separated by an unbridged stream or physical barrier, shall be assigned separate names.*"

The unformed part-sections of Cookes Road between Mann Street and Grafton Road, Armidale; and Simmons Street and Kirkwood Street, Armidale do not provide access to residential homes or used for addressing purposes. Should the unformed sections be developed in the future the normal road naming process would commence.

The attached map highlights in 'purple' the part-sections of Cookes Road to be rescinded.

Community Engagement and Internal Consultation

Council wrote to five property owners and 15 residents including: the Armidale Local Aboriginal Land Council; Gunidah Gunyah Aboriginal Corporation (managing agents for the Land Council properties); Aboriginal Housing Office; Gayinyaga Committee; Mr Tom Briggs and Mr Steve Widders. Council staff also spoke to members of the Gayinyaga Committee at its meeting held on 9 November 2016.

Financial Implications

A new sign will need to be installed which will cost in the vicinity of \$150 and new numbers will be supplied to residents to assist them to update their addressing. Council will use numbers already in stock and purchase new numbers, through Stores, at a price to be determined.

Good Governance

Council follows the procedures outlined in the former Armidale Dumaresq Council's POL071 - Regulatory - Local Roads and Place Naming Policy and by the Geographical Names Board of NSW.

Integrated Planning and Reporting Framework

Under Our Infrastructure, a goal is to "Provide infrastructure for effective transport and access". This proposal fits within this framework.

Sustainability Assessment

It is essential under the *Australian and New Zealand Addressing Standards (AS/NZS: 4819:2011)* and the *NSW Addressing User Manual (AUM)* that all occupied properties be allocated a unique address that is unambiguous and applied in a logical manner.

Item:	7.3.2	Ref: AINT/2017/05202
Title:	Timber Bridges Structural Assessment	Container: ARC16/1246
Author:	Rob Shaw, Director of Regional Infrastructure	
Attachments:	1. Timber bridges 2016 Level 3 report	

RECOMMENDATION:

- a) That the programme of bridge upgrades as outlined in the report be endorsed by Council
- b) That application be made for 50% funding of the programme (i.e. an amount of \$2.1 million) under the Australian Government's Bridges Renewal Programme, to match the amount of \$2.1m approved by Council under the Stronger Regions Fund, providing a total amount of \$4.2m to allow upgrade of the worst 20 timber bridges.
- c) That an application be submitted to the Stronger Regions Fund, seeking a further \$0.8 million, and if approved, that an additional \$0.8m of matching funding be requested under the Australian Government's Bridges Renewal Programme, providing a total amount of \$5.8 million to allow upgrade of all 32 timber bridges.
- d) That immediate action be taken to undertake temporary support work and load / speed restrictions recommended for the first ten (10) bridge priorities, using available funds from the 2016/17 Council budget for maintenance of bridges

Introduction:

At the time of the merger of Armidale Dumaresq Council with Guyra Shire Council on 12 May 2016, the new Armidale Regional Council had 33 timber bridges (25 in the former ADC area and 8 in the former GSC area). Based on Level 1 visual assessments, it was reported that 12 of these bridges, including Tenterden Bridge which is now being replaced, were in poor condition (9 ADC and 3 GSC), and it was estimated that the cost to upgrade to a safe condition or replace the remaining 11 bridges in poor condition would be \$4.2 million.

The Administrator has adopted a recommendation of the Stronger Regions Fund panel to quarantine an amount of \$2.1 million towards the upgrade of timber bridges, and it was proposed after discussions with Roads and Maritime Services to apply for matching funding under the Australian Government's Bridges Renewal Programme.

In the meantime, the former Armidale Dumaresq Council had been successful in obtaining funding under the NSW government's Fixing Country Roads Programme to carry out Level 3 structural inspections of its 25 timber bridges. Following the merge, Armidale Regional Council accepted a tender from Wood Research and Development Pty Ltd for Level 3 inspections and reporting on all 32 timber bridges including the Guyra bridges but excluding Tenterden Bridge.

The Level 3 bridge inspection report has now been received, and on 17 March 2017, the Federal Member for New England, Barnaby Joyce, announced a new round of funding under the Australian Government's \$360 million Bridges Renewal Programme.

Report:

Structural engineers from Wood Research and Development Pty Ltd have presented detailed reports on each of the 32 timber bridges, excluding Tenterden Bridge. Their reports included:-

1. Condition of each bridge (as separate components and overall condition state)
2. Current safe load capacity in Tonnes

3. Remaining life in years
4. Options for upgrading, strengthening or replacing each structure in order to achieve a safe load capacity of 44 Tonnes, and extend its useful remaining life
5. Cost estimates for each option
6. Recommended treatment in terms of an agreed benefit: cost ratio, and
7. A prioritised programme of works.

The results and recommendations are summarised on the attached spreadsheet.

The consultant recommends a programme costing a total of \$5.8m to upgrade all 32 timber bridges resulting in all bridges being strong enough to carry a typical 44T load and an extended life of 80 years.

With possible funding of \$4.2m, it was estimated by the consultants that we can upgrade the worst 20 bridges to condition state 1, a safe load capacity of 44 Tonnes, and to a restored life of 80 years.

The actual upgrade treatments for each bridge will be subject to further review during the detailed design phase. We may find that it's more economical or practical to replace some bridges with new structures (e.g. box culverts) rather than carry out the renovations proposed by the consultants, but their recommendations provide a good case for the grant application.

The Proposal:-

It is proposed that the following priority programme of bridge upgrades be adopted, subject to a successful application for funding under the Bridges Renewal Programme:

Priority	Bridge
1	Maiden Ck Bridge, Wongwibinda Rd
2	Ist Culvert, Herbert Park Rd
3	Station Bridge, Wongwibinda Rd
4	Pint Pot Ck Bridge, Rockvale Rd
5	Pipeclay Gully Bridge, Weirs Rd
6	Martins Gully Bridge, Shambrook Ave
7	Wollomombi River Bridge, Rockvale Rd
8	Shingle Hut Ck Bridge, Castledoyle Rd
9	Bakers Ck Bridge, Old Hillgrove Rd
10	Boorolong Ck Bridge, Boorolong Rd
11	Hiscox Bridge, Puddledock Rd
12	Laura Ck Bridge, Baldersleigh Rd
13	Kaurals Bridge, Old Armidale Rd
14	Lambs Valley Bridge, Lyndhurst Rd
15	Jeogla Ck Bridge, Williams Rd
16	Boundary Ck Bridge, Rockvale Rd
17	Branch Ck Bridge, Lower Ck Rd
18	Oaky River Bridge, Tanners Rd
19	Dumaresq Ck Bridge, Cookes Rd *
20	Gara River Bridge, Herbert Park Rd

Note * - The Cookes Road bridge may be reconstructed early by developers, The McCloy Group, in which case the next priority will be promoted.

It is estimated that this programme can be completed over the next 5 (five) years, with the first 5 (five) priorities carried out before 30 June 2018.

Impact on assets:-

The proposed upgrade programme will have the following impact on assets:-

1. It will remove all asset backlog for bridges
2. It will improve the condition state of 20 of Council's bridges from condition state 4 or 5 to a condition state of 1 (reported in Special Schedule 7), and
3. It will result in a significant decrease in depreciation expense on bridges in the short, medium and long term.

Concerns:-

The consultant has assessed 10 of the bridges as having zero remaining life, and recommended that these bridges be closed unless action is taken to place temporary supports and impose 5 Tonne load limits and 50km/hr speed limits on the structures.

It is proposed to implement these temporary works and restrictions immediately using available funds in the 2016/17 Council budget for maintenance of bridges.

Community Engagement and Internal Consultation

Community engagement has been undertaken associated with the proposal to quarantine funds from the Stronger Regions Fund towards the upgrade of timber bridges

Financial Implications

The proposed upgrade programme will remove all asset backlog for bridges and result in a significant reduction in depreciation expense on bridges in the short, medium and long term.

Good Governance

The proposed upgrade programme will improve the condition state of 20 of Council's bridges.

Integrated Planning and Reporting Framework

The upgrade work is in accordance with Council's IP&R framework and Operational Plan.

Sustainability Assessment

Where works involve significant impact on then local environment, an REF will be required. Where works will involve disturbance of a waterway, appropriate licences (e.g. a dredging Permit from NSW Fisheries) will be obtained.

Item:	7.3.3	Ref: AINT/2017/05614
Title:	Compulsory acquisition of laneway for consolidation of Land & Stormwater Easements Section 21	Container: ARC17/1512
Author:	Greg Meyers, Director Planning and Environmental Services	
Attachments:	1. Draft Deposited Plan - easements and laneway details	

RECOMMENDATION:

- (a) **Council proceed with the compulsory acquisition of the Laneway between 136 and 138 Barney Street Armidale described as Residue of Lots 18 and 19 Section 21 as described in Bk 258 No 135 known as "lane 12 ft wide" for the purpose of allowing Council to proceed with the finalisation of formalisation and registration of the drainage easement within Section 21 Parish of Armidale, County of Sandon Map bounded by Barney, Jessie, Brown and Allingham Streets, Armidale in accordance with the requirements of the *Land Acquisition (Just Terms Compensation) Act 1991*.**
- (b) **Council make an application to the Minister and the Governor for approval to acquire Residue of Lots 18 and 19 Section 21 as described in Bk 258 No 135 known as "lane 21 ft wide" by compulsory process under section 186(1) of the *Local Government Act*.**
- (c) **That the land is to be classified as operational land.**
- (d) **Once acquired the land to be divided into 3 portions and ceded to the owners of 136 Barney Street, 139 and 141 Allingham Street.**

Introduction:

The intention of this report is to allow the finalisation of long outstanding land ownership matters adjacent to 136 Barney Street, 139 Allingham Street and 141 Allingham Street. Resolution of these matters is to be undertaken in conjunction with the formalisation and registration of stormwater drainage easements in Section 21, the street block area bounded by Barney, Jessie, Brown and Allingham Streets. Council resolved in June 2014 to close the laneway and formalise and register the drainage easement but this was only partially achieved due to the inability to locate the owners of the laneway.

Report:

A laneway exists between 136 and 138 Barney Street, between 136 Barney and 139 Allingham Street and between 136 Barney Street and 141 Allingham Street as indicated by the shaded area on the attached plan. An owner of the laneway cannot be identified despite exhaustive searches. Currently Council technically has responsibility for the maintenance of the land. The Guide Hall building located at 139 Allingham Street, sits in part on the laneway and the section between 136 and 138 Barney Street is fenced such that for all intended purposes, on the ground it appears to be part of 136 Barney Street.

Discussions with various parties have been ongoing since 1975. In 2001 a formal report was put to Council in relation to this matter and a resolution adopted. The resolution resolved to convert the laneway to Torrens Title and consolidate the land into the adjacent lots, subject to negotiated purchase. It was intended for this matter to be brought back to Council at that time however no record can be found indicating that was done. The lot at 139 Allingham Street is currently owned by Council and is leased to the Girl Guides Association at a peppercorn rate.

The resolution of Council was never taken to completion due to complications with the legal aspects of the closure and subsequent negotiations on the cost of the land to the owner at 136 Barney Street.

A major upgrade to the stormwater drainage system in Section 21 resulted in a reconsideration of the aforementioned planned action. The drainage upgrade which was undertaken in 2008 / 2009 financial year, replacing an open channel with a large pipeline to accommodate the 1 in 100 year stormwater event, eliminating the need for overland flow paths and replacing failing infrastructure. The route of the open channel followed the path of the easement identified on the draft deposited plan attached. No easements existed over the channel. Negotiations were undertaken with all affected property owners to seek the creation of the necessary easements, to contain the stormwater pipe line along the route of the channel. Additional easements in 136 Barney Street and 139 Allingham Street were also sort to accommodate possible future development of the area given the development potential of the long lot layout of properties with access to Barney Street.

At 136 Barney Street it was agreed that Council would cede the front portion of the laneway, section between 136 and 138 Barney Street, in exchange for the creation of the two easements within the property in the belief that Council owned the laneway and were able to offer such exchange. The main stormwater line could have been diverted around the back corner of the property rather than across it, however this would have resulted in a substantial increase in cost by requiring an increase in pipeline size and depth as the pipeline continued from this property. It was deemed that the option agreed was the best net cost benefit to Council and the impost on the property compensated by the ceding by Council of the laneway to the property owner.

At 141 Allingham Street, the portion of the laneway at the rear of that property has been fenced into the entire property for many years and the registered owner of the property, was of the understanding he owned all of the land enclosed by his boundary fence. The landowner has been rated for the full area of his property including the area of the laneway enclosed within his boundary fence. Given that the landowner has been paying rates on the laneway portion within his boundary, it was agreed to cede that portion of the laneway to that landowner of 141 Allingham Street.

The remaining portion of the laneway is included in 139 Allingham Street, which was acquired by Council in 1948 and as noted above, is leased to the Girl Guides Association. The Girl Guides Hall is in fact built over a portion of the laneway which is fenced into the whole of 139 Allingham Street as shown in the attached plan.

At its meeting on 30 June 2014, Council resolved to close the laneway, convert it to Torrens Title and undertake the consolidation of the lots, register the easement over the laneway and adjoining lots. However, this was unable to be fully achieved because of the issues of ownership of the laneway. The lane was found to have been provided for in an Old System private subdivision, circa 1882. A plan for this subdivision was never filed at Land & Property Information ("LPI"). Conveyance Book 258 No. 135, is the first Old Systems Deed to come out of the subdivision. The Deed is dated 12 October 1882. The metes and bounds description of in the Deed contains the description, "easterly one hundred and twenty feet to a lane on the east by that lane southerly one hundred and twenty feet." The conveyance prior to Book 258 No. 135, being Book 227 No.45 contains a parcel of land having a frontage of 2 chains (132 feet). In view of this we are able to establish the width of the lane to be 12 feet. No evidence can be found as to the formal resumption or dedication of this lane.

However, as this lane was provided for in a subdivision prior to the commencement of the Local Government Act of 1919, as evidenced by the registration of Conveyance Book 258 No. 135, dedication may have occurred outside the control of LPI. For example for (A) Expenditure of Public Monies or (B) Use by the Public. Searches of the General Register of Deeds (Old System) disclosed that the documentary title to the lane remains comprised in Conveyance Book 227 No. 45, standing in the names of Francis O'Brien (the Younger) and Francis Warnock Ormond O'Brien. It appears the laneway is the residue of Lots 18 and 19 Section 21 as described in Bk 258 No 135 known as "lane 12 ft wide".

For many years Council maintained the laneway including fencing in the belief that it was Council owned property. Following the agreement to cede the front portion of the laneway to the owner of 136 Barney Street to allow for the registration of the stormwater easement at that address, it was discovered that the land was not Council owned land. Council's solicitors have been negotiating a way forward with LPI and Crown Lands since that time with various options being canvassed and rejected. With the assistance of the Office of Local Government, compulsory acquisition under the provisions of the *Land Acquisition (Just Terms Compensation) Act 1991* was determined as the most suitable way to acquire the land and complete the consolidation of the land and the registration of the stormwater easements. However, to enable the approval of the Minister for Local Government for the compulsory application to be approved, Council must first follow the provisions of Regulation 401 Local Government (General) Regulation 2005 to ensure "diligent enquiry" is made to ensure any person having an interest in the laneway is identified.

We are therefore now seeking Council's endorsement of the above approach and grant the Chief Executive Officer authority to undertake and authorise the necessary actions to acquire the laneway, consolidate portions of the laneway into 136 Barney, 141 and 139 Allingham Street and complete the formalisation and registration of the stormwater drainage easements in Section 21 Parish of Armidale, County of Sandon.

Community Engagement and Internal Consultation

The compulsory acquisition process will trigger a consultation process. The matter has been ongoing for many years and staff have been involved throughout the process.

Financial Implications

Survey and legal costs associated with the closure of the laneway, lot consolidation and creation of easements is estimated at \$10,000.

Amounts relating to other compensations were paid in the 2008/09 financial year. Compensation for the easements at that time was limited to 144 Jessie Street and 136 Barney Street. For the other premises the easement effectively made little difference to the development potential of the lots in comparison to the previous open channel. The easement will prevent the construction of structures, however the construction of driveways, car park and grassed areas within the easement will be permitted should that be required.

At 144 Jessie Street, the existing garage had to be removed and replaced due to the dilapidated state of the shed and the proximity of the stormwater trench at a cost of \$14,000. In addition, the easement was deemed to have an increased impact on the lot and an agreed cash compensation was paid in the amount of \$5,000. At 136 Barney Street compensation agreed to be in the form of the transfer of title of the laneway only.

Good Governance

Ensures legal status for stormwater drainage lines within Section 21 Parish of Armidale, County of Sandon fulfilling the commitments made by council to property owners and eliminates potential building encroachment matters including the Girl Guide Hall encroaching onto the laneway.

Integrated Planning and Reporting Framework

The process provides for open and transparent operations.

Sustainability Assessment

The acquisition and subsequent disposal of the land as proposed will enable the land to be used managed in a sustainable manner going forward.

Item: 8.1 **Ref:** AINT/2017/03962
Title: Traffic Advisory Committee - Minutes of the meeting held 7 March 2017 **Container:** ARC16/0168
Author: Rob Shaw, Director of Regional Infrastructure
Attachments: 1. Minutes - Local Traffic Committee - 07 March 2017

RECOMMENDATION:

- a) That the Minutes of the Traffic Advisory Committee meeting held on 7 March 2017 be noted.
- b) That the request for the installation of a stop sign on the Erskine Street leg of the intersection with Oak Tree Drive be denied because the existing "Giveaway" sign conforms with the required sight distances at the intersection.
- c) That approval be provided for the creation of a new dual bus zone on Trevenna Road opposite Mary White College.
- d) That approval be provided for the temporary road closure of Rusden Street between Dangar & Faulkner Streets from 4pm to 10pm for the Carnivale Armidale event to be held on Saturday 1 April 2017, with the following conditions:
 - 1) That a current insurance certificate for the amount of \$20million be provided.
 - 2) That those manning the closure, if required, have a Certified Traffic Controller Certificate (Blue & yellow card) and that a copy of these certifications be provided to Council for approval prior to the event.
- e) That approval be provided for the request to extend the current construction zone in Cinders Lane until March 2018, or until the construction work at Tattersalls Hotel is completed whichever occurs first.
- f) That approval be provided for the requested road closure of Faulkner Street between Kirkwood Street and Dumaresq Street on Thursday 16th March from 6am until 11:00pm Saturday 18th March 2017, for the Autumn Festival Celebrations.

Item: 8.2 **Ref:** AINT/2017/03846
Title: Armidale Regional Sports Council - Minutes of the meeting held 22 February 2017 **Container:** ARC16/0330
Author: Alex Piddington, Sports Coordinator
Attachments: 1. Minutes - Regional Sports Council - 22 February 2017

RECOMMENDATION:

That the Minutes of the Armidale Regional Sports Council Committee meeting held on 22 February 2017 be noted and the following recommendations endorsed:

- a) **That the minutes from the Armidale Sports Council Sub Committee meeting held 14 February 2017 be taken as read and be accepted as a true record of the meeting.**
- b) **That the updated Armidale priority list be endorsed.**
- c) **The Armidale Regional Sports Council allocated funding to the following projects:**
 - 1) **PA System for Lions Park in Guyra - \$10,000.00**
 - 2) **Fence at Lions Park to separate players and spectators in Guyra - \$10,000.00**
 - 3) **Cricket sight screens at the Recreation Ground in Guyra - \$10,500.00**
 - 4) **Regional Australia Regional Bank Sportsground changerooms in Armidale - \$20,000.00**
 - 5) **Regional Australia Regional Bank Cricket nets shed in Armidale - \$5,000.00**

Subject to firm quotes being received the above projects are to be funded from the \$65,000.00 allocated by the Administrator to the Sports Council for 2016/17.
- d) **That the Armidale Regional Sports Council endorse the Sports Council Small Grant funding applications to Mia Emanuel (\$250) and Madison Moran (\$250).**

Item: 8.3 **Ref:** AINT/2017/04587
Title: Gayinyaga - Minutes of the meeting held on 8 March 2017 **Container:**
ARC16/0605
Author: Hayley Ward, Administration Officer
Attachments: 1. Minutes - Gayinyaga Committee - 08 March 2017

RECOMMENDATION:

That the Minutes of the Gayinyaga Committee meeting held on 8 March 2017 be noted and the following recommendations endorsed:

- a) **That the Gayinyaga committee supports the decision to rename the nominated section of Cookes Road to Morris Street.**
- b) **That the committee members declare their support and confidence in Veronica Walford as Chair of the Gayinyaga committee.**