

Armidale

Regional Council

BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 26 October 2016
9am

at

Armidale Council Chambers

Members

Administrator, Dr Ian Tiley

AGENDA

INDEX

1	Civic Prayer and Recognition of Traditional Owners Advice regarding Taping of Meetings	
<i>Special request: Presentation from Mr Roger Mailfert of painting by Mrs Lenore Mailfert of Autumn in Armidale to Armidale Regional Council.</i>		
2	Confirmation of Previous Minutes Ordinary Council - 5 October 2016; Extraordinary Council - 14 October 2016	
3	Declarations of Interest	
4	Have Your Say On An Agenda Item	
5	Deputations by Community Groups/Organisations	
6	Administrator Minutes	
6.1	Organisational Structure Review	4
7	Reports of Officers	
7.1	Our Environment	
7.1.1	Planning Proposal No 10 to amend Armidale Dumaresq LEP 2012.....	11
7.2	Our Governance	
7.2.1	Cash & Investments Report September 2016.....	16
7.2.2	Quarterly Water Adjustment Report	22
7.2.3	Union Picnic Day	24
7.2.4	Review of Local Representation Advisory Committee Member Fees and Allowances	25
7.2.5	New Council Regional Brand Strategy	27
7.2.6	Development of a Strategic Communications Plan	28
7.3	Our Infrastructure	
7.3.1	A new Armidale Regional Council War Memorial Library.....	29
7.3.2	Adoption of Guyra and Tingha Water and Sewer Asset Management Plans	47
7.3.3	Tenterden Bridge Replacement Tenders	48
7.3.4	Service Provision - Rural Fire Service - New England Fire Control Centre	50
7.3.5	New England Rail Trail	52
7.4	Our People	
7.4.1	Community Small Grants Program 2016/2017 - Round 1	54
7.4.2	Suicide Prevention Skills Workshop - fee waiver request for hire of Council Chambers	55
8	Committee Reports	
8.1	Traffic Advisory Committee - Minutes of the meeting held on 4 October 2016	56
8.2	Arts & Cultural Advisory Committee - Minutes of the meeting held on 5 October 2016	58
8.3	Community Safety Advisory Committee - Minutes of the meeting held on 11 October 2016	59

9 Public Forum

Ms Anne Geake speaking on the fencing of playgrounds.

10 Closed Session

10.1 Jessie Street Car Park - Lot 1 Section 6 in DP 795233

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 Tingha Landfill - Review of Payment to Contractor

As this report deals with commercial information of a confidential nature which, if disclosed, confers a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business (Section 10A(2)(c) 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.

10.3 Level 3 Bridge Inspection – Quotation Evaluation and Recommendation.

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.

Item: 6.1 **Ref:** AINT/2016/07288
Title: Organisational Structure Review **Container:** ARC16/0057
Author: Administrator
Attachments: Nil

RECOMMENDATION:

a) That council adopt the following recommendations (1-11):

1. Structural Principles

That in adopting a new organisation structure for Armidale Regional Council the Council takes into consideration the following Structural Principles:

- improved service delivery
- improved turnaround/response times to customer requests
- improved internal and external engagement
- appropriate span of control of leaders
- breaking down of silos to improve team work
- improved processes and delivery of cost efficiencies
- financial sustainability
- accountability and responsibility for results
- a focus on strategic outcomes for the community
- career development opportunities for staff.

2. Roles and Responsibilities

That a focus on the critical functions of Strategy, Leadership, Culture and Performance be taken by the top staffing levels within the organisation and to enable that to happen the roles and responsibilities be clearly defined with specific accountabilities and these be captured in a new Executive Performance Management System.

3. Leadership Titles

That to facilitate the new accountabilities of senior staff the titles be changed to:

- Chief Executive Officer (from General Manager)
- Group Leader (from Director)
- Service Leader (from Manager)
- Program Leader (from Supervisor)

4. Organisation Structure

That based on the information and options presented in the Discussion Paper the consultation with staff and Unions be initiated under Clause 39 of the Staff Award with a view to Option 2 being adopted - 2 Group Leaders and 8 Service Leaders:

GROUP LEADER – ORGANISATION SERVICES (COO) GROUP LEADER – SERVICE DELIVERY

SERVICE LEADERS

SERVICE LEADERS

ORGANISATION SERVICES

SERVICE DELIVERY

Finance/ CFO
Organisation Development
Governance and Integrated Planning
Community and Economic Development

Roads and Parks
Asset Planning and Design
Business Units
Environment, Assessment and Compliance

5. Senior Staff Appointments

That the Council designate the Group Leader and Service Leader positions that meet Award requirements as "Senior Staff" under Section 332 of the Local Government Act and authorise the Administrator to engage appropriate consultant advice to assist in recruiting to the positions of Group Leaders.

6. Finalising the Structure

That the following process and timelines be followed for finalising the structure:

- October – immediately following the Council meeting on 26 October to adopt a new organisation structure, formally advise relevant parties including the Joint Consultative Committee, Unions and all staff, of the Council decision to make change.
- November – Extraordinary Council Meeting – consider any submissions on structure; adopt structure, and delegation to Administrator to appoint independent recruitment consultant for Group Leader positions.
- December – appointment to Chief Executive Officer Position and interviews for Group Leader positions.
- December/January – appointment to Group Leader positions.
- January/February – advertising and recruitment to third level Service Leader positions
- February/March – lateral transfer or internal recruitment to fourth level Program Leader positions.
- April/May – assignment of staff to the balance of the organisation structure.

7. Staff Appointments

That where possible and appropriate, and in accordance with Section 360 of the *Local Government Act 1993*, action be taken to laterally transfer existing staff into roles where they meet Award requirements, or for an internal recruitment process to be undertaken in accordance with Section 348 where there are sufficient staff available to compete for the role, or for staff to be seconded into Project Teams to undertake specific investigations or project work in relation to merger transition projects.

8. Financial Savings

That the Chief Financial Officer monitor all financial consequences of organisation structure decisions and regularly report to the Administrator and CEO on financial savings made and financial projections of all decisions or proposed decisions as part of the Merger Transition Plan.

9. Service Gaps

That areas identified as needing increased focus or resourcing be addressed in finalising the organisation structure, including:

Community Engagement, Customer Service, Governance, Performance Planning and Reporting; Economic Development, Marketing, Communications, Media, including social media, Tourism, and Events.

10. Delegations

That once the organisation structure is finalised, the Chief Executive Officer undertake a review of delegations with the goal of delegating responsibilities to the lowest appropriate level in the structure.

11. Legislative Obligations

That the Council recognise its statutory obligations to staff members and ensure staff numbers at 12 May 2016 (the date of proclamation of the new Armidale Regional Council) are calculated and the requirements associated with those numbers are clearly understood by senior staff and the Administrator.

Introduction:

With the creation of Armidale Regional Council in May 2016, we have been operating with an interim organisational structure. It is now time to adopt a structure that can take us forward and give staff a greater sense of purpose and direction.

Report:

In August 2016, consulting firm Blackadder Associates Pty Ltd was appointed to work with the Council's Internal Auditors, Thomas Noble Russell to conduct a comprehensive review of the new organization and make recommendations designed to strengthen the organization and ensure it has the capacity and capability to meet the present and future needs of our community. A Discussion Paper has been produced which I now propose to release for staff and union consultation prior to the Council considering any submissions and adopting a new structure.

I advise that the Discussion Paper notes that the most suitable structure for any organisation is a combination of many factors. It is necessary to look at the long term outcomes expected by the customers and the community, at what is necessary to deliver works or services in the most efficient and effective manner, and what will help motivate Councils workforce.

The Consultants have had regard to the outcomes and issues set out in the Community Strategic Plans for the former Guyra and Armidale Dumaresq Councils, acknowledging a new CSP has yet to be developed for the new Regional Council area. It is also important that the structure have regard to the Integrated Planning and Reporting Framework which is to be the centre-piece of the new *Local Government Act 1993*. Two significant issues have been noted by the Consultants from the community strategic plans - first, the need to grow jobs within the Region, particularly for young people, and in that regard to encourage and facilitate private sector investment in the region, and second, the need for an increased presence of the Council in community services endorse these observations and about what the Armidale Dumaresq and Guyra communities have said about their priorities.

The Consultants have had regard for the following structural principles in developing their suggestions for change:

- improved service delivery
- improved turnaround/response times to customer requests
- improved internal and external engagement
- appropriate span of control of leaders
- breaking down of silos to improve team work
- improved processes and delivery of cost efficiencies
- financial sustainability
- accountability and responsibility for results
- a focus on strategic outcomes for the community
- career development opportunities for staff.

Structural Proposals

The Consultants have explored three (3) options for a new Organisation Structure at the top three levels within the organisation:

Option 1 – the General Manager is at the head of the organisation as Level 1 – and noting that based on a recommendation from the Consultants action has already been taken to change the title to Chief Executive Officer – and Group Leaders at Level 2, and Service Leaders at Level 3. In this option 2 Group Leaders and 15 Service Leaders are proposed. Significant financial savings are proposed from this option. I have commissioned the Chief Financial Officer to evaluate carefully the savings that are anticipated and if the Option is selected to monitor the delivery of those savings over time.

The Consultants note this is a contemporary model increasingly in use in small to medium sized councils. The advantage is a clear separation of roles at the top of the organisation, to allow a focus on strategy, leadership, culture and performance and delegating to the third level service leaders the responsibility for service delivery. Whilst financial savings will be made from a reduced number of management staff – it is noted there is currently nineteen (19) managers at the third level in the organisation – under this option 15 service leader positions are proposed.

Option 2 – the difference in this Option is the number of Service Leaders at Level 3 being reduced to 8. The objective is to reduce the number of positions at third level to generate further financial savings and to make the positions of significant size to ensure the service leaders are appointed with the skills and abilities to lead the service area and be more accountable for results. Due to the significance in size and scope of the Service Leader roles in this option it is proposed that the positions be classified as “senior staff” under the Local Government Act and placed on performance based contracts.

The overall result in Option 2 is a reduction in leaders by fourteen (14) – being a saving of one (1) general manager, two second level leaders and eleven (11) third level leaders. At an average remuneration cost of \$160,000 and overhead cost of \$50,000 (reflecting an increased number of manager positions which would reduce the average) the estimated savings at the senior level would be greater than Option 1.

However, savings would be offset by additional remuneration that may need to be paid to attract the right people to the positions in the structure, and further by Council’s focus on building capacity and capability in the Fourth level Program Leaders. This is a critical level in the new structure, and the Consultants propose the Council enhance the focus on existing services in some areas (eg Customer Service, Councillor and Committee support, Regional Collaboration and Grants, Events, Media, Tourism, etc) as well as building a focus on new areas at that level (eg community engagement, organisation planning and performance etc).

Option 3 – the difference in this option is that there are three (3) streams at the second level – with 15 Service Leaders. The third Group Leader position with Service areas of Planning and Performance, Marketing and Economic Development, Assessment and Compliance, and Business Services relocated to the new stream would seek to bring a higher focus on responsibilities to this level, but at an additional cost above the other 2 options. The overall result in this option is a reduction in leaders by six (6) – being a saving of one (1) general manager, one (1) second level leader and four (4) third level leaders. The estimated savings at the senior level would be significant, but less than the savings in the other 2 options.

As with the other two (2) options, these savings would be offset by additional remuneration that may need to be paid to attract the right people to the positions in the structure, and further by the focus on building the Fourth level.

It is noted that the three (3) Options all deliver an appropriate structure against the Structural Principles outlined above. Option 1 will deliver financial savings over Option 3 (one less Group Leader) and Option 2 will deliver even further savings.

The Consultants note that the ultimate success of any of these Options will depend on the leadership and discipline required of the Chief Executive Officer to ensure the Group Leaders accept a more strategic focus, and the Service Leaders are held accountable for service delivery. I fully concur with this view.

I consider that the 3 or 4 Group Leader structure will not deliver the savings or the leadership focus required. I concur with the view of the Consultants that such a structure may encourage the Group Leaders to be far more involved in operations, and this may not deliver the time required for the Group Leaders to give their majority attention to strategy, leadership, culture and performance. A two Group Leader structure will mean a higher level of responsibility and accountability for the Service Leaders. This is a highly desirable outcome, with third level leaders being expected to deliver a higher level of performance against their service delivery requirements. In turn, this will ensure the Group Leaders devote more time to their strategy, leadership, culture and performance responsibilities. This will be supported by a performance management system which drives performance against adopted outcomes. I understand this is lacking at the present time.

I acknowledge that the larger service roles will require a higher remuneration to attract suitably experienced candidates. I accept the view that in some of the service areas it would be unlikely that one candidate will have significant experience in all associated Programs. However, the expectation is that these skills will be recruited into the Fourth level positions. It is also the expectation under this structure that third level service leader positions will be focused on service planning, service management, service delivery and service review. The Consultants advise me that at the present time there is a disconnected system of performance management and accountability which needs to be urgently addressed.

Senior Staff Contracts

It is noted that under Section 332 of the *Local Government Act 1993*, it is provided that the Council may adopt an organization structure at any time. The Section states:

1) *A council must, after consulting the general manager, determine the following:*

- a) *The senior staff positions within the organisation structure of the council.*
- b) *The roles and reporting lines (for other senior staff) of holders of senior staff positions.*
- c) *The resources to be allocated towards the employment of staff.*

1A) *the general manager must, after consulting the council, determine the positions (other than the senior staff positions) within the organisation structure of the council.*

1B) *the positions within the organisation structure of the council are to be determined so as to give effect to the priorities set out in the strategic plans (including the community strategic plan) and delivery program of the council.*

- 2) *A council may not determine a position to be a senior staff position unless:*
- a) *The responsibilities, skills and accountabilities of the position are generally equivalent to those applicable to the Executive Band of the Local Government (State) Award, and*
 - b) *The total remuneration package payable with respect to the position is equal to or greater than the minimum remuneration package (within the meaning of Part 3B of the Statutory and Other Offices Remuneration Act 1975) payable with respect to senior executives whose positions are graded Band 1 under the Government Sector Employment Act 2013.*
- 3) *For the purposes of subsection 2(b), the total remuneration package payable with respect to a position within a council's organisation structure includes:*
- a) *The total value of the salary component of the package, and*
 - b) *The total amount payable by the council by way of the employer's contribution to any superannuation scheme to which the holder of the position may be a contributor, and*
 - c) *The total value of any non-cash benefits for which the holder of the position may elect under the package, and*
 - d) *The total amount payable by the council by way of fringe benefits tax for any such non-cash benefits.* End of Section.

If a position is to be classified as "senior staff" the position cannot be so classified unless it has a total remuneration package at the minimum level applying under the State Executive Service Level 1 contracts – currently at \$178,850 (this includes salary, superannuation contributions made by the Council and the private use value of any benefits provided to the senior staff member – such as a motor vehicle).

I note the structural options have a reduced number of positions at manager level. The total remuneration package range for positions at the first (CEO), second (Group Leader) and third (Service Leader) need to be sufficient to make the positions attractive to high performing leaders. Increased remuneration at those levels will reduce the savings available from a reduced number of senior positions. However, such savings will still be considerable. Council will have the opportunity to invest those savings into capital programs, service improvements or organisation priorities.

It is important that the new leader positions be subject to fixed term performance based contracts, underpinned by an Executive Performance Management Scheme. I am aware that the performance management of senior staff in the past has not been sufficiently effective. The *Local Government Act 1993* requires the CEO position be recruited competitively under a performance based term contract (1 to 5 years). It is highly desirable that the competitive recruitment, term contract, and performance management requirements be also modelled at the Second level (Group Leader) and Third level (Service Leader). It is important that the same employment arrangements apply to senior staff to help build a "peer" group commitment.

The Next Steps

The following steps will now be taken to allow the organization structure to be finalised:

Step 1: Council to determine the Organisation structure at the top 3 levels. The Consultant's Discussion Paper also outlines the potential structure at fourth level, which will give some clarity on where existing staff would be allocated in the proposed structure.

Step 2: IGM and CFO to determine and report on savings in position numbers and employee costs associated with the decision in Step 1 and continue to monitor and report on savings as part of the Merger Transition Plan.

Step 3: An appropriate communication to all staff to be prepared and distributed, detailing process and timelines to complete the whole of organisation structure.

Step 4: Fill the executive positions in the Structure – first the Chief Executive Officer, then the Group Leaders followed by the Service Leaders.

Step 5: CEO and Executive Leadership Team to finalise appropriate fourth level structure (Programs) and fill the positions.

Having regard for the structural issues involved, the Joint Consultative Committee and Unions will be consulted, along with all staff, as part of step 3 above and in accordance with Clause 39 of the Staff Award.

Item: 7.1.1 **Ref:** AINT/2016/06488
Title: Planning Proposal No 10 to amend Armidale Dumaresq LEP 2012
Container: A16/7020
Author: Acting Director Planning and Environmental Services
Attachments: 1. Planning Proposal No 10 - October 2016
2. Threatened Species Assessment

RECOMMENDATION:

- a) **That Planning Proposal No 10 to amend Armidale Dumaresq Local Environmental Plan 2012, which proposes to:**
- **rezone Lots 661 and 662 DP 755808, Lot 1 DP 1129031 and Lot 2 DP 1213220 at 48-72 Kurrawatha Avenue, Armidale, from R5 Large Lot Residential to part R2 Low Density Residential and part E4 Environmental Living, and**
 - **alter the lot size standard for Lots 661 and 662 DP 755808, Lot 2 DP 1213220 and part Lot 1 DP 1129031 to 4,000m²,**
- be forwarded to the Department of Planning and Environment with a request for a Gateway Determination, in accordance with section 56 of the *Environmental Planning and Assessment Act 1979*.**
- b) **That a further report be provided to Council following public exhibition of Planning Proposal No 10 to amend Armidale Dumaresq Local Environmental Plan 2012.**
- c) **That the proponent be advised of Council's resolution.**

Introduction:

Council has received a Planning Proposal to amend Armidale Dumaresq Local Environmental Plan 2012 (ADLEP 2012) from New England Surveying & Engineering, prepared on behalf of the owners of 48-72 Kurrawatha Avenue, Armidale. The Planning Proposal applies to the northern part of the property at 48-72 Kurrawatha Avenue, Armidale.

The objective of the Planning Proposal is to zone Lots 661 and 662 DP 755808, Lot 2 DP 1213220 and part Lot 1 DP 1129031 at 48-72 Kurrawatha Avenue, Armidale, to R2 Low Density Residential and reduce the lot size standard to enable future subdivision of this part of the property. It is also proposed to protect the environmental values of a section of Martins Gully that traverses Lot 1 DP 1129031 by zoning part of this lot to E4 Environmental Living. The proposed E4 zoning will also prevent subdivision and the erection of dwellings on flood prone land along this section of Martins Gully.

This report recommends that the Planning Proposal submitted by New England Surveying & Engineering, as amended by Council, be forwarded to the Department of Planning and Environment with a request for a Gateway Determination. Council will be seeking to use its local plan making delegations as the Planning Proposal is considered to be of local significance, subject to the agreement of the Gateway.

Report:

The Planning Proposal submitted by New England Surveying & Engineering has been reviewed and amended by Council staff and is in Attachment 1.

Planning Proposal No 10

Planning Proposal No 10 applies to Lots 661 & 662 DP 755808, Lot 2 DP 1213220 and Lot 1 DP 1129031 (the Site), which form part of the property at 48-72 Kurrawatha Avenue, Armidale. The Site is currently zoned R5 Large Lot Residential. Generally, the minimum lot size standard for R5 zoned land is 2 hectares, except where a reticulated water supply and sewerage services are available when the minimum lot size standard becomes 1 hectare, which is the current situation for the Site.

The Planning Proposal proposes to rezone the Site to part R2 Low Density Residential with a minimum lot size standard of 4,000m² and part E4 Environmental Living with a lot size standard of 2 hectares. The intended outcome of the Planning Proposal is to allow for low density residential subdivision of part of the Site while restricting future development of flood prone land and protecting riparian values along most of Martins Gully, which traverses the eastern section of the Site.

The Site is approximately 12.5 hectares and forms the northern part of the property at 48-72 Kurrawatha Avenue. The total area of the property is 39.6 hectares. Development consent (DA-2-2014) was granted by Council on 2 May 2014 for a 28 lot subdivision of the entire property. The southern part of the property will retain its current part E3 Environmental Management and part E4 Environmental Living zonings with minimum lot size standards of 4 hectares and 1 hectare, respectively. The proponent has indicated that the proposed rezoning of the Site will allow for a master plan approach to future subdivision of the entire property and provide a greater choice of lot sizes for the market.

The Planning Proposal is supported by a Threatened Species Assessment (3E Environment Engineering and Energy, 2013). The Threatened Species Assessment is in Attachment 2.

Request for Gateway Determination and local plan making delegations

The next step in progressing the Planning Proposal is to refer it to the Department of Planning and Environment (DP&E) with a request for a Gateway Determination.

The Planning Proposal does not meet the types of proposed LEP amendments that are routinely delegated to councils, although other types of LEP amendments may be delegated if the Gateway agrees that the matter is of local significance. Council will be seeking to use its local plan making delegations on the basis that the proposed LEP amendment is considered to be of local significance.

Community Engagement and Internal Consultation

Part 5 of Planning Proposal No 10 suggests that community consultation comprise public exhibition of the proposal for 28 days, including notification to adjoining landowners. The final form of the community consultation will be specified in the Gateway Determination.

The review of the submitted Planning Proposal by Council's Strategic Planning staff involved consultations with relevant Council staff, including Engineering services.

Section D of the Planning Proposal recommends the Commonwealth and State agencies to be consulted regarding the proposal, subject to the Gateway Determination.

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 the costs and expenses incurred by Council in undertaking studies and other matters required in relation to the Planning Proposal. Council has entered into an agreement with the landowner for Planning Proposal No 10 to pay for costs associated with preparing the proposal in accordance with the Fees Schedule in Council's Operational Plan 2016-2017.

Good Governance

Statutory

An LEP is a statutory document and preparation and making of an amending LEP must be in accordance with the EPA Act and EPA Regulation. Section 55(2) of the EPA Act sets out the matters to be included in a Planning Proposal.

Section B of the Planning Proposal also considers whether the Planning Proposal is consistent with relevant State Environmental Planning Policies (statutory plans) and Ministerial Directions under section 117 of the EPA Act.

The Planning Proposal is considered to be consistent with applicable State Environmental Planning Policies and applicable section 117 Directions, except for the following directions:

- Section 117 Direction 1.3 *Mining, Petroleum Production and Extractive Industries* – inconsistency is considered to be of minor significance and therefore justified.
- Section 117 Direction 1.5 *Rural Lands* – inconsistency is considered to be of minor significance and therefore justified.
- Section 117 Direction 4.3 *Flood Prone Land* – the inconsistency is considered to be justified as there is a process in place to ensure that any flood related controls applying to the Site will be within the framework of a Flood Plain Risk Management Plan (FRMP) being prepared for Armidale. Until such time as the FRMP is prepared and adopted, future development will be restricted on that part of the Flood Planning Area to be zoned E4. For the remainder of the Flood Planning Area on the Site the current flood related planning controls in LEP 2012 and Armidale Dumaresq Development Control Plan 2012 will apply to development of this land.
- Section 117 Direction 3.5 *Development Near Licensed Aerodromes* - to address the inconsistency the Planning Proposal recommends that the Commonwealth Department for licensed aerodromes be consulted, subject to a Gateway determination.

Policy and risk management

The *Armidale Flood Study Review and Update – Stage 3* (BMT WBM, 2014) identifies the eastern part of the Site along Martins Gully and a tributary to Martins Gully as being below the Flood Planning Level. A Floodplain Risk Management Plan (FRMP) will be prepared for the urban reaches of Dumaresq Creek in Armidale in accordance with the State government's *Floodplain Development Manual 2005*. The planning controls, including LEP provisions, applying to the Site will be reviewed along with those applying to other flood prone land in Armidale as part of preparing the FRMP. It is anticipated that the FRMP will be finalised by the end of 2016 and if LEP amendments are recommended these will be introduced in a single LEP amendment that introduces flood planning controls for land in the Dumaresq Creek floodplain.

In the intervening period, between the Site being zoned in accordance with the Planning Proposal and a single LEP amendment for flood prone land coming into effect, risks associated with flooding on the Site will be managed as follows:

- The Planning Proposal proposes to rezone most of the land along Martins Gully to E4 Environmental Living and apply the lot size standard of 2 hectares, the combined effect of which will be to prevent subdivision and/or the erection of dwellings on this land.
- For the remainder of the land below the Flood Planning Level that the Planning Proposal zones R2 Low Density Residential, any development applications will be subject to the current provisions of the EPA Act and ADLEP 2012:
 - Any development that involves works within 40 metres of a watercourse is likely to require a Controlled Activity Approval under the *Water Management Act 2000* and the development application would be subject to the provisions for integrated development under the EPA Act.
 - Clause 6.2 *Flood Planning* in ADLEP 2012 applies to land below the Flood Planning Level. It seeks to minimise flood risks to life and property associated with the use of the land as well as avoiding significant adverse impacts on flood behaviour and the environment. There is sufficient land available in the proposed R2 zone to provide for building envelopes above the Flood Planning Level and flood free access can be made available to the western part of the Site by providing a suitably designed crossing over Martins Gully and its tributary. It is therefore considered that the impact of flooding on lot layout, appropriate building sites and the provision of flood free access can be addressed as part of a development application for future development of the Site.

The Site is not identified as bush fire prone land on Council's Bush Fire Prone Land Map.

Integrated Planning and Reporting Framework

By providing for additional housing sites, the Planning Proposal is 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 manage the landscape for improved water quality and riparian stability.

Sustainability Assessment

Social and physical infrastructure

The proposed R2 Low Density Residential zoning will provide for 21 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 low density development of the Site.

The Site is located within the Airport Buffer zone for the Armidale Regional Airport. However, it is not within an Australian Noise Exposure Forecast contour for the Airport of 20 or greater.

Future development of the Site will not penetrate the Obstacle Limitation Surface for the Airport and is unlikely to be adversely affected by aircraft noise or result in aviation hazards such as bird strikes.

Heritage

The Planning Proposal recommends that an Aboriginal cultural heritage assessment of the Site be undertaken subject to a Gateway Determination or as part of a future development application to develop the land. There are no European heritage items on or adjoining the Site.

Environmental protection

Land along Martins Gully has been identified as being flood prone and having environmental values. The proposed E4 Environmental Living zone will include flood prone land, riparian areas and trees that form part of a Ribbon Gum woodland that is listed as an endangered ecological community under the *Threatened Species Conservation Act 1995*. The proposed E4 zoning and lot size standard of 2 hectares will assist in protecting the environmental values of this land by preventing subdivision and/or the erection of dwellings.

Item: 7.2.1 **Ref:** AINT/2016/06745
Title: Cash & Investments Report September 2016 **Container:** ARC16/0291
Author: Chief Finance and Information Officer
Attachments: Nil

RECOMMENDATION:

That the Cash & Investments report for Armidale Regional Council as at 30 September 2016 be received and noted.

Introduction:

Cash and Investments for the month of September 2016.

Report:

The following is the cash and investments particulars for the period 1 September 2016 to 30 September 2016.

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

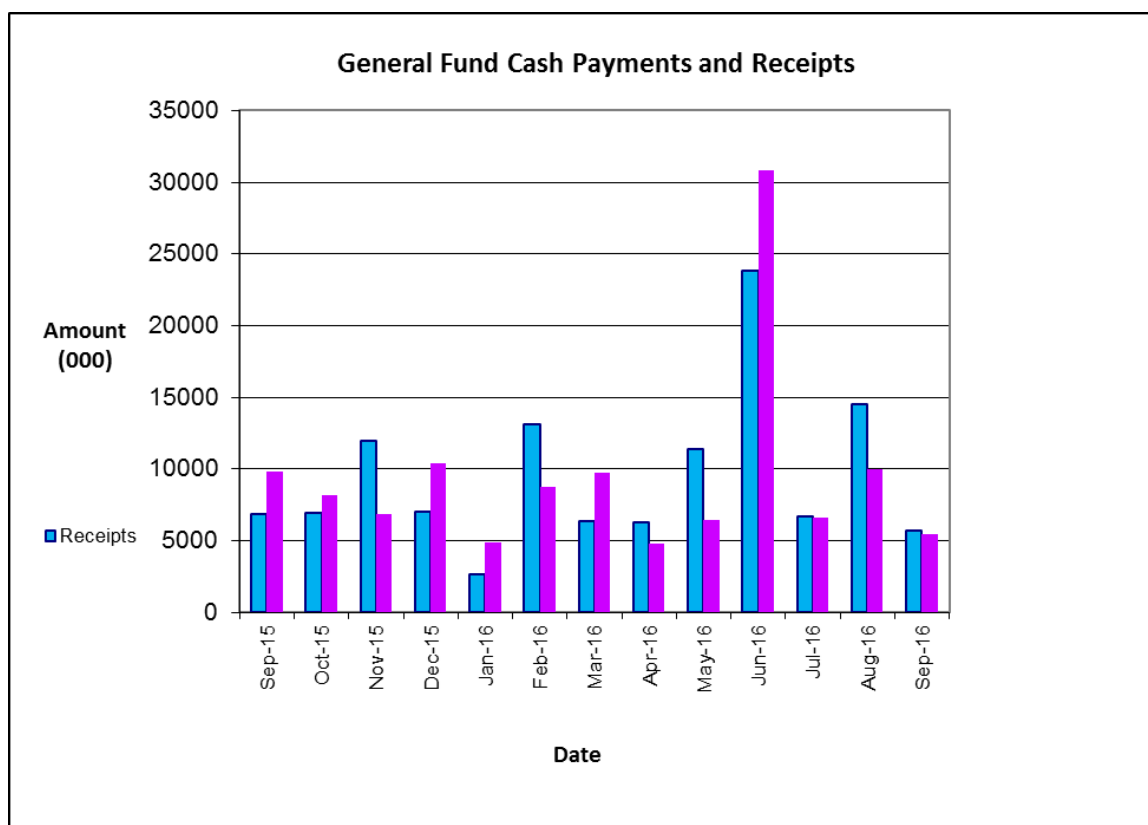
- Council Investment Policy POL152
- Local Government Act 1993 – Section 625
- Local Government Act 1993 – Order of the Minister dated 12 January 2011
- The Local Government General Regulation 2005 Reg 212.

At the end of the September period, Council held \$76,341,557.97 in investments and a consolidated bank account balance of \$7,954,022.21 excluding the Trust Fund.

During the month of September, total payments and receipts were \$5.726 million and \$5.470 million respectively.

Council's bank account balance as per bank statements at the end of the period 30 September 2016 are as follows:

General Fund	7,954,022.21
Trust Fund	1,195,564.96
Total Bank Balances	9,149,587.17



Investments

	%
30 day BBSW Index	1.62
Average Interest Rate on Term Deposit Investments	2.88

The following are the details of Council's investments as at the beginning of the period

Institution	Investment at Market Value	Interest Rate %	% of Portfolio
Term Deposits			
Bendigo Bank	1,000,000.00	2.70%	1.29%
ME Bank	1,000,000.00	2.95%	1.29%
ME Bank	2,000,000.00	2.95%	2.59%
AMP	1,000,000.00	3.00%	1.29%
AMP	1,000,000.00	3.00%	1.29%
Bank of Queensland	1,000,000.00	3.10%	1.29%
Credit Union Australia	1,000,000.00	2.75%	1.29%
Peoples Choice Credit Union	1,200,000.00	2.82%	1.55%
Bank of Queensland	2,000,000.00	3.05%	2.59%
AMP	1,000,000.00	3.00%	1.29%
IMB	2,000,000.00	2.70%	2.59%

ING	2,000,000.00	3.00%	2.59%
Bank of Queensland	2,000,000.00	2.80%	2.59%
Rural Bank	1,000,000.00	2.90%	1.29%
Rural Bank	1,000,000.00	2.75%	1.29%
ING	1,500,000.00	2.83%	1.94%
ME Bank	1,000,000.00	2.85%	1.29%
Credit Union Australia	2,000,000.00	2.95%	2.59%
Peoples Choice Credit Union	1,000,000.00	2.89%	1.29%
NAB	5,000,000.00	2.99%	6.47%
Credit Union Australia	2,000,000.00	2.90%	2.59%
ING	1,000,000.00	2.81%	1.29%
Bank of Queensland	2,000,000.00	2.90%	2.59%
NAB	1,034,887.53	2.85%	1.34%
Rural Bank	2,000,000.00	2.60%	2.59%
ME Bank	1,000,000.00	3.00%	1.29%
ME Bank	1,000,000.00	3.05%	1.29%
ME Bank	2,000,000.00	3.05%	2.59%
ME Bank	1,000,000.00	3.05%	1.29%
ING Bank	500,000.00	3.10%	0.65%
Bank of Queensland	1,000,000.00	2.70%	1.29%
Westpac	2,000,000.00	2.63%	2.59%
Rural Bank	2,000,000.00	3.00%	2.59%
Rural Bank	1,000,000.00	3.00%	1.29%
Credit Union Australia	1,000,000.00	3.10%	1.29%
Credit Union Australia	1,500,000.00	3.10%	1.94%
Westpac	2,000,000.00	2.63%	2.59%
ME Bank	1,000,000.00	3.07%	1.29%
NAB	7,565,824.00	2.64%	9.78%
AMP	2,000,000.00	3.00%	2.59%
NAB	504,709.59	2.80%	0.65%
NAB	513,719.15	2.80%	0.66%
Sub Total	66,319,140.27		
High Interest At Call Savings Account	11,006,134.67		14.23%
Total	77,325,274.94		

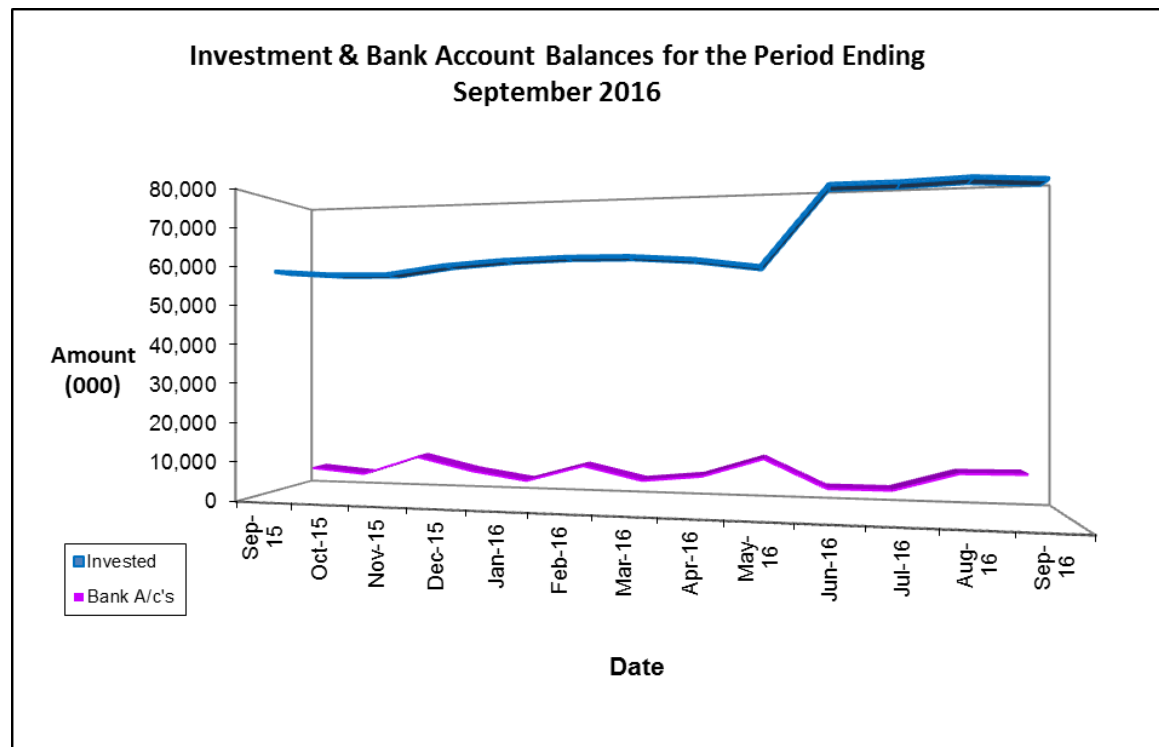
Redemptions to the NAB General and Business A/c's	- 1,000,000.00	
Funds Transferred from the NAB General and Business A/c's		
Increased principal due to roll over of funds	16,283.03	
Closing Balance at the end of the Period	76,341,557.97	

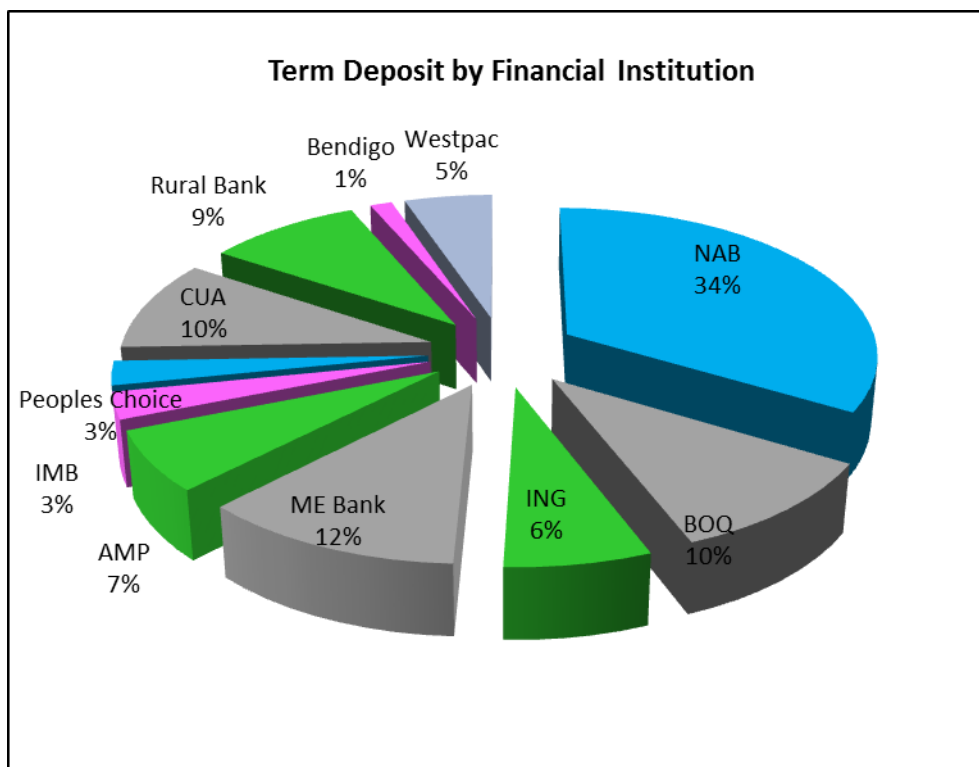


The following are the details of Council's investments as at the end of the period

Institution	Investment at Market Value	Interest Rate %	% of Portfolio
Term Deposits			
Credit Union Australia	1,000,000.00	2.75%	1.31%
Peoples Choice Credit Union	1,200,000.00	2.82%	1.57%
Bank of Queensland	2,000,000.00	3.05%	2.62%
AMP	1,000,000.00	3.00%	1.31%
IMB	2,000,000.00	2.70%	2.62%
ING	2,000,000.00	3.00%	2.62%
Bank of Queensland	2,000,000.00	2.80%	2.62%
Rural Bank	1,000,000.00	2.90%	1.31%
Rural Bank	1,000,000.00	2.75%	1.31%
ING	1,500,000.00	2.83%	1.96%
ME Bank	1,000,000.00	2.85%	1.31%
Credit Union Australia	2,000,000.00	2.95%	2.62%
Peoples Choice Credit Union	1,000,000.00	2.89%	1.31%
NAB	5,000,000.00	2.99%	6.55%
Credit Union Australia	2,000,000.00	2.90%	2.62%
ING	1,000,000.00	2.81%	1.31%
Bank of Queensland	2,000,000.00	2.90%	2.62%
NAB	1,034,887.53	2.85%	1.36%
Rural Bank	2,000,000.00	2.60%	2.62%
ME Bank	1,000,000.00	3.00%	1.31%
ME Bank	1,000,000.00	3.05%	1.31%
ME Bank	2,000,000.00	3.05%	2.62%
ME Bank	1,000,000.00	3.05%	1.31%
ING Bank	500,000.00	3.10%	0.65%
Bank of Queensland	1,000,000.00	2.70%	1.31%
Westpac	2,000,000.00	2.63%	2.62%
Rural Bank	2,000,000.00	3.00%	2.62%
Rural Bank	1,000,000.00	3.00%	1.31%
Credit Union Australia	1,000,000.00	3.10%	1.31%
Credit Union Australia	1,500,000.00	3.10%	1.96%
Westpac	2,000,000.00	2.63%	2.62%
ME Bank	1,000,000.00	3.07%	1.31%
Bank of Queensland	1,000,000.00	3.05%	1.31%
NAB	7,565,824.00	2.64%	9.91%
AMP	2,000,000.00	3.00%	2.62%
NAB	504,709.59	2.80%	0.66%
NAB	513,719.15	2.80%	0.67%

ME Bank	2,000,000.00	2.65%	2.62%
Bendigo Bank	1,000,000.00	2.65%	1.31%
AMP	1,000,000.00	2.75%	1.31%
AMP	1,000,000.00	2.75%	1.31%
Sub Total	65,319,140.27		
High Interest At Call Savings Account	11,022,417.70		14.44%
Total	76,341,557.97		





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 September 2016 to 30 September 2016.

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.

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

- 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/2016/07016
Title:	Quarterly Water Adjustment Report	Container: ARC16/0045-2
Author:	Chief Finance and Information Officer	
Attachments:	Nil	

RECOMMENDATION:

That this report be noted and that total adjustments to water accounts contained within this report be noted as totalling \$12,868.95.

Introduction:

Quarterly report detailing value adjustments made to water assessments for the first quarter of the 2016-17 Financial Year.

Report:

This report relates to adjustments to water accounts under the provisions of Policy 238, where the adjustment was calculated to be more than \$200.00 above the average charge of the previous 12 billing but less than \$900.00. In the first half of the quarter reports were provided to council for consideration where the calculated adjustments were in excess of \$900.00.

In July 2016 Council resolved to amend policy 238, the amendment provided that where the recommended adjustment is calculated to be greater than \$900.00 the recommendation will be presented to the General Manager for approval. The adjustments greater than \$900.00 detailed below were made after the amendment to the policy.

For the quarter 1 July 2016 to 30 September 2016 water adjustments determined under the provisions of Policy 238 Water Account Adjustment Management were.

Assessment 29987-5 was adjusted by -\$327.72
Assessment 24198-4 was adjusted by -\$298.12
Assessment 25666-9 was adjusted by -\$294.73
Assessment 27700-4 was adjusted by -\$701.32
Assessment 27150-2 was adjusted by -\$438.68
Assessment 26838-3 was adjusted by -\$250.40
Assessment 30787-6 was adjusted by -\$1,528.30
Assessment 24347-7 was adjusted by -\$4,161.63
Assessment 25383-1 was adjusted by -\$3,468.15
Assessment 24467-3 was adjusted by -\$709.23
Assessment 31246-2 was adjusted by -\$690.67

Community Engagement and Internal Consultation

As per Policy 238.

Financial Implications

Reduction in Council water billing charges \$12,868.95.

Good Governance

Council is entitled to make changes to user accounts as defined by the NSW *Local Government Act 1993*.

Integrated Planning and Reporting Framework

This is a statutory report.

Sustainability Assessment

This statutory report ensures accurate records of financial matters and is part of maintaining Council's financial sustainability strategy.

Item:	7.2.3	Ref: AINT/2016/06438
Title:	Union Picnic Day	Container: ARC16/0483
Author:	Interim General Manager	
Attachments:	Nil	

RECOMMENDATION:

- a) That Council endorse the Union Picnic Day holiday to be held on Tuesday 1 November 2016.
- b) That non-union members are required to work on the Union Picnic Day holiday.
- c) That Council's administration offices in Armidale and Guyra remain open and where practical, community services facilities also remain open on the Union Picnic Day holiday.
- d) That the Armidale Library is closed for the Union Picnic Day holiday.

Introduction:

The United Services Union has confirmed the date for the 2016 Union Picnic Day holiday in accordance with the Local Government (State) Award is to be 1 November 2016.

Report:

The Union Picnic Day holiday is regarded as a holiday for employees of Council who are financial members of the union(s) and who are employed under the Local Government (State) Award. Local Government unions include the United Services Union, Local Government Engineers Association and the Development and Environmental Professionals Association.

For the past three years employees of Council who are not financial members of the union(s) at the time of the Union Picnic Day holiday have worked on the day and maintained limited services to the community. In accordance with the provisions of the Local Government (State) Award, non-union members who are not required to work on the day of the Union Picnic Day holiday may apply to take annual leave, long service leave, time off in lieu of overtime worked, leave without pay or such other leave as approved by the Interim General Manager.

Community Engagement and Internal Consultation

Consultation with the Joint Consultative Committee in respect to the 2016 Union Picnic Day holiday occurred at the JCC meeting held on 22 September 2016.

Financial Implications

Current wages and salary budgets take account of the Union Picnic Day holiday as is the case with other holidays such as Easter Friday and Christmas Day, etc.

Good Governance

Maintaining positive industrial and employee relations helps ensure the organisation operates in a harmonious, effective and efficient way.

Integrated Planning and Reporting Framework

This report supports Council's good governance framework.

Sustainability Assessment

Not applicable in respect to this report.

Item:	7.2.4	Ref: AINT/2016/07183
Title:	Review of Local Representation Advisory Committee Member Fees and Allowances	Container: ARC16/0040
Author:	Governance Officer	
Attachments:	Nil	

RECOMMENDATION:

- a) **That the Armidale Regional Council Local Representation Advisory (LRAC) Committee members annual fee for 2016/17 be increased from \$8,540 (minimum) to \$18,840 (maximum);**
- b) **That the increase in the annual fee be backdated to 1 July 2016;**
- c) **That the committee members be reimbursed for travel expenses for Council related business, where approved by the Administrator, in accordance with Council's Payment of Expenses and Provision of Facilities to Councillors Policy; and**
- d) **That the travel allowance be introduced from 1 November 2016, given that the increase in the annual fee is to be applied retrospectively.**

Introduction:

A review of the annual fee and travel allowance for LRAC committee members has been carried out in response to a request from the committee to the Administrator. Committee members requested an increase in their fees from \$8,540 to \$18,840 and to be reimbursed for use of private motor vehicles when undertaking council or committee business, at the request of the Administrator.

Report:

The decision in June 2016 to fix the committee member's annual fee at the minimum councillor fee for a Regional Rural Council, as determined by the Local Government Remuneration Tribunal, was considered by the Administrator to be a fair level of remuneration which reflected the nature of their role, the volume of business to be dealt with by the committee and the communities expectations of prudent use of ratepayer funds. The Administrator, while retaining that view, is acceding to the request from committee members.

Community Engagement and Internal Consultation

Council at its meeting held on the 15 June 2016 set the 2016/17 annual fee payable to LRAC committee members at \$8,540, in accordance with the minimum councillor fee for a Regional Rural Council, as determined by the Local Government Remuneration Tribunal.

Advice from the Office of Local Government is that the legislation does not prevent the Administrator (Council) from increasing the fee and applying the increase retrospectively; however the decision should take into account the reduced volume of work and the accountability around the use of public money.

Financial Implications

The initial savings in Councillors annual fees as a result of the merger, based on the former council's past practice of adopting the maximum fee was \$168,980. The increase in the annual fees for 2016/17 is \$82,400, resulting in a revised saving of \$86,580.

The fee is payable monthly in arrears for each month and will therefore increase from \$712 to \$1,570 per month.

The introduction of a travel allowance for travel approved by council, such as travel to LRAC meetings, advisory committee meetings and other designated events would have minimal financial implications given the reduced volume of work.

Council's Payment of Expenses and Provision of Facilities to Councillors Policy, Clause 17.3 outlines how the claim for travel allowance will be applied:

"Council shall reimburse expenses incurred by Councillors for travel on Council related business outside a 15km radius of the City Centre. Travel expenses include use of a private vehicle, use of public transport, taxis, hire cars, travel using a Council vehicle and associated costs such as parking and road tolls. Except for the provisions of clause 16(5), actual costs will be reimbursed. Council is not liable for any traffic, parking or transport fines, or costs of petrol, oil, depreciation, repair, maintenance, insurance or registration incurred by Councillors whilst travelling on Council related business."

Good Governance

The LRAC is made up of five former councillors of the Armidale Dumaresq Council and three former councillors of the Guyra Shire Council and is governed by a Terms of Reference and is appointed by, and reports to the governing body. The Administrator is the chairperson of the committee.

Committee meetings are generally held each month with seven meetings being held between the 23 June and 13 October 2016. Members of LRAC also participate on some of the Council's Advisory Committees and attend public events at the request of the Administrator.

Integrated Planning and Reporting Framework

The purpose of the LRAC is to provide advice to the Administrator on local views and issues.

Sustainability Assessment

The LRAC provides an opportunity for former councillors to have a meaningful and frank conversation with the Administrator (Council) on solving local issues.

Item:	7.2.5	Ref: AINT/2016/07411
Title:	New Council Regional Brand Strategy	Container: ARC16/0172
Author:	Administration Officer	
Attachments:	Nil	

RECOMMENDATION:

- a) **That having considered the expressions of interest received, Council appoint Kent Woodcock Creative Solutions to review Council's new Regional Brand Strategy.**
- b) **That all others who submitted expressions of interest be advised of Council's decision and thanked for their time, and effort in submitting their interest in working on the project.**

Introduction:

Following advertising for expressions of Interest (EOI) from qualified consultants to review Council's new Regional Brand Strategy, fifteen (15) applications were received. The EOI assessment panel has now considered this matter, with Kent Woodcock Creative Solutions recommended to carry out this work. The firm has provided professional services to both the private and public sectors (including local government) for many years. Brand Maitland, Parkes, Upper Hunter, Newcastle Now, Singleton Library and Lake Macquarie Council are some of the local government consultancies completed.

Report:

The consultancy will be carried out over five (5) phases which will include consultation with key stakeholders, explanation reports, development of a branding guide for both internal and external use and provision of templates.

Community Engagement and Internal Consultation

Council staff and communities in the Council area will be consulted on Armidale Regional Council's branding.

Financial Implications

The development of an Armidale Regional Brand is identified in Council's 2016- 2017 budget as a requirement following the merger.

Good Governance

The issues surrounding the development of a regional brand is part of Council's Good Governance.

Integrated Planning and Reporting Framework

The development of a Regional Brand will be an essential part of future planning and reporting by Council.

Sustainability Assessment

Discussions on a Regional Brand will be against a background of sustainability issues within Council's area.

Item:	7.2.6	Ref: AINT/2016/07414
Title:	Development of a Strategic Communications Plan ARC16/0766	Container:
Author:	Administration Officer	
Attachments:	Nil	

RECOMMENDATION:

That this report in reference to Armidale Regional Council's Communications Review be received and noted.

Introduction:

Armidale Regional Council requires a more strategic approach to communications following the merger of the Armidale Dumaresq Council and the Guyra Shire Council earlier this year. This process started with the Listening Tours carried out through the new Council area following the merger. These tours allowed residents and ratepayers to discuss their concerns and priorities for the new council with the Administrator. To assist with developing the plan, a leading regional communications company, Seftons has been appointed to assist with the process.

Report:

The Strategic Communications Plan aims to strengthen relationships, increase understanding and engage with Council's external stakeholders. Key external stakeholders include, but are not limited to:

- Ratepayers and residents of the Armidale Regional Council area
- Local businesses
- State and Federal government
- Other local community groups and
- Local media.

Report by Consultant

Seftons has advised that an updated report on the development of the Strategic Communications Plan will be made available to Council in the coming months.

Community Engagement and Internal Consultation

Seftons will be engaging with staff and the community on the development of a more strategic approach to communications for Council.

Financial Implications

Development of a Strategic Communications Plan is identified in Council's 2016-2017 budget.

Good Governance

A Strategic Communications Plan is identified as part of Council's Good Governance.

Integrated Planning and Reporting Framework

A proactive Strategic Communications Plan will be an integral part of Council's future planning and reporting mechanisms.

Sustainability Assessment

The issues identified for inclusion in the plan will need to be assessed against sustainability criteria.

Item:	7.3.1	Ref: AINT/2016/07789
Title:	A new Armidale Regional Council War Memorial Library ARC16/0417	Container:
Author:	Interim General Manager	
Attachments:	1. New library report - attachment - 26 October 2016- <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:

- a) **That Council proceed to purchase 1/182 Rusden Street Armidale for a new Armidale War Memorial Library at the agreed price of \$2.4 million which includes in the contract of sale that Council has the first right of refusal to purchase Unit 2/182 Rusden Street should it become available.**
- b) **That the Administrator and Acting Interim General Manager be authorised to finalise the sale including signing and affixing Council Seal to all associated legal documents as required. That State Library of New South Wales be engaged to assist with detailed floor layout plans.**
- c) **That a Development Application be prepared for the change of use and associated works.**
- d) **That the Acting Interim General Manager be authorised to call tenders/quotations for the various components of the refurbishment, fitout and relocation with an expected expenditure of between \$850,000 and \$1.1 million in total.**
- e) **That an application be made to State Library of NSW for financial support with costs under part (d).**
- f) **That approaches be made to RSL NSW and the local branch for possible assistance towards fitout and/or items of remembrance and recognition.**

Introduction:

At the 10 August 2016 Ordinary meeting of Council the Administrator presented a Minute in regard to the new Armidale War Memorial Library project. The Administrator's Minute identified the lengthy progress of a new library and the mixed views that he has received throughout the new Armidale Regional Council area.

Committed to progressing with a new library facility during his appointment as the Administrator, Dr Tiley has to date supported a request from the Armidale Regional Council Civic Advisory Committee to pursue the candidates in the recent federal election to try and gain a funding commitment for a new library in Armidale.

The Administrator has also sent letters to Senator Mitch Fifield Minister for Communications and Minister for the Arts and the NSW Deputy Premier and Minister for Arts Troy Grant MP seeking full funding for the proposed new library.

In addition to the above, the Administrator has requested a report in regard to several other alternatives that are considered feasible, affordable and sustainable options to the proposed new "library build".

This report provides an update and recommendations as a result of those investigations.

Report:

Background:

At the 19 October 2015 Armidale Dumaresq Council whole of Council Library Committee meeting, a list of 13 building options for a new library facility which included the DA-approved new library building, alterations and additions to the current library building and some 11 other buildings for a new library facility were presented and considered. Of the options presented, six were not considered feasible which left five options available for further consideration.

The Committee made a number of recommendations at a subsequent Ordinary Council meeting and on 14 December 2015 Council resolved:

- (a) That Council undertake urgent renovations to the current library building as required whilst Council consults with the community on a new library building.***
- (b) That Council consult with the community on the following options in relation to a library:***
 - a) That Council not develop a new library***
 - b) That Council retain the existing library building and undertake renovations***
 - c) That Council purchase an existing building and convert this to be a library***
 - d) That Council build a new library***
 - e) Other comments regarding the library.***
- (c) That Council prepare a survey form setting out the options as described in recommendation two, the cost of each option and other advice to allow ratepayers to submit advice to the Council on the option that they believe to be suitable in the development of a library. That the survey of ratepayers shall be in the form of a letter to the ratepayer with a reply paid envelope to be returned to Council. (Reason: It is considered that ratepayers will be required to pay for any special rate variation applied to the rating system and will be required to pass on the increase or absorb the increase in costs under any tenancy arrangement).***
- (d) That Council advise the ratepayers as part of its consultation process the costs of each option and cost of a Special Rate Variation as a percentage of the cost of the building type and advise the cost reduction based on a 50% grant or other financial contribution from other sources.***
- (e) That based on the approval of the Ratepayers to fund a special rate variation, the Council prepare a Special Rate Variation application to the NSW Government (IPART) to raise funds to develop a library in accordance with the community's advice. This application, if required, shall be submitted to IPART by November 2016 to commence in the 2017/18 financial year.****
- (f) That Council establish a dedicated Library Reserve to receive all Special Rate Variations to be collected for a period up to five (5) years whilst other financial contributions or grants are sought, to build or purchase a building as a library based on the community survey.***

(g) That if necessary and in due course Council prepare plans and make all required applications in year five (5) to allow a tender to be issued for the construction of a library and associated facilities.

The Armidale Dumaresq Council whole of Council Library Committee again met on 18 January 2016 and when considering the minutes, the former Council at its 25 January 2016 Ordinary meeting subsequently endorsed the following:

- (a) The Committee recommends that Council defer the survey of the community in accordance with its resolution of 14 December 2015 and this matter be reconsidered by either the current Council or the new merged Council as the case may be following the final determination of the merger proposal.***
- (b) The Committee recommends that Council note the advice provided by Jetty Research regarding the format of any future targeted survey and that they be thanked for their advice.***
- (c) The Committee recommends that Council consider setting aside an appropriate sum as an internal reserve for the building of a new library in its 2016/17 Budget and future budgets.***
- (d) The Committee recommends that Council seek a Report as part of its budget deliberations recommending any necessary and desirable refurbishments or upgrades of the present library facility.***

Report:

Following the merge of the former Armidale Dumaresq and Guyra Shire councils in May 2016, the Administrator Dr Tiley has received representations from the community and has sought senior management briefings along with copies of previous reports from Council's Library Manager, Consultants and Committee deliberations in regard to a new library facility. Dr Tiley also met with members of the former Civic Precinct Committee and members of the Friends of the Armidale War Memorial Library.

In considering the representations, the previous considerations and numerous reports, the Administrator sought further advice in regard to three specific options other than the new DA-approved library and the upgrade of the current library.

In considering the options, advice and guidance has been sought from State Library of NSW (SL of NSW) specifically in regard to two of the options. SL of NSW have referred to *People Places - A Guide for Public Library Buildings in New South Wales - Third Edition*.

Advice has also been sought and considered from the Local Representative Advisory Committee (LRAC) established following the merge of the former Armidale Dumaresq and Guyra Shire councils.

The options considered include:

- **Co-location with another institution in Armidale;**
- **Purchase and develop an existing commercial premise as a library;**
- **Lease and develop an existing commercial premise as a library;**
- **Lease a specifically designed and refurbished existing commercial premise as a library.**

Independent Advice:

Council sought assistance from SL of NSW officers who have provided the following advice.

Needs Analysis

When planning for a public library the key details to be accounted for are:

- *size of population catchment*
- *the range of services to be offered from the library*
- *site visibility*
- *access*

NSW Public Libraries – Growth

NSW public libraries have experienced considerable growth in usage in recent years. Since 2000 physical visits to public libraries in NSW have grown by 24% to 35.3 million per annum. Loans of books and other materials are significant with over 43.6 million loans in 2014/15. Internet usage in libraries has grown from 5.4 million in 2012/13 to 9.6 million sessions in 2014/15, wi-fi use accounts for most of this growth. Attendance at public library events and programs was more than 1.6 million in 2014/15. Over 40% of the NSW population are library members.

The growth in collection use (loans) has not been consistent across all segments of library collections. Fiction, picture books and children's books have increased significantly, while non-fiction loans have experienced a downward trend.

Ebook loans have not yet made a large impact on public libraries. In 2014/15 just 655,264 of the total loans from NSW public libraries were ebooks (that is 1.5%). Ebook loans are expected to increase as the format and library delivery methods are refined and simplified. This is expected to bring even more customers to libraries.

Libraries continue to provide what could be described as traditional services - the provision of collections and information to the community. However, it is also clear that our local communities expect public libraries to provide additional services. These services reflect the role of modern public libraries as community facilities where people can meet, access technology, share and learn.

The State Library of NSW has observed a number of emerging public library trends that are likely to present impacts and opportunities for libraries into the future:

- *collection management: outsourcing vs in-house models*
- *demand for public spaces*
- *remote and outreach services*
- *ageing populations*
- *technological advances*

Some observations by the State Library on library trends include:

NSW is in the midst of a sustained “public library boom” with upward trends in use over at least the last 10 years. NSW Councils have built or extensively refurbished more than 80 library buildings since 2000.

Despite significant growth in internet demand and alternate format collections (such as DVDs), loans of printed books have increased over the past decade and remain a significant public library service. This highlights the need for a continued focus on quality lending collections. Notably, fiction, large print, talking books and children's books are growth areas. Non-fiction and reference demand has declined, probably due to the growth in information available online. This decline is offset by the growth in internet use in public libraries.

There is a double-ended demographic shift occurring in NSW. The ageing population coupled with an increase in birth rates is resulting in a higher proportion of retirees and children in many communities. Older people and children are the heaviest users of public libraries.

Library spaces are increasingly being used for activities over and above book lending and study. Current community demand for programming and events, community space, meeting rooms for community groups and technology access points are reconstituting libraries as community hubs, and driving growth in the size of library buildings.

Impact on library spaces

These trends are driving changes in the size and shape of library spaces. More space is required for:

- *lending collections*
- *children's and young adult areas*
- *meeting rooms*
- *casual and formal seating and desks*
- *programs and events*
- *internet PCs and wi-fi access*

Many NSW public libraries, including the current Armidale-Dumaresq War Memorial Library, were built at a time when the prevailing service model was book storage and lending. These library buildings are not adequate to meet the needs of communities in the current era and will be even less able to meet needs into the future.

The current Armidale-Dumaresq War Memorial Library was the subject of a State Library review in 2001, and at that time was already clearly in need of replacement or significant extension. The growth in library service offerings and client demand since 2001 make the replacement of the library even more urgent, as the current Armidale library building is not able to provide the range of services and spaces that are enjoyed by many communities across NSW.

Optimum Library Size

As mentioned in the previous report to Armidale Regional Council, the State Library of NSW has developed two benchmark approaches to estimating optimum library size. They are the service based benchmark and the population based benchmark.¹

The service based benchmark is derived from the space required to provide the services and collections that will be delivered from the library building. This benchmark is the more specific of the two in defining the required size for a library because it outlines internal spaces.

The population based benchmark provides a recommended size for a library based on the population catchment of its service. This benchmark is best used as a general guide to size needs and is the method that is used for this report.

The population of Armidale Regional Council is 29,869, comprising the former Armidale-Dumaresq population of 25,327 and the former Guyra Shire population of 4,619. The population figures are the Estimated Resident Population by local government area as at 30 June 2015 published by the ABS on 30 March 2016.

¹ People Places: A guide for Public Library Buildings in NSW. 3rd edition 2012, page 5.
<http://www.sl.nsw.gov.au/public-library-services/library-buildings-and-spaces>

The State Library has used 25,327 as the catchment of the Armidale Library and considers that the Guyra Library serves the catchment of the former Guyra area.

A population catchment of 25,327 would require a library of 1,309 square metres according to the population benchmark.

The State Library recommends using a ten year projected population when planning a library. For Armidale Library a projected population of 30,100 is estimated by the NSW Department of Planning and Environment for 2026. A library of 1,560 square metres would be required to meet this population.

If council plans to move the back room library operations from Guyra to the Armidale Library, then the 10 year projected population of the Armidale Regional Council (Armidale and Guyra) of 34,850 should be used to determine library size. A building of 1,769 square metres is recommended for this population.

The service based benchmark size will vary according to the collection size and range of services to be provided from the building. The State Library can assist with refining the service based approach to sizes.

State Library of NSW have also indicated that if buildings are to have a second floor and/or mezzanine, careful consideration should be given to the functions to be housed on the second floor/mezzanine level due to the heavy nature of library collections and also noise flow from one level to the other. They have suggested *some functions that may be more suitable for a mezzanine are staff areas, study areas, meeting rooms and public IT. Children's areas and large print collections are generally best for ground floor areas. Spaces for people to interact should be more prevalent than any designated quiet spaces.*

Dimensions

The total area of the proposed buildings are suitable for the Armidale population of 25,327 and the relatively large library collection that Armidale currently houses (2.74 items per capita, which is between the enhanced and exemplary standards for NSW public libraries²).

The service based spreadsheet provided to the State Library from Armidale Regional Council indicates a population of 30,100 (projected 2026 population for the Armidale Library catchment) therefore calculating 8 PCs and 167 seats.

The State Library is happy to provide further advice as internal plans develop.

Consideration should be given to weeding the collection to a maximum of 2.5 items per capita. A smaller, new, well displayed collection will lead to higher use and a higher number of loans. The service based benchmark as provided by Armidale Regional Council indicates that a small percentage of library material is on loan at any one time (from 13 to 26% for different collections). Generally, across NSW public libraries, 30 to 40% of a collection is on loan. The State Library can assist with completing a more detailed service based benchmark to specify sizes of functional areas.

² Living Learning Libraries 2015 ed. <http://www.sl.nsw.gov.au/public-library-services/content/living-learning-libraries>

Location

Generally a public building such as a library needs to be attractive and inviting from the outside. It requires a street frontage that is appealing and inviting with clear and attractive signage. It is recommended that an architect or designer is engaged to design the façade and signage.

Public Libraries work best when they are close to other community facilities and retail precincts. In addition, public libraries have a symbiotic relationship with local businesses, so proximity to shopping, cafes and other facilities is recommended. Visitation to the current Armidale Library is 112,300 per annum.

This figure is assisted by proximity to the CBD and by the same token use of the CBD is assisted by the library. Locating the library in a non-central position is not recommended if there are other options.

Access

Entrance to a Library should be inviting and appealing to library customers along with easy access to parking.

Issues that need to be considered include:

Service desk

Current library trends show a preference for smaller information/circulation desks that make it easier for staff to interact with clients. A more effective approach is to have staff assisting clients from small information 'points' or via a roving reference service, with most loan transactions occurring through self-service technology.

Meeting rooms

Meetings rooms with glass walls are recommended.

Seating

A mix of seating is recommended including casual lounge type seating amongst book shelves and in other areas throughout the library space; tables and desks with chairs. 8 PCs and 167 seats are recommended for the population.

Youth/childrens area

Youth and children are key library clients and require spaces in separate areas of the library. Many libraries report that consulting local youth about furniture, artwork and colours helps them feel ownership of the space and can lead to higher usage.

Staff areas

Staff areas should include a work space, toilets and lunch room.

Functional area specification

People Places is a very useful tool to consult when planning a new or refurbished library space. The functional area data sheets from the Small Library Building Brief are available on the State Library website at: <http://www.sl.nsw.gov.au/public-library-services/library-buildings-and-spaces>

The report also touches on the Storage/sorting area requirements and the increase in outsourcing collection management:

Storage/sorting

Service based benchmark recommends 5% work area storage and 5% central and regional work area. It is unlikely that Armidale will require a 5% central or regional work area because the library service is not the hub of significant multi-branch system.

Outsourcing of collection processing is increasingly common in NSW public libraries, which means that collections arrive from suppliers “shelf-ready”. This eliminates the need for significant workroom space.

Outsourcing the collection management will be a key consideration with a new Library facility. This will be in parallel with the introduction of an RFID (Radio Frequency Identification) Library Management System. The intent to reduce operational overheads, providing efficiencies and introducing automated systems.

Based on the independent advice their analysis confirms that the “Optimum” library Size for Armidale derived from two industry adopted benchmarks – *serviced based benchmark* and *population based benchmark* are approximately the same as that identified by Council’s Library Manager in his co-authored report to the 19 October 2015 Library Committee meeting of approximately 1600m² and 1800m² respectfully.

The options considered can all achieve or exceed these recommended floor area calculations.

To supplement and support the advice from SL of NSW the following extract from *People Places* outlines the “*Site Criteria For A Public Library in section 4.1.1*” which they have considered:

- *Main street or shopping area location*
- *Highly visible location particularly from the shopping area*
- *Street frontage with library on ground floor and not hidden from the road by trees or another building*
- *High level of personal and property safety as outlined in Safer by Design requirements (see Section 4.2 Crime Prevention through Environmental Design [CPTED])*
- *Fully accessible for people with limited mobility*
- *Close to and/or accessible from local schools and educational facilities*
- *Potential for an outdoor area to be attached to the library*
- *Priority pedestrian access which is safe and attractive, particularly for older residents, children and parents with prams*
- *Walking distance from public transport which is typically 400–500 metres with minimal gradient*
- *Access to convenient and safe car parking with priority for people with a disability, older residents, parents with prams, staff and nighttime users*
- *Accessible for community buses, mobile libraries, deliveries and other vehicles*
- *Site able to accommodate future expansion of the library if required.*

SL of NSW also refer to Section 4.4 of *People Places* relating to the consideration for a “New Building Or Refurbishment”.

The choice of site may also be influenced by the possibility of reusing or adapting an existing building. The prospect of utilising a refurbished building rather than a new facility may at first appear to be a more cost-effective option. However, the suitability of the building as a library can have a substantial impact on refurbishment and operational costs, and on the future functionality and services to be provided. If appropriate, reusing buildings has a substantial benefit in terms of ESD [Environmentally Sustainable Design] as the embodied energy in constructing a new building is very significant. Issues to consider are:

- *Heritage value of the building – is it listed, has it been assessed? A Statement of Heritage Significance or Conservation Management plan will be required for buildings of heritage significance which will guide how the building can be altered*
- *Prominence, transparency and equitable access*
- *Provision for mechanical and electrical services in existing buildings particularly those with heritage significance*
- *Contamination and asbestos*
- *Flexibility, adaptability and expansion capability for future modifications*
- *Fire upgrades and compliance with the Building Code of Australia. Note that the requirements for refurbishments in the latest BCA are far more comprehensive than previous versions*
- *Environmental performance, maintenance and running costs*
- *Cabling to accommodate local technology plan requirements*
- *Floor loading able to hold significant collection loads.*

Report:

Consideration of Options:

1. Co-location with the Armidale TAFE Library on TAFE property (A Block)

This proposal has been considered as a way of sharing resources across the community and to not duplicate facilities. TAFE are currently looking at opportunities and whilst the current TAFE Library is not of an adequate size, discussions have been held in the past several months indicating that a library of up to 2080m² can be designed and achieved.

A library of this size would meet the requirement for at least the next 10 years. “A Block” fronts and has access off Beardy Street and has an adjacent off street carpark. The building is north facing with good natural lighting.

The building requires renovations, refurbishment and the inclusion of a second passenger lift. The refurbishments can be undertaken to achieve the standards identified in the *People Places* publication.

Co-location and operational management would be done through one or a combination of a formal lease, Memorandum of Understanding and Service Level Agreement to ensure that staffing, public access, fittings, fixtures, stock ownership and distribution of operational costs are clearly identified.

However, it is unknown if the subsequent acquisition of the building would or could be achieved which makes this proposal less attractive than the other premises which do have this option available.

The location of the "A Block" proposal does move the facility to the fringe of the CBD, being two city blocks removed from the Beardy Street Central Mall, however would meet the other matters of consideration outlined in Section 4.4 of *People Places*.

The indicative costing for this proposal is included in the confidential attachments.

There are no Development Application requirements for this proposal as it falls under the Infrastructure State Environmental Planning Policy.

2. Commercial Building, 119 Rusden Street

The property owner has supplied concept plans for this building with several façade treatment options and a conceptual floor layout.

This building benefits from multiple access points not dissimilar to the proposed new building adjacent to the Council Chambers. The property has frontage to Rusden Street and adjoins the two Rusden Street carparks. Vehicular access is available via Rusden, Faulkner and Marsh Streets.

Pedestrian access is available from Rusden Street and also the East Beardy Street Mall through the existing Hanna's Arcade building providing a safe and enclosed connection.

The building owner is prepared to undertake the refurbishment and floor layout in accordance with the *People Places* guidelines which would provide 1800m² of floorspace utilising a mezzanine and passenger lift. The proposal also includes providing access from the upper levels of the adjoining Council multi level carpark.

The owner has put forward several options in regard to leasing, selling or leasing to buy with the details included in the confidential attachments.

A Development Application would be required for this change of use and refurbishment.

State Library of NSW provided an independent assessment of this proposal.

The indicative costing for this proposal is included in the confidential attachments.

3. Commercial building: 1/182 Rusden Street

This building is a modern tilt up slab structure and is currently vacant with a gymnasium operating in the adjoining strata unit. The building has a floor area of approximately 1566m² over the two floors and has dedicated parking available. This building adjoins Council-owned land in Rusden and Allingham Streets and the future expansion of the building onto this land is possible.

The opportunity does exist for some renovations and internal alterations to increase the floor area of the mezzanine level and also a 1st floor in the loading dock for increased back of house/staff areas. With these additions the floor area would increase to the recommended 1800m². The alterations would facilitate increased natural light into the building and also the inclusion of additional skylights can be achieved for the mezzanine.

The building has a loading dock and a goods lift. A passenger lift and passenger stairs will need to be installed and space can be incorporated into the additional mezzanine construction without the need to cut through the first floor slab.

Seven dedicated staff parking spaces are provided and a shared onsite carpark exists with 21 spaces being allocated to this unit.

The building is a blank canvas internally and provides considerable opportunity for the location of offices, study areas and meeting rooms. Adequate space is available for staffing and back of house work areas.

The building is located almost the same distance as the TAFE proposal however, it is one city block further to the south of the Beardy Street Central Mall.

Whilst not achieving the same locational benefits as the proposed new library adjacent to the Council Chambers or the building located at 119 Rusden Street, this building is located opposite the Armidale TAFE, near the NSW Government Services Centre and is located on a Bus Route. It is adjacent to and adjoins Council-owned land in both Allingham and Rusden Streets which provides considerable opportunity for future expansion and development of a Community Hub.

As indicated, this building is located opposite the TAFE and preliminary discussions have been held with TAFE as this proposal could address the needs of TAFE and contribute to this library rather than investing in a new library themselves. The contribution and needs of TAFE could be addressed through a formal Memorandum of Understanding and Service Level Agreement.

The details of the options put forward by the owners which include leasing, selling or leasing to buy are included in the confidential attachments.

A Development Application would be required for this change of use and refurbishment.

This building can achieve the matters identified in Section 4.4 of *People Places* and whilst it does not achieve the same level of proximity to the centre of the Armidale CBD as the existing Library, the proposed new DA-approved library or the proposal at 119 Rusden Street it can still achieve a high level of attainment with the matters of consideration outlined in both Section 4.1 and 4.4 of *People Places*.

The indicative costing for this proposal is included in the confidential attachments.

The New Library

To date the one and major inhibiting factor with progression on the DA-approved library adjacent to the Council Chambers is the funding of the \$10-\$13 million required to build the new library. This range in estimate is due to the unknowns associated with the dig out or foundations and full fit out of the facility.

Second to this, and notwithstanding that a new library has been identified as a high priority in the past two Community Strategic Plans, is the level of opposing views within the former Armidale Dumaresq Council community for the need and ability to pay for a \$10-\$13 million new library.

Since the merger the collective views of residents of the broader Armidale Regional Council continue to provide a clear and defined mix in regard to the proposed new library and a new/alternate library facility which is more affordable.

A very strong opposition to a Special Rate Variation (SRV) for the proposed new library came through during the Listening Tours undertaken by the Administrator in the initial months of the merger.

In an attempt to remove the need for an SRV, the Administrator at the request of the former Civic Precinct Committee endorsed the Chair, Jim Maher and his Committee members to approach all candidates in the recent Federal Election to try and gain a political commitment which unfortunately was not gained.

Further, the Administrator wrote to Senator Mitch Fifield Minister for Communications and Minister for the Arts and the NSW Deputy Premier and Minister for Arts Troy Grant MP seeking full funding for the proposed new library. Both have subsequently responded and have identified possible funding streams which unfortunately would amount to a maximum of \$500,000 or \$200,000 respectfully through a competitive program.

Ms Rachel Antone on behalf of the Minister for Communications and Minister for the Arts, did also identify a funding possibility under the soon to be released Building Better Regions Fund (BBRF) program. This would be through a competitive program with no guarantee of success.

The three options that have been investigated have identified that they are feasible alternatives to a new building all of which could provide a new library facility achieving many of the matters for consideration outlined in *People Places*, along with a much more affordable price tag and can proceed immediately. The two private property options are the most attractive financially, with one having greater opportunity with vacant Council-owned land adjoining it.

The window of opportunity with both 119 and 1/182 Rusden Street is tight and one option will be lost if Council does not make a decision now and the second, if a decision is not made within the next three weeks. Council is in a financial position to proceed with one of the options through loan borrowings.

What to do

The Administrator is presented with an opportunity to make a decision which could lead to a new library facility for Armidale that will provide a modern functional library achieving optimum floor area and inclusions expected in a new library as well as providing a well equipped back of house staff area.

Whilst some sectors of the community see the current Administration period as a period of caretaking until the next Council election in September 2017, the Premier and Minister for Local Government have made it very clear that the Administrator is to get on with moving the new Armidale Regional Council to a more efficient, cost effective and financially sustainable Council.

The community is very aware that under current income streams and financial modelling, to build the proposed new approved Library a Special Rate Variation may be the only mechanism available to the new Council to achieve the funding streams to build the new \$10m-\$13 million library. The reliance on an SRV, community and government support cannot be assumed at this time.

Do nothing

It is available to the Administrator to do nothing allowing the matter and debate to be left for the newly elected Council after the September 2017 local election.

Enter into discussions with TAFE

There are a number of unknown matters with such proposal which would need to be resolved however, the indicative investment requirements into a building that Council does not own is not considered a sound financial investment.

Lease a Private Building (vacant not refurbished)

Entering into a lease with a private landowner could be a viable option, enabling Council to work out if and when it would proceed with a new building and how it will be funded. Leasing would allow the library to expand and provide the full range of services expected from a new functional library now and into the med term.

Many Government Agencies and larger corporations are moving away from investing considerable capital into offices relying upon private sector investors to build, manage and maintain suitable premises. This enables maximization of funds to be directed toward service provision. However, unlike corporations Council is unable to offset the rental costs and many would suggest for local government that for affordability, purchasing provides a better financial option for Council.

Whilst Council would still need to invest into the refurbishment, fit out and relocation costs, the leasing option could be a cost effective means of achieving a quality new library facility for the community.

Lease a fully refurbished and purposely fitted out private building

By entering into a lease for a fully refurbished and purposely fitted out building, Council's lease payments would be higher. The offset here is that Council is not incurring any capital expenditure and would be paying off the private sector investment over the term of the lease. Notwithstanding the landowner does include a premium through the rental charge commensurate with the risk associated with the terms of the lease.

Similar to the previously mentioned leasing option it is a feasible option if Council is able to achieve a reasonable annual rental. However, still possibly not as advantageous as purchasing.

Purchase an existing building and undertake refurbishment, fitout and relocation

Two of the options provide this opportunity for Council and whilst some constraint exists for the conversion of an existing building to a new functional library, both options can accommodate most design recommendations of the *People Places* guidelines.

The two options have a similar purchase price however, the costs for refurbishment vary considerably attributable mainly to the age of the buildings and level of works required.

The estimated purchase and refurbishment costs for the two proposals however will still only amount to between 30% - 56% of the cost of the proposed new DA-approved library building (\$10- \$13 million) a saving of a close to \$10 million can be achieved with the two options respectively.

The property at 182 Rusden Street provides a better financial outcome for Council however the property at 119 Rusden Street provides the best outcome in regard to location.

The table and matrices below provides an overview and assessment of the three buildings.

Table 1: Individual Item Summary

Item	Building name	Floor area existing	*Floor area required (1533 – 1811m ²)	Access from road and carpark	Areas for community spaces	Parking	Heritage	Lease option	Purchase option	Does building met criteria?
1	Co-locate with TAFE	1852m ² up to 2082m ²	Yes	Yes	Yes	Yes	Minimal	Yes	No	yes
2	Commercial Building, 119 Rusden Street	1350 – 2000m ² with mezzanine	Yes	Yes	Yes	Yes	Minimal	Yes	Yes	Yes
3	Commercial Building, 1/182 Rusden Street (Council owns adjoining land)	1595m ² over two floors (additions can exceed 1800m ²)	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes

*Based on a 10 year population of 30,100 people the current Library NSW publication guidelines suggest between 1533 – 1811m².

Locational matrix 1 (three options only)

Locational Criteria	Weighting (optional)	Site 1	Site 2	Site 3
Main street or shopping centre location	3	3 (3X1)	9 (3X3)	3 (3X1)
Highly visible location	3	6 (3X2)	9 (3X3)	6 (3X2)
Ground floor and street frontage	3	6 (3X2)	9 (3X3)	9 (3X3)
High levels of personal and property safety	3	9(3X3)	9 (3X3)	9 (3X3)
Fully accessible	3	9 (3X3)	9 (3X3)	9 (3X3)
Accessible from local schools	2	4 (2X2)	2 (2X1)	4 (2X2)
Potential for outdoor space	1	2 (1X2)	2 (1X2)	2 (1X2)
Priority pedestrian access	3	9 (3X3)	9 (3X3)	9 (3X3)
Walk to public transport	1	2 (1X2)	2(1X2)	2 (1X2)
Convenient and safe parking	3	9 (3X3)	9 (3X3)	9 (3X3)
Accessible for all vehicles	3	9 (3X3)	6 (3X2)	9 (3X3)
Future expansion	2	4 (2X2)	2 (2X1)	6 (2X3)
Overall score		72	77	77

The following matrix compares the three options against the proposed New DA-approved library.

Locational matrix 2 (three options and the new DA-approved library)

Locational criteria	Weighting (optional)	New DA	Site 1	Site 2	Site 3
Main street or shopping centre location	3	9 (3X3)	3 (3X1)	9 (3X3)	3 (3X1)
Highly visible location	3	9 (3X3)	6 (3X2)	9 (3X3)	6 (3X2)
Ground floor and street frontage	3	9 (3X3)	6 (3X2)	9 (3X3)	9 (3X3)
High levels of personal and property safety	3	9(3X3)	9(3X3)	9 (3X3)	9 (3X3)
Fully accessible	3	9 (3X3)	9 (3X3)	9 (3X3)	9 (3X3)
Accessible from local schools	2	2(2X1)	4 (2X2)	2 (2X1)	4 (2X2)
Potential for outdoor space	1	3 (1X3)	2 (1X2)	2 (1X2)	2 (1X2)
Priority pedestrian access	3	9 (3X3)	9 (3X3)	9 (3X3)	9 (3X3)
Walk to public transport	1	2 (1X2)	2 (1X2)	2(1X2)	2 (1X2)
Convenient and safe parking	3	9 (3X3)	9 (3X3)	9 (3X3)	9 (3X3)
Accessible for all vehicles	3	9 (3X3)	9 (3X3)	6 (3X2)	9 (3X3)
Future expansion	2	4 (2X2)	4 (2X2)	2 (2X1)	6 (2X3)
Overall score		83	72	77	77

As is highlighted in the two locational matrices above there is very little difference between the three options investigated in this report. However, as would be expected when assessed against the new DA-approved library the other sites, whilst achieving a similar level of compliance in many areas do fall behind in the specific “Main Street or Shopping Centre” locational compliance.

This however must be considered against the value of investment. The one advantage that 1/182 Rusden Street has over all other proposals is the vacant adjoining Council-owned land which provides considerable opportunity and scope for future needs especially as a community hub or a complete Civic Centre.

The property at 1/182 Rusden Street provides considerable long term opportunity for Council. Leasing the premises with the option to buy outright provides flexibility to Council especially with the adjoining Council-owned land.

The leasing option would provide an immediate solution for the current undersized library without a large investment. It would then provide scope for the new elected Council to seek the views of the residents of the new Armidale Regional Council as to the most appropriate library facility.

Should the new Council determine to continue in the current space then it has the scope to expand as required utilising the adjoining Council-owned land. Should it decide to proceed with the DA-approved library adjacent to the existing Council Chambers then it provides sufficient time to resolve the funding options and models and if a Special Rate Variation is required then the time to pursue this process would be available to it.

Financial considerations:

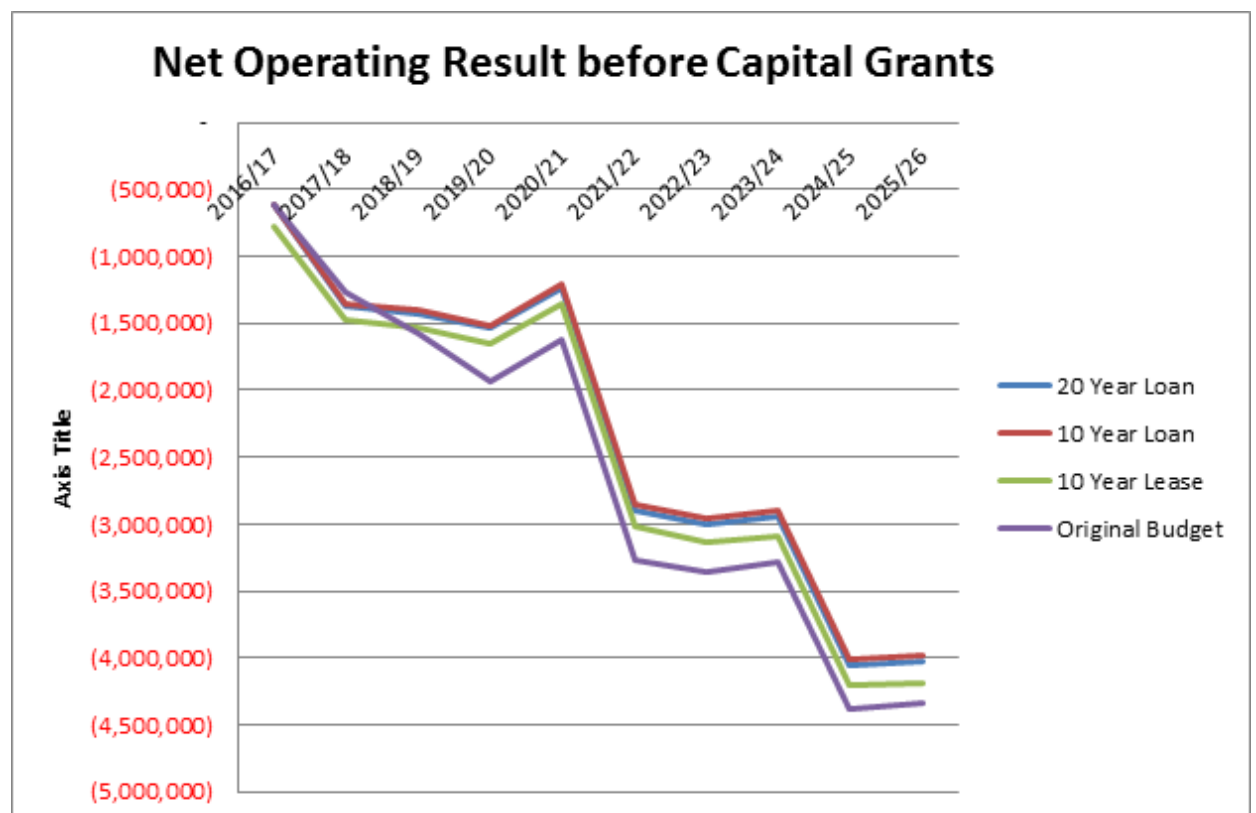
Council has modelled and considered leasing and purchasing options for the various sites including the refurbishment and development of both 119 and 1/182 Rusden Street. The purchase option for 1/182 Rusden Street funded by a 10 year loan presents the most favourable financial position over the current adopted long term financial plan. It results in an improvement in working funds of \$4.4 million over 10 years compared to the current plan which includes the proposed new library.

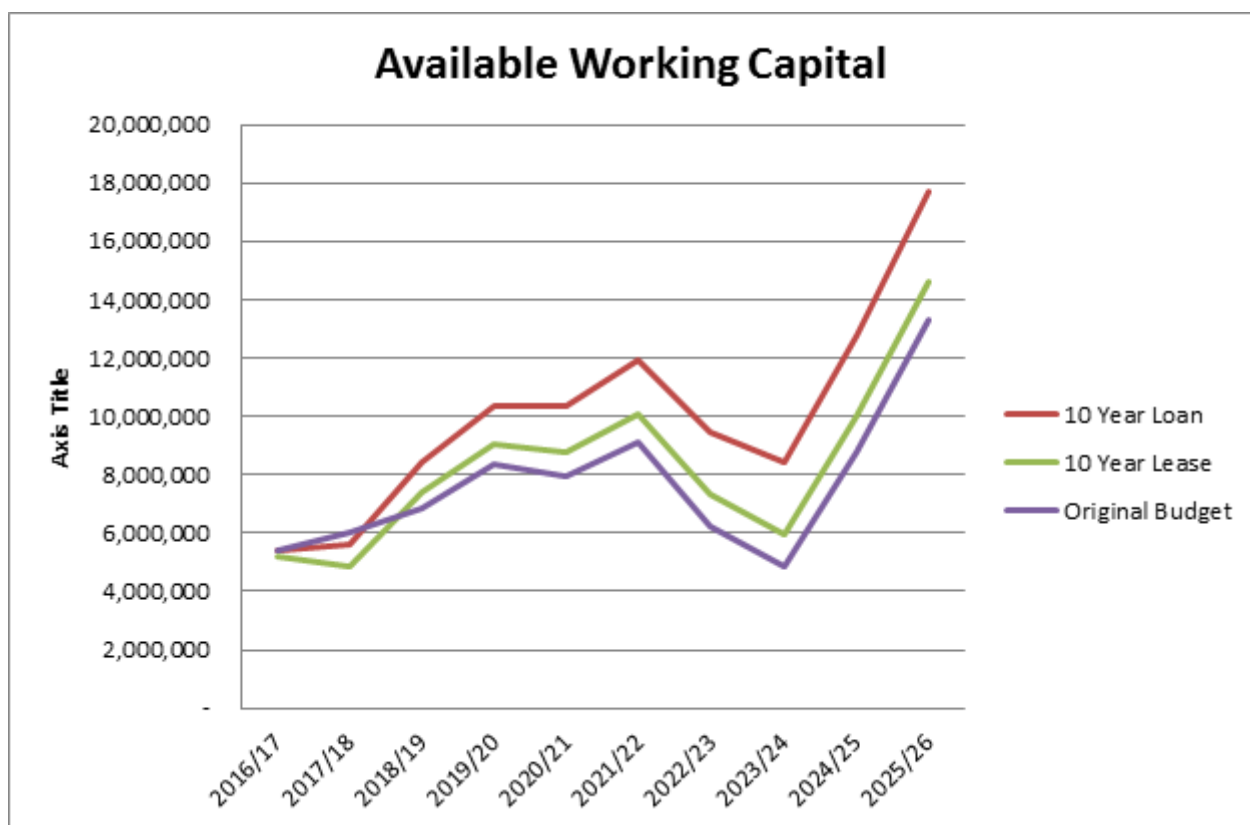
This will strengthen Council’s financial capacity to consider further expansion of the library at that time compared to the current plan.

Both buildings have potential for expansion on Council-owned adjoining land. However the adjoining land to 182 Rusden Street is vacant and of considerable size at 3700m² plus another adjoining lot of approximately 950m² which has a Council building erected upon it.

The following shows a comparison between scenarios and the financial implication. The operating result is improved and the available working capital is increased in both the lease and purchase option compared to the current budget forecast which includes the library construction and a \$10 million loan. Any construction cost above \$10 million is expected to come from grants and general revenue.

The modelling uses our current budget as the base the purchase option with a 10 year loan is the best economic scenario. It builds a capital asset plus an extra \$4 million in cash over the 10 year period strengthening the organisation’s financial capacity. During this time Council can continue to build a business case and financial plan including funding to develop a more comprehensive civic precinct concept from 2026.





Conclusion

Based on the information outlined in the financial considerations section of this report, Council can achieve a high quality new library facility for around a third of the cost of the DA-approved new library'.

Whilst the leasing and refurbishing proposals are good options, the figures clearly demonstrate that the best and most affordable option for Council and the community is to purchase and purposely refurbish the property at 1/182 Rusden Street Armidale.

Proceeding to purchase the property would not stop a new elected Council at any time in the future should funds become available, from proceeding to build the new DA-approved library. Council would have a commercial asset that it could lease or sell which would be expected to recover its investment.

To proceed at this time would give the community a new, enlarged and size-compliant library.

Community Engagement and Internal Consultation

Through the Listening Tours conducted by the Administrator and arranged meetings, sectors of the community have expressed their opposing views on a new library. These views are not considered different to those views which have been previously expressed. The Local Representation Advisory Committee has been consulted.

Financial Implications

The Chief Financial Officer has undertaken modelling as outlined under the Financial Considerations above.

Good Governance

It is considered good governance that Council reviews alternative options for a new library facility in Armidale before proceeding.

Integrated Planning and Reporting Framework

Contained within the former Armidale Dumaresq Community Strategic Plan is the goal of completing a new library facility by 2018. The amended Long Term Financial Plan identifies the construction of the proposed new DA-approved library (\$10-13 million) in the 2020/21 budget year.

This current option on the table will provide an area compliant library up to this time and also allow the new Armidale Regional Council to confirm its commitment to a new library following the next election in September 2017.

Sustainability Assessment

The long term financial sustainability of Armidale Regional Council and the impact on its ratepayers is a major consideration of this report for a new library facility in Armidale.

Item:	7.3.2	Ref: AINT/2016/06473
Title:	Adoption of Guyra and Tingha Water and Sewer Asset Management Plans	Container: ARC16/0848
Author:	Director Of Engineering	
Attachments:	1. Guyra Asset Management Plan - Sewerage Draft Amended 2. Guyra Water Asset Management Plan - Draft Amended	

RECOMMENDATION:

That the Guyra and Tingha Water Supply Asset Management Plan and Guyra and Tingha Sewerage System Asset Management Plans dated July 2016 be adopted.

Introduction:

Council resolved on 10 August 2016 to place the Draft Asset Management Plans on public display between 17 August and 14 September 2016. No public comments were received.

Report:

The Guyra and Tingha draft Asset Management Plan for Sewerage Services indicate that Council can maintain its current levels of service for the next 10 years and beyond without the requirement to invest in any significant capital works.

The Guyra and Tingha draft Asset Management Plan for Water Supply indicates that the major issue confronting Guyra is the security of the water supply. Provision has been made to increase the yield of the water supply in 2020/21.

Community Engagement and Internal Consultation

Both plans were put on public exhibition for four weeks and staff have been consulted.

Financial Implications

The financial implications have been included in the plans and will have impact in future years. Annual budgets will be prepared with the capital works identified in these plans.

Good Governance

It is essential that the issues identified in the report be followed up to ensure that Guyra residents have a secure water supply.

Integrated Planning and Reporting Framework

Issue is covered under "Our Infrastructure – Provide water, sewer, waste and drainage services – maintain water and sewer assets in line with Asset Management Plan"

Sustainability Assessment

Actions identified in the Asset Management Plans will ensure the sustainability of the Guyra and Tingha communities.

Item:	7.3.3	Ref: AINT/2016/06651
Title:	Tenterden Bridge Replacement Tenders	Container: ARC16/0387
Author:	Director Of Engineering	
Attachments:	<ol style="list-style-type: none">1. Bridge Tender Assessment- <i>As this attachment deals with commercial information of a confidential nature which, if disclosed, confers a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business (Section 10A(2)(c) 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>2. ARC16/0387 - Tenders - Design Supply & Construction of Tenterden Road Bridge (Excluding Approaches) - Bridgebuild and Civil Pty Ltd- <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:

- a) That Council having considered the tender documentation, the outcome of the assessment analysis and referee checks, award the contract to Bridgebuild and Civil Pty Ltd for the contract price of \$649,000 including GST;
- b) That the Interim General Manager be authorised to finalise the contract documentation;
- c) That the unsuccessful tenderers be notified of Council's decision and thanked for their interest, time and effort in submitting a tender.

Introduction:

Council secured funding under the Federal Bridges Renewal Program and the State Fixing Country Roads program to replace the single lane, timber Tenterden Bridge with a low maintenance concrete structure. The total estimated cost of the project is \$1.06 million (including the bridge approaches which Council will construct).

Report:

Tenders were called for the bridge construction (excluding approaches) using the Tenderlink application with tenders closing on 21 September 2016.

A total of seven (7) tenders (two (2) of which had several options) were received.

Tenders were submitted by the following organisations:

- Bridgebuild and Civil Pty Ltd
- Murray Constructions Pty Ltd
- Civil Build
- J Bostok Services Pty Ltd
- Coastal Works
- New England Precast
- Australian Construction Group

Following the assessment of all criteria, the tender assessment panel have recommended that the contact be awarded to Bridgebuild and Civil Pty Ltd for the sum of \$649,000 (including GST) with a provisional sum of \$4,500 to remove part of the existing concrete causeway (dependent on NSW Fisheries requirements).

The tender panel considered that the two cheaper options provided by New England Precast and Australian Construction group did not represent the best long term value for money because:

- They do not meet the long term durability requirements provided by the proposal submitted by Bridgebuild and Civil Pty Ltd (due to the lack of an insitu deck and the number of joins in the precast deck units).
- That the overall span was on the lower end of the preferred span range (36.33m deck vs 39.8m deck proposed by Bridgebuild and Civil Pty Ltd). This will result in additional earthworks required to complete the approaches (at Council's expense) and a reduced hydraulic capacity for the structure of approximately 10%.

Community Engagement and Internal Consultation

The original funding submission contained letters of support for the construction of a new bridge from a number of freight carriers.

Financial Implications

The project is almost entirely funded by grant funds with Council's contribution being limited to \$20,000 for project management. This has been budgeted for in the 2016-17 budget.

Good Governance

It is requirement to call tenders for any expenditure over \$150,000.

Integrated Planning and Reporting Framework

The bridge was identified as one that required replacement in the former Guyra Shire's 2013-2023 Road and Bridges Asset Management Plan.

Sustainability Assessment

The replacement of the timber bridge with a two lane concrete structure will reduce future maintenance costs of the structure.

Item: 7.3.4 **Ref:** AINT/2016/06895
Title: Service Provision - Rural Fire Service - New England Fire Control Centre
Container: ARC16/0384
Author: Governance Officer
Attachments: Nil

RECOMMENDATION:

That the update on the future development plans for the New England Fire Control Centre at Armidale Regional Airport be noted.

Introduction:

This report outlines the response from the Hon David Elliot MP, Minister for Corrections, Emergency Services and Veterans Affairs, following representations made by the Administrator to the local State Member that the NSW Government provide financial support for the ongoing development of NSW Rural Fire Service infrastructure in Armidale.

Report:

Minister Elliot has advised that:

“...the NSW Rural Fire Service (NSW RFS) supports the pre-planning of its infrastructure and acknowledged the efforts of the Armidale Regional Council in allocating sufficient space alongside the new airbase for future development.

As part of the airbase construction, I am advised the NSW RFS has undertaken some preliminary works on the land allocated by Council to facilitate a new Fire Control Centre. These works included ensuring the power supply through an onsite sub-station is sufficient to address long-term needs, and the installation of permanent fencing to ensure security to airside for the commercial airport.

Ensuring fit-for-purpose infrastructure across the broad geography of the State is priority for the NSW RFS.”

A number of Fire Control Centres are currently being constructed across the Northern NSW region and given these and other building priorities, the construction of a new Fire Control Centre in Armidale is considered to be a medium term solution.

The new \$800,000 RFS New England Aviation Firefighting Airbase, located at the Armidale Regional Airport, opened on 19 July 2016. This was the first step towards plans to relocate the New England RFS Zone headquarters to the airport.

Community Engagement and Internal Consultation

The Member for Northern Tablelands, Adam Marshall MP, in response to a request from the Administrator, Dr Ian Tiley, made direct representations to the Minister seeking his advice and direction on the ongoing development of RFS infrastructure in Armidale.

Financial Implications

The construction of a new Fire Control Centre adjacent to the airbase is under consideration by the NSW RFS as a medium term solution to be delivered in the next three to five years.

Good Governance

Council's level of pre-planning will ensure that the region benefits from the future infrastructure investment by the NSW RFS.

Integrated Planning and Reporting Framework

The Community Strategic Plan identifies the provision of effective services as one of its goals.

Sustainability Assessment

The development of the modern purpose built airbase and future relocation of the regional headquarters will enhance the firefighting activities throughout the Northern Tablelands and New England regions.

Item:	7.3.5	Ref: AINT/2016/07382
Title:	New England Rail Trail	Container: ARC16/0085
Author:	Administration Officer	
Attachments:	Nil	

RECOMMENDATION:

That Armidale Regional Council provide in principle support for representations by the Guyra and District Chamber of Commerce to the NSW Minister for Transport and Infrastructure, the Honorable Andrew Constance MP, to close the New England Rail Line from Black Mountain to Ben Lomond for the establishment of the New England Rail Trail.

Introduction:

On 22 October 1989, the rail line between Dumaresq station (just north of Armidale) and the Queensland Border was formerly suspended from operations. Until the mid 2000s, freight traffic involving fertilizer continued to be delivered to the now unused facility at Dumaresq but then also ceased. The line formerly known as the Great Northern Railway has therefore ceased to exist as a transport service north of Armidale with many rail bridges in disrepair and the line itself cut in many areas by road reconstruction with other portions of railway land fenced off and utilised for grazing.

Report:

The New England Rail Trail (NERT) was established in April 2014 to develop a proposal for the leasing of the rail corridor north of Armidale for the purposes of constructing a rail trail. The Group initially liaised with Councils between Armidale and Tenterfield, met with stakeholders, promoted business and economic development opportunities along the trail as well as highlighting the health benefits to the local communities should a rail trail be developed. The current proposal is to develop a rail trail from Black Mountain to Ben Lomond Station, a distance of thirty-four (34) kilometres.

Prior to the merger, the Rail Trail Group was working with the former Guyra Shire Council and the Guyra and District Chamber of Commerce to promote the project. The Chamber recognises the economic and community benefits of the construction of the rail trail and strongly supports the project as does many individuals, corporate and agency stakeholders.

On 24 February 2016 the Chamber resolved to write to the NSW Government requesting legislation to enact the closure of the Great Northern Line from Black Mountain to Ben Lomond station. The purpose of the request is for closure of that part of the line and construction of a rail trail. Prior to this action, the proponents of the trail, then Guyra Shire Councillors, the member for Northern Tablelands, Adam Marshall MP and Legislative Council member Scot MacDonald MLC, met with the then Transport Minister, the Honorable Gladys Berejiklian MP to discuss the project. The Minister advised the deputation that the Government would consider the closure if there was demonstrated community support. The Chamber believes the project has "overwhelmingly strong backing from the residents, agencies and businesses in Guyra and Armidale".

The Chamber points out that rail trail developments in Australia and internationally demonstrate that trails drive tourism, healthy life styles and regional economies. This is aligned to at least two of the Premier's key priorities for NSW.

The Chamber has recently written to the present Minister for Transport & Infrastructure the Honorable Andrew Constance MP requesting that he undertake a period of community consultation on this matter and prepare a draft bill for consideration. The Chamber understands the proposed legislation has bi-partisan support.

Community Engagement and Internal Consultation

The lead up to this project indicates extensive community engagement and consultation.

Financial Implications

In principle support by Council will have no financial implications.

Good Governance

Community matters raised by local organisations which indicate economic development and tourism potential should be considered.

Integrated Planning and Reporting Framework

The rail trail development would be subject to assessment against current standards.

Sustainability Assessment

The rail trail development would be subject to review under current sustainability criteria.

Item: 7.4.1 **Ref:** AINT/2016/07181
Title: Community Small Grants Program 2016/2017 - Round 1 **Container:**
ARC16/0443
Author: Administration Officer - Community Services
Attachments: Nil

RECOMMENDATION:

(a) That Council approve funding under the 2015/16 Community Assistance Small Grants for the following organisations:

- **Helping Children & Families Inc. (Armidale Families Guide 2nd Edition \$500).**

Introduction:

Armidale Regional Council advertised and accepted applications for Round One – 2016/2017 Community Small Grants Program.

Report:

The grant closed on Friday 30 September 2016. Three applications were received and assessed by a panel to allocate funding. The applications received showed value to the community through the project outcomes that each applicant proposed. Unfortunately not all applications fulfilled the eligibility criteria to receive funding.

Community Engagement and Internal Consultation

A media release was issued and information provided on the ARC website. The panel included a representative from the Local Representation Advisory Committee and Executive Council Staff Officers.

Financial Implications

\$40,000 is allocated from the annual budget through two grant rounds.

Round One of the 2016/17 Community Small Grants Program had a total of \$20,000 available. The recommended projects total was \$500.00.

Good Governance

Funding has been allocated as per the funding guidelines.

Integrated Planning and Reporting Framework

This funding is in accordance with the Community Strategic Delivery Program 2014-2018.

Sustainability Assessment

Not applicable.

Item:	7.4.2	Ref: AINT/2016/07450
Title:	Suicide Prevention Skills Workshop - fee waiver request for hire of Council Chambers	Container: ARC16/0730
Author:	Chief Finance and Information Officer	
Attachments:	Nil	

RECOMMENDATION:

That Council waive the \$100 hire charge for the Suicide Prevention Skills Workshop in Guyra.

Introduction:

Council has received a fee waiver request for the hire of Council Chambers from Southern New England Landcare (SNElandcare).

Report:

Southern New England Landcare (SNElandcare) and the Farm-link Project, supported by the Centre for Rural and Remote Mental Health, will be running a Suicide Prevention Skills Workshop in Guyra. The Function is to be held in the Guyra Council Chambers which would incur a hire fee. The organisers have asked if Council would consider waiving the fee in support of this community service.

Community Engagement and Internal Consultation

This is not a Council-run program.

Financial Implications

The fee waiver for the day is equal to \$100.00.

Good Governance

Opportunity cost has been considered.

Integrated Planning and Reporting Framework

This initiative supports the delivery plan objectives.

Sustainability Assessment

This recommendation has no significant implications on sustainability.

Item: 8.1 **Ref:** AINT/2016/06869
Title: Traffic Advisory Committee - Minutes of the meeting held on 4 October 2016 **Container:** ARC16/0168
Author: Director of Regional Infrastructure
Attachments: 1. Minutes - Local Traffic Committee - 04 October 2016

RECOMMENDATION:

- (a) That the Minutes of the Traffic Advisory Committee meeting held on 4 October 2016 be noted.

NERAM Bus Zone

- (b) That the existing NERAM Bus Zone be modified to accommodate a timed bus zone, a timed loading zone and a full-time disability parking zone as per the approved drawing Option Two.

2016 Day on the Green

- (c) That approval be granted for the 2016 Day on the Green event at Petersons Winery on Saturday 29 October 2016 in accordance with the submitted Special Event Transport Management Plan and additional conditions as required by Armidale Police.

Diocese of Armidale Feast of Christ the King event

- (d) That Dangar Street be temporary closed between Barney and Rusden Street including the Tingcombe Lane entrance off Faulkner Street, from 9.30am until 10.30am for the procession for the Diocese of Armidale Feast of Christ the King event on Sunday 20 November 2016.

Armidale Fun Run

- (e) That approval be granted for the Special Event Transport Management Plan for the Armidale Fun Run to be held on Sunday 7th November 2016.

Walk4BrainCancer

- (f) That the Walk4BrainCancer & Bike Ride event be approved with the condition that traffic Marshalls be placed at the Junction of White Street and Ollera Street (outbound) and Oban and Ollera Street (inbound) to control the cyclists / walkers to prevent traffic disruption whilst crossing Ollera Street.

Armidale Food Emporium (Coles Centre) request reduction in parking times

- (g) That the current three hour parking limit in the off-street parking area around the Coles Centre be reduced to two hours.

Council may wish to add:

- (g) That Council's approval is given to this request on the condition that the cost of changing sign plates be recovered from the applicant.

Disability Parking Rologas Fields Taylor Street.

- (h) That a Disability Parking space be installed for the newly renovated Rologas building & fields on the western side of Taylor Street, south of the current driveway.

Proposed Electronic Notice Board - Guyra

- (i) That a single sided electronic sign be placed on Council property at the north eastern corner of Bradley and Ollera Streets Guyra.

Kentucky & Kennedy Street Intersection concerns.

- (j) That cross road symbol signs be installed in Kentucky Street on each approach to Kennedy Street and full width holding lines be painted on the road pavement in Kennedy Street.

Multiple crash location - MR76 (Segment 4430)

- (k) That the RMS be requested to follow up on outstanding issues and requirements for MR76 (Segment 4430)

Item: 8.2 **Ref:** AINT/2016/06850
Title: Arts & Cultural Advisory Committee - Minutes of the meeting held on 5 October 2016 **Container:** ARC16/0217
Author: Acting Director Planning and Environmental Services
Attachments: 1. Minutes - Arts & Cultural Advisory Committee - 05 October 2016

RECOMMENDATION:

That the Minutes of the Arts & Cultural Advisory Committee meeting held on 5 October 2016 be noted.

Item: 8.3 **Ref:** AINT/2016/07182
Title: Community Safety Advisory Committee - Minutes of the meeting held on 11 October 2016 **Container:** ARC16/0560
Author: Acting Director Planning and Environmental Services
Attachments: 1. Minutes - Community Safety Advisory Committee - 11 October 2016

RECOMMENDATION:

That the Minutes of the Community Safety Advisory Committee meeting held on 11 October 2016 be noted.