

Armidale

Regional Council

BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 27 July 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	
2	Confirmation of Previous Minutes <i>Ordinary Council - 13 July 2016</i>	
3	Declarations of Interest	
4	Have Your Say on an Agenda Item	
5	Deputations by Community Groups/Organisations	
6	Administrator Minutes	
7	Reports of Officers	
7.1	Our Environment	
7.1.1	DA-1-2016 Proposed Multi Unit Development of 3 New Units and 3 Lot Strata Subdivision at 93 Jeffrey Street, Armidale	4
7.2	Our Governance	
7.2.1	Status report - merger of Armidale Dumaresq and Guyra Shire councils	20
7.2.2	Cash & Investments Report June 2016	25
7.2.3	Draft Investment Policy July 2016.....	32
7.2.4	Review of Water Account Management Policy (POL238)	33
7.2.5	Review of Community Strategic Plan (CSP)	35
7.3	Our Infrastructure	
7.3.1	Implications and opportunities of introducing a Container Deposit Scheme (CDS) for Armidale Regional Council and our community	37
7.3.2	Restart NSW - Round Two - Fixing Country Roads funding	41
7.4	Our People	
7.4.1	Administrator's Listening Tours	42
7.4.2	New Kolora Aged Care Facility	45
8	Committee Reports	
8.1	Arts & Cultural Advisory Committee - Minutes of the meeting held on 6 July 2016	50
8.2	Traffic Advisory Committee - Minutes of the meeting held 5 July 2016	51
8.3	Audit and Risk Committee - Minutes of the meeting held 27 June 2016.....	53
9	Public Forum	

10 Closed Session

10.1 Quarterly Debt Recovery Report

As this report deals with personnel matters concerning particular individuals (Section 10A(2)(a) 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.

Item:	7.1.1	Ref: INT/2016/06778
Title:	DA-1-2016 Proposed Multi Unit Development of 3 New Units and 3 Lot Strata Subdivision at 93 Jeffrey Street, Armidale Container: DA-1-2016	
Author:	Director of Planning and Environmental Services	
Attachments:	<ol style="list-style-type: none">1. S79C Report to Council2. Revised Plans For 93 Jeffrey Street3. Site Plan F - Revised fencing plan4. Submissions received during notification period5. Submissions received during notification period6. Submissions received during notification period7. Late submissions received after notification period	
Proposal:	Construction of 3 New Attached Units and 3 Lot Strata Subdivision.	
Property/Address:	Lot 45 DP 749898, being 93 Jeffrey Street, Armidale	
Applicant:	New England North West Planning Services	
Owner:	Mr Harishkumar Vellimalai and Mr Vellimalai Karuppanan	
Zoning:	R1 – General Residential Zone	

GENERAL MANAGER'S ADVISORY NOTE TO:

- Councillors
- Applicant
- Persons making public submissions (written or verbal)
- Members of the Public

Record (Division) of Voting

In accordance with Section 375A(3) of the Local Government Act 1993, a Division is required to be called whenever a motion for a planning decision is put at a meeting of the Council or a Council Committee.

Relevant Planning Application

In accordance with Section 147(4) of the Environmental Planning and Assessment Act 1979, a person who makes a relevant planning application to Council is required to disclose the following reportable political donations and gifts (if any) made by a person with a financial interest in the application within the period commencing 2 years before the application is made and ending when the application is determined:

- a) All reportable political donation made to any local councillor of the Council; and
- b) All gifts made to any local councillor or employee of the Council.

Relevant Public Submission

In accordance with Section 147(5) of the Environmental Planning and Assessment Act 1979, a person who makes a relevant public submission to Council in relation to a relevant planning application made to the Council is required to disclose the following reportable political donations and gifts (if any) made by the person making the submissions or any associate of that person within the period commencing two years before the submission is made and ending when the application is determined:

All reportable political donations made to any local councillor of the Council;

- a) All reportable political donations made to any local councillor of the Council;
- b) All gifts to any local councillor or employee of the Council.

Disclosure of Reportable Political Donations and Gifts

Planning Applications – Nil

Public Submission – Nil

RECOMMENDATION:

- (a) That having regard to the assessment of the Development Application, DA-1-2016 be granted consent in the terms set out in proposed conditions of consent.**
- (b) That those persons that made submissions in relation to the Application be notified of the determination in writing.**

Introduction:

Development Application 1-2016 was lodged with Council on 6 January 2016 and seeks consent for the demolition of existing structures on the site and for the erection of 3 attached units and their subsequent strata subdivision.

The proposal was publicly notified in accordance with Council's DCP including the display of a site notice as well as written notification to the owners of adjoining properties between 15 January 2016 and 29 January 2016, with the notification period being extended to 5 February 2016 at the request of some of the adjoining owners to allow sufficient time to make a submission to Council. At the close of the notification period five submissions had been received by Council.

The matters raised during the notification period have been considered as part of the Section 79C assessment, which is attached to this report.

Additional issues in regards to the design and configuration of the development to address some of the matters raised in the submissions and during the Section 79C assessment by Council, resulted in a number of revisions to the originally submitted plans with the final design being submitted on 4 July 2016.

As a result of the assessment, it is recommended that conditional consent be granted for the proposed development.

Report:

Development Application 1-2016 was lodged with Council on 6 January 2016 and seeks consent for the demolition of existing structures on the site and for the erection of 3 attached units and their subsequent strata subdivision.

The proposal was publicly notified in accordance with Council's DCP including the display of a site notice as well as written notification to the owners of adjoining properties between 15 January 2016 and 29 January 2016 with the notification period being extended to 5 February 2016 at the request of some of the adjoining owners to allow sufficient time to make a submission to Council. At the close of the notification period five submissions had been received by Council.

Some of the matters raised in the submissions include:

- The proposed development will have a negative impact on the streetscape,
- The proposed development will have a negative impact on adjoining properties and adjacent heritage item,
- Additional traffic and noise from the development,

- Social impacts with increased density of housing,
- Higher density housing potentially leads to increases in crime,
- Siting and configuration of the development creating privacy issues with adjoining residences,
- The development will set an undesirable precedent within the locality.

All submissions received by Council during the notification period have been considered as part of the assessment and are discussed in further detail in the Section 79C assessment included in the attachments to this report.

As a result of matters raised in the submissions and during the assessment of the proposal by Council, revised plans were submitted on 9 May 2016 on behalf of the Applicant, addressing some of the design and siting concerns with the initial proposal.

Further amended plans demonstrating satisfactory vehicle turning/manoeuvring on-site were submitted to Council on 30 June and 4 July 2016.

As a result of this assessment, it is recommended that conditional consent be granted for the proposed development. The proposed conditions of consent are attached to the end of this report.

Financial Implications:

There are not considered to be any financial implications associated with this application.

Environmental Implications:

An assessment under the provisions of Section 79C of the Environmental Planning and Assessment Act 1979 has been undertaken and included as an attachment to this Report.

Policy Issues:

The relevant Council Policies applicable to this application have been considered as part of the detailed assessment under the provisions of Section 79C of the Environmental Planning and Assessment Act 1979.

Social Implications:

An assessment under the provisions of Section 79C of the Environmental Planning and Assessment Act 1979 has been undertaken and included as an attachment to this Report.

Integrated Planning and Reporting Issues:

One of the functional objectives of the Planning and Environmental Services Department is to ensure development activity is compatible with and enhances the environment of the area through the implementation of relevant legislation, plans and policies.

Risk Management Issues:

An assessment under the provisions of Section 79C of the Environmental Planning and Assessment Act 1979 has been undertaken and included as an attachment to this Report.

Legal Issues:

The assessment of development applications is governed by the Environmental Planning and Assessment Act 1979 and the accompanying Regulation. The assessment process has been undertaken having regard to this legislation.

PROPOSED CONDITIONS ATTACHED TO DEVELOPMENT CONSENT NO. DA-1-2016

PRESCRIBED CONDITIONS

For the purposes of section 80A (11) of the Act, the following conditions are prescribed conditions of development consent:

97A EP&A Regs 2000: Fulfilment of BASIX commitments

- (1) This clause applies to the following development:
 - (a) BASIX affected development,
 - (b) any BASIX optional development in relation to which a person has made a development application that has been accompanied by a BASIX certificate or BASIX certificates (despite there being no obligation under clause 2A of Schedule 1 for it to be so accompanied).
- (2) For the purposes of section 80A (11) of the Act, fulfilment of the commitments listed in each relevant BASIX certificate for development to which this clause applies is a prescribed condition of any development consent for the development.

98 EP&A Regs 2000: Compliance with Building Code of Australia and insurance requirements under the Home Building Act 1989

- (1) For the purposes of section 80A (11) of the Act, the following conditions are prescribed in relation to a development consent for development that involves any building work:
 - (a) that the work must be carried out in accordance with the requirements of the Building Code of Australia,
 - (b) in the case of residential building work for which the Home Building Act 1989 requires there to be a contract of insurance in force in accordance with Part 6 of that Act, that such a contract of insurance is in force before any building work authorised to be carried out by the consent commences.
- (1A) For the purposes of section 80A (11) of the Act, it is prescribed as a condition of a development consent for a temporary structure that is used as an entertainment venue, that the temporary structure must comply with Part B1 and NSW Part H102 of Volume One of the *Building Code of Australia*.
- (2) This clause does not apply:
 - (a) to the extent to which an exemption is in force under clause 187 or 188, subject to the terms of any condition or requirement referred to in clause 187 (6) or 188 (4), or
 - (b) to the erection of a temporary building, other than a temporary structure to which sub clause (1A) applies.
- (3) In this clause, a reference to the *Building Code of Australia* is a reference to that Code as in force on the date the application is made for the relevant:
 - (a) development consent, in the case of a temporary structure that is an entertainment venue, or
 - (b) construction certificate, in every other case.

Note. There are no relevant provisions in the *Building Code of Australia* in respect of temporary structures that are not entertainment venues.

CI 98A EP&A Regs 2000: Erection of signs

- (1) For the purposes of section 80A (11) of the Act, the requirements of subclauses (2) and (3) are prescribed as conditions of a development consent for development that involves any building work, subdivision work or demolition work.
- (2) A sign must be erected in a prominent position on any site on which building work, subdivision work or demolition work is being carried out:
 - (a) showing the name, address and telephone number of the principal certifying authority for the work, and
 - (b) showing the name of the principal contractor (if any) for any building work and a telephone number on which that person may be contacted outside working hours, and
 - (c) stating that unauthorised entry to the work site is prohibited.
- (3) Any such sign is to be maintained while the building work, subdivision work or demolition work is being carried out, but must be removed when the work has been completed.

Note. *Principal certifying authorities and principal contractors must also ensure that signs required by this clause are erected and maintained (see clause 227A which currently imposes a maximum penalty of \$1,100).*

98B EP&A Regs 2000: Notification of Home Building Act 1989 requirements

- (1) For the purposes of section 80A (11) of the Act, the requirements of this clause are prescribed as conditions of a development consent for development that involves any residential building work within the meaning of the *Home Building Act 1989*.
- (2) Residential building work within the meaning of the *Home Building Act 1989* must not be carried out unless the principal certifying authority for the development to which the work relates (not being the council) has given the council written notice of the following information:
 - (a) in the case of work for which a principal contractor is required to be appointed:
 - (i) the name and licence number of the principal contractor, and
 - (ii) the name of the insurer by which the work is insured under Part 6 of that Act,
 - (b) in the case of work to be done by an owner-builder:
 - (i) the name of the owner-builder, and
 - (ii) if the owner-builder is required to hold an owner-builder permit under that Act, the number of the owner-builder permit.
- (3) If arrangements for doing the residential building work are changed while the work is in progress so that the information notified under subclause (2) becomes out of date, further work must not be carried out unless the principal certifying authority for the development to which the work relates (not being the council) has given the council written notice of the updated information.

98E EP&A Regs 2000: Condition relating to shoring and adequacy of adjoining property

- (1) For the purposes of section 80A (11) of the Act, it is a prescribed condition of development consent that if the development involves an excavation that extends below the level of the base of the footings of a building on adjoining land, the person having the benefit of the development consent must, at the person's own expense:
 - (a) protect and support the adjoining premises from possible damage from the excavation, and
 - (b) where necessary, underpin the adjoining premises to prevent any such damage.
- (2) The condition referred to in subclause (1) does not apply if the person having the benefit of the development consent owns the adjoining land or the owner of the adjoining land has given consent in writing to that condition not applying.

GENERAL CONDITIONS

1. To ensure this development is consistent with Council's consent, the development must take place in accordance with the approved plans (bearing the Council approval stamp); and all other documents submitted with the application, and subject to the consent conditions in this notice. In the event of any inconsistency between the approved plans and the conditions of this consent, the conditions shall prevail.

The approved plans are attached to this consent notice and are listed below:

Plan Drawer	Plan Numbers / Revision	Date
Brian Watts Drafting Services	Job No: 15-948-Velli, Sheets 1 to 5 inclusive and Strata Plan shown on separate sheet 3 of 5, all amendment F	4/7/16

ADVISING: Further consent may be required for any change, enlargement or intensification of the premises or land use, including the display / erection of any new structure such as signage, partition walls or building fit-out (unless the proposed work is exempt from the need for consent). Please check with Council before commencement.

2. Prior to works commencing on the site, the relevant Certifying Authority is to be provided with a peg out survey confirming that the proposed development will be setback in line with adjoining development, and be contained wholly within the boundaries of the property and not encroach onto adjoining land.
3. All Engineering works to be designed by a competent person and carried out in accordance with Council's Engineering Code, unless otherwise indicated in this consent, to ensure that these works are of a sustainable and safe standard.
4. All street trees are to be preserved and protected from any damage during all works in connection with the development except where removal is separately approved by Council, to ensure the continued amenity of the streetscape and to maintain public assets.

Street tree removal will require consideration of Council's POL120 Urban Streetscape (Street Vegetation) Policy and alternatives to street tree removal, or solutions and designs to minimise tree removal, must be submitted. Where street trees are removed, compensation will be required in accordance with a valuation calculated as outlined in the *Draft Australian and NZ Standard DR99307 – 1999 – Amenity Trees – Guide to Valuation*.

Any approved tree removal shall be carried out by an appropriately qualified person (e.g. tree surgeon) to avoid any risk to life or damage to property. This person shall have adequate public liability insurance cover.

5. The owner/s of the property are to give Council written notice of the intention to commence works and the appointment of a Principal Certifying Authority (if the PCA is not Council) at least two days before the proposed date of commencement, in accordance with clauses 103, 103A and 104 of the Environmental Planning and Assessment Regulation 2000. Such notice is to be given using the form enclosed with this consent.
6. A Construction Certificate must be obtained before the work commences, in accordance with Section 81A of the Environmental Planning and Assessment Act 1979.

7. Council is to be notified of any proposal to relocate any buildings from the site before the commencement of such work, to allow Council to protect public infrastructure from potential damage during the removal of the building/s.

ADVISING: A separate application will be required for the placement of a building within the Council area.

BEFORE RELEASE OF CONSTRUCTION CERTIFICATE

8. The plans accompanying the Construction Certificate are to demonstrate compliance with the Building Code of Australia. Plans are to be submitted to the Principal Certifying Authority for authentication of BCA compliance and issue of a Construction Certificate.

Note - Should the configuration of the building be modified as a result of achieving BCA compliance, the plans accompanying this development consent must also be modified.

The Building Code of Australia, part of the National Construction Code series, is now available online at abc.gov.au

9. The preparation of an Erosion and Sediment Control Plan (ESCP) and accompanying specifications for the construction phase of the works, prepared by a suitably qualified/experienced person and based on the Landcom manual "Soils and Construction, Managing Urban Stormwater, Vol 1 4th Edition, March 2004", shall be lodged for approval of the Certifying Authority with the application for a Construction Certificate for the development.

The approved ESCP controls shall be implemented, inspected and approved prior to the commencement of any site works and maintained for the life of the construction period and until revegetation measures have taken hold. The ESCP shall include, but not be limited to:

- Provision for the diversion of runoff around disturbed areas;
- Location and type of proposed erosion and sediment control measures;
- Location of and proposed means of stabilisation of site access;
- Approximate location of site sheds and stockpiles;
- Proposed staging of construction and ESCP measures;
- Clearance of sediment traps on a regular basis and after major storms;
- Proposed site rehabilitation measures, including seeding of all bare un-grassed areas and turfing where erosion or scouring is likely to occur;
- Standard construction drawings for proposed erosion and sediment control measures.

ADVISING: Failure to take effective action may render the developer liable to prosecution under the NSW Protection of the Environment Operations Act.

10. A stormwater detention system is to be designed to ensure the post-development flow from the detention basin is to be no greater than the pre-development flow from the catchment. Storm events to be provided for are the 1% Annual Exceedence Probability (AEP), 5% AEP and 20% AEP.

Details to be provided to the relevant Certifying Authority for approval before the issue of a Construction Certificate for the development.

11. An all-weather, nuisance-free surface for pedestrians and vehicles is to be provided throughout the site, including parking areas and driveways.

The surface shall be provided with effective edge support / drainage control and landscaped areas adjacent to kerbing to be self-draining to the kerb.

Car parking facilities, including all internal parking and manoeuvring areas, are to be designed and constructed in accordance with Australian Standards AS/NZS 2890.1 (current edition): Off-street car parking, AS/NZS 2890.2 (current edition): Off-street commercial vehicle facilities and AS/NZS 2890.6 (current edition): Off-street parking for people with disabilities, and Council's Development Control Plan 2012.

Details are to be provided to the relevant Certifying Authority for approval before the issue of a Construction Certificate for the development.

ADVISING: Bitumen sealed compacted gravel pavement or reinforced concrete to the standards set out in the Department of Housing Road Manual, 1987, will satisfy the above requirement. Alternatively, segmental paving may be used provided it is installed as part of a pavement design in accordance with the Cement & Concrete Association of Australia's "Guide to Design and Construction" for Interlocking Concrete Road Pavements, July 1986.

12. The owner is required to pay a contribution towards water and sewer infrastructure provided by Council for the benefit of this site in accordance with Council's Development Servicing Plan for Water and Sewerage.

Upon payment of the required contribution or completion of appropriate arrangements for payment, which must be made before the issue of the Construction Certificate, Council will issue a Certificate of Compliance, pursuant to s.64 of the Local Government Act 1993, and Division 5 of Part 2 of Chapter 6 of the Water Management Act 2000.

*ADVISING: At the date of determination the applicable contributions are **\$16,082.00**. Please be advised that contributions are indexed annually at the end of each financial year. Contributions applicable at the date of payment can be reviewed on the 'On-line Services' on Council's website.*

13. For all construction work required on Council road reserves (eg. vehicular footpath crossings utilities and stormwater work, footpath paving, kerb and gutter etc.), the Applicant is to submit an Application to Council as the roads authority pursuant to s138 of the Roads Act 1993 and obtain approvals for all such proposed work.

These Application(s) must be approved prior to the issue of a Construction Certificate, to ensure that pedestrian and vehicular safety during construction has been addressed and that the work meets Council's relevant Engineering Code and other design standards for work in road reserves.

The proposal which will involve work/activity over public land, is to be protected by public liability insurance with a minimum cover of \$10 million, or such other amount as may be advised by Council.

ADVISING: Segmental paving may be used on footpath areas provided it is installed as part of a pavement design in accordance with the Cement & Concrete Association of Australia's "Guide to Design and Construction" for Interlocking Concrete Road Pavements, July 1986.

14. The proposed development is to be landscaped to enhance its appearance and provide shade and environmental benefits.

In this regard, significantly dense landscaping of the development within the site to a minimum of 50% of the area forward of the building line and around the proposed visitor car space is to be undertaken to help visually integrate the development within the local environment. The visitor car space is to be setback a minimum of 2 metres from the southern boundary of the site with this area between the car space and boundary being extensively landscaped.

The landscape plan needs to include some vertical elements within the design such as a mix of small/medium deciduous & non deciduous trees (<5m) that will grow once established to a height consistent with the bulk and scale of the buildings and substantially dense plantings are to be undertaken along the street frontage to soften the proposed development when viewed from the street. Some suitably advanced trees/vegetation are to be included in the landscaping plan and planted prior to the issue of a final occupation certificate to help integrate the units within the streetscape immediately on completion of the development. Proposed new landscaping/plantings should be suitable for the locality and that will grow once established to a height consistent with the bulk and scale of the buildings.

Details to be indicated on a landscape plan to the satisfaction of the Certifying Authority before the issue of a Construction Certificate for the development. Landscaping plans to indicate the proposed species to be used (which must be appropriate for the New England climate), height and spread at maturity, and a specification for soil preparation, drainage, weed control, watering, fertilising and general maintenance during establishment.

New tree planting to be a minimum of 3m horizontal distance from the line of buildings or underground services to reduce risk of future damage by limbs, roots, etc. Approved landscaping is to be maintained at all times to the satisfaction of the Director Sustainable Planning and Living or nominee.

15. A site fencing plan is to be provided to the satisfaction of the relevant Certifying Authority prior to the issue of a Construction Certificate for the development. In this regard, the following type of fencing is to be used along the specific boundaries of the site:

Fencing along the eastern and northern boundaries of the site is to be selected in consultation with the respective adjoining property owners with no restriction on the type of materials used along these specific boundaries, subject to agreement of all parties. Fencing along the eastern boundary of the site is to be erected generally in accordance with the approved site plan, Sheet 3 of 5 amendment F and dated 4/7/16, which provides for a recess in the fence line of 500mm off the eastern boundary of the site to allow for continued access to the western elevation of 91 Jeffrey Street in perpetuity. Maximum height of fencing behind the building line must not be greater than 1.8m and must transition down in front of the building line to no greater than 1.2m in height.

Any fencing along the western boundary of the site adjoining the Heritage Item located on 95 Jeffrey Street is to be timber paling, similar to existing, and must not be colourbond, to minimise any adverse impacts on the Item from modern unsympathetic types of fencing. Height of fencing along this boundary must not be greater than 1.8m above ground level and again transition down to 1.2m in height in front of the building line.

Fencing along the front/southern boundary of the site adjacent to the Jeffrey Street road reserve is to be undertaken to provide some common detailing along the frontage of the site and provide some integration within the streetscape. Fencing along the southern boundary of the site must not be greater than 1.2m in height and be of an open timber picket type construction, similar to that adjoining the site.

16. The external colour scheme along with proposed materials and their finishes, which are to be non reflective in nature and of neutral/natural tones, are to be selected to sympathetically integrate and blend with the surrounding character of the streetscape and in particular adjoining Heritage Item.

Particular attention is to be given to the materials/colours and finishes to Unit 1. In this regard, the southern and western elevations of unit 1 are to be of a render finish and painted a neutral tone to help integrate the development within the established streetscape. Additionally, timber framing as opposed to aluminium material is to be used around all windows and door frames along these elevations of unit 1 and stained in a natural wood finish rather than painted.

As such, a schedule of colours and details of materials and finishes for the development are to be submitted for the approval of the relevant Certifying Authority before the release of the Construction Certificate, to ensure that the buildings are visually integrated with its environment.

ADVISING: In this regards it is recommended that reference be made to the book "Colour Schemes for Old Australian Houses" by Ian Evans, Clive Lucas and Ian Stapleton.

17. The submission of a detailed Construction Management Plan for the approval of the relevant Certifying Authority, prior to the issue of a Construction Certificate for the development, to ensure that work is undertaken safely and to minimise nuisance to the surrounding area during all construction/work on site. This Plan shall include, as a minimum, provision for:
- Site access for construction vehicles and equipment.
 - Storage and removal strategies for construction wastes.
 - Construction Traffic Management Plan.
 - Provision of sanitary amenities and ablution facilities for employees.
 - Dust suppression.
 - Asbestos management and disposal methods and preventing impacts on adjoining properties from any dust particles.
 - Control of noise arising from the works in accordance with the requirements of the Protection of the Environment Operations Act 1997 and guidelines contained in the New South Wales Environment Protection Authority Environmental Noise Control Manual.
 - Fencing and security details, including site hoardings to be provided, safeguarding both contractors and the public while works are being carried out on any public footpath areas. Contractor should endeavour to minimise disturbance to pedestrian / vehicle traffic in the vicinity of the site.
 - Public footpath being protected from any damage while work is being carried out.
 - Details of all construction-related signs.
 - Careful management of construction activities to prevent any contaminant discharge from the site (including oils, fuels, paints or chemicals), particularly with respect to excess concrete or concrete truck washings.
 - Location of all public utility facilities and methods of protecting them
 - Method of support to any excavation adjacent to adjoining properties, or the road reserve.

18. Approval is required from Council for the following activities pursuant to Chapter 7, Section 68 of the Local Government Act 1993 and the Plumbing and Drainage Act 2011 and Regulations 2012:
- Water supply work: Please note that in this regard it is advised that the existing water service servicing the existing dwelling will be inadequate to provide a satisfactory service for 3 dwellings on the subject site and a new service crossing will need to be brought to the site from the southern side of Jeffrey Street via under road crossing,
 - Sewerage work,
 - Plumbing and Drainage (including roof drainage),
 - Stormwater drainage work ,
 - Installation of a domestic oil or solid fuel heating appliance, other than a portable appliance.

Approval must be obtained prior to the issue of a Construction Certificate for the development.

BEFORE RELEASE OF SUBDIVISION CERTIFICATE FOR THE STRATA SUBDIVISION OF THE UNITS

19. An Application for a Subdivision Certificate is to be submitted to Council with three (3) copies of the Title Plan.

Details of any staging, compliance with relevant consent conditions, and all required easements, positive covenants and restrictions as to user are to be included on the documentation submitted for a Subdivision Certificate for the subject lots, to ensure that the relevant consent requirements are addressed.

Advising for new urban allotments: Council's Policy 134 - Sustainable Domestic Energy Use and Local Air Quality - seeks to minimise the impacts of smoke emissions from solid fuel heaters on community health. Accordingly, the developer is invited to consider imposing "smoke free" covenants on new allotments, which would preclude future owners from installing solid fuel heaters on these properties. For further advice please contact Council's Planning or Environmental Health staff.

20. Separate water meters are to be provided to each unit and any common property in accordance with Clause 152 of the Local Government (General) Regulation 2005 prior to the issue of the Subdivision Certificate.
21. Prior to the issue of a Subdivision Certificate, arrangements are to be made for separate electricity meters for each unit to ensure secure service for each unit.
22. Prior to the release of the Subdivision Certificate, visitor car parking on the site is to be signposted, in accordance with Chapter 3.1 of Council's Development Control Plan.
23. Prior to the release of the Subdivision Certificate, all landscaped areas adjacent to each of the units are to be incorporated within the Private Open Space areas of those units. In this regard, the landscaped area within the front setback area of the development, between the southern elevation of Unit 1 and the southern boundary of the site, is to be incorporated within the garden area of this unit, to ensure that this area of the site is attributed within a unit area rather than being left as common property.

DURING CONSTRUCTION

24. No storage of building materials, soil or equipment is to occur on Council's property or roads without the written consent of Council's Civic and Recreational Services Manager or nominee. No unfenced, potentially dangerous activity or material to be located in close proximity to the street boundary or pedestrian walkway adjoining the site. No unsupervised transit of plant, equipment or vehicles across public areas or other obstruction of those areas is permitted.

25. Effective dust control measures to be maintained during construction to maintain public safety/amenity and construction activities are to be restricted solely to the subject site.

ADVISING: Failure to take effective action may render the developer liable to prosecution under the NSW Protection of the Environment Operations Act.

26. Materials must not be burned on-site. All waste generated on site must be disposed of at Council's Waste Disposal Depot or Waste Transfer Station, to protect the amenity of the area and avoid the potential of air pollution.

27. Any fill which is placed on the site shall be free of any contaminants and placed in accordance with the requirements of AS 3798 (current edition) *Guidelines on Earthworks for Commercial and Residential Developments*. The developer's structural engineering consultant shall:

- identify the source of the fill and certify that it is free from contamination; and

classify the area within any building envelope on any such filled lot in accordance with the requirements of "Residential Slabs and Footings" AS 2870.1 (current edition).

28. Excavations and backfilling must be executed safely and in accordance with appropriate professional standards and be properly guarded and protected to prevent them from being dangerous to life or property.

If the soil conditions require it, retaining walls associated with the erection of the building or other approved methods for preventing the movement of the soil must be provided, and adequate provision must be made for drainage.

Any proposed retaining wall is not to impede overland stormwater flows from adjoining properties. Provision is to be made within the site to redirect stormwater at ground level from the rear of the retaining wall to a legal point of discharge, to protect the site and adjoining property from the effects of flooding.

ADVISING: Should excavation identify any Aboriginal objects or European relics you will be required to cease work and follow the relevant procedures in the National Parks and Wildlife Act 1974 or the Heritage Act 1977. Further details are provided under the heading 'ADVICE' in this consent.

29. Roof and surface stormwater from paved and impervious areas is to be collected and directed to a legal point of discharge via the approved on-site detention system, to protect the site and adjoining property from effects of flooding. Relevant work to be carried out immediately once the roof and guttering is installed.

The section of pipe in the Council footpath should be a class 15 PVC or ductile iron material to avoid compression and subsequent damage to the pipe over time.

30. Provision of a grated catch drain or inlet pit adjacent to the driveway at the property boundary, with piped water discharged to Jeffrey Street, to provide effective stormwater drainage from the development and to protect other property.
31. Lighting is to be provided to pedestrian ways, dwelling entries, driveways and carparks to ensure a high level of safety and security for residents and visitors at night. Lighting is to be designed to minimise light entering adjacent dwellings, to ensure the amenity of adjoining properties is maintained.
32. Toilet facilities are to be provided at, or in the vicinity of the work site, at the rate of one toilet for every 20 persons or part of 20 persons employed at the site. Each toilet provided must be connected to an accredited sewage management facility approved by the council or some other sewage management facility approved by the council.
33. Should Council be appointed the Principal Certifying Authority for the building work, at least 2 days' notice is to be given to enable the following inspections to be undertaken:
In the case of Class 1 or 10 buildings (houses, additions, sheds, etc.)
- after excavation of, and before the pouring of the first footing
 - prior to pouring any in-situ reinforced concrete building element
 - before covering the framework for any wall, roof or other building element
 - before covering waterproofing in any wet area
 - before covering any stormwater drainage connections
 - when the building work is completed and before an occupation certificate is issued
- These are identified as 'critical stage inspections', mandatory inspections pursuant to Section 109E of the EP&A Act 1979. Please note that an Occupation Certificate cannot be issued for a development where a critical stage or other nominated inspection has not been carried out.
- The following inspections are to be carried out only by Council as the Water and Sewer Authority, at the following stages of development:
- underfloor drainage, before covering (under hydrostatic test), and
 - when the building work is completed, including stormwater disposal.
34. Under-road conduits are to be provided to cater for electricity, telecommunications, gas supply or other underground utility services. Utility crossings of public roads are to be under-road bored and Council's Roads Manager advised of the intention to commence work at least 48 hours in advance. The developer and its agents are responsible for ascertaining the location of existing underground services before commencing work. Any damage to existing services or to the road construction is to be made good at the expense of the developer.
35. The uppermost layer of the soil profile (top soil) is to be retained on site, stockpiled and surrounded at its base with silt fencing to ensure that the topsoil is maintained in a satisfactory and reusable condition. Stockpiles are to be limited in height to 3 metres and located in a position not visually prominent from public places. Areas within the development not otherwise built on are to be left with not less than 100mm of topsoil with grass or other landscaping established, to provide an aesthetically pleasing development within the streetscape.

36. A hoarding or fence must be erected between the work site and any public place if the work is likely to cause traffic (pedestrian or vehicular) in a public place to be obstructed or otherwise inconvenienced. The erected hoarding is to comply with AS 4687 (current edition) -

Temporary fencing and hoardings to sufficiently prevent any substance from or in connection with the work falling into the public place. The work site must be kept lit between sunset and sunrise if it is likely to be hazardous to persons in the public place. The hoarding, fence or awning is to be removed once the work has been completed.

37. The hours of building work are to be restricted to between 7.00am and 6.00pm on Monday to Friday and 8.00am to 1.00pm on Saturdays, to maintain the amenity of the locality.

Any proposed building work to be undertaken outside these hours or on Public Holidays must be the subject of prior written agreement from Council - consideration may be given to special circumstances and non-audible work if applicable.

ADVISING: Breaches of this condition may result in the issuing of a Penalty Infringement Notice or prosecution.

38. All demolition is to be carried out in accordance with AS2601 – Demolition of Structures, to ensure the work is undertaken safely and as required pursuant to the Environmental Planning and Assessment Regulation 2000 and Work Health and Safety (WHS) Regulation 2011.

ADVISING: Further information regarding asbestos can be found at the SafeWork NSW website: www.safeworkaustralia.gov.au/sites/swa/whs.../asbestos/pages/asbestos

Specific information on demolition work is on the SafeWork NSW website: <http://www.safeworkaustralia.gov.au/sites/swa/whs-information/licensing/demolition/pages/demolition>

BEFORE OCCUPATION / WHEN WORKS ARE COMPLETED

39. An Occupation Certificate must be obtained before the approved use commences, in accordance with the Environmental Planning & Assessment Act 1979 and to ensure the health and safety of the building's occupants.

ADVISING: Failure to obtain an Occupation Certificate is an offence under the legislation (Penalties do not apply to uses detailed in 109M and 109N; i.e. crown projects, or as detailed for certain temporary structures).

40. The property and unit numbers are to be provided in a visible place on or near the entrance for the convenience of visitors, emergency services and postal services prior to the issue of a Final Occupation Certificate. Numbers shall be 100mm high x 50mm wide (minimum) and of a colour contrasting with the surface to which they are affixed.

41. Completion of new vehicular footpath crossing(s) in accordance with the Roads Act approval issued by Council in connection with the project, before the issue of an Occupation Certificate, to ensure the availability of effective all-weather access to the site and a safe and nuisance-free surface over Council's footpath.

42. All conditions of this consent requiring any of the following to be carried out:
- Earthwork,
 - Stormwater drainage work,
 - Landscaping work to be completed in accordance with the approved plan,
 - Site fencing to be completed in accordance with the approved plan,
 - Erosion and sedimentation control work,
 - Excavation work,
 - Structural work,
 - Work associated with driveways and parking bays, including pavement and finishing,
 - Any matter that relates to the external finish of a building,

are to be satisfied and inspected by the relevant Certifying Authority, before the issue of the relevant Occupation Certificate for the development.

43. Prior to the issue of a Final Occupation Certificate for the development, provision for a right of access minimum 500mm in width is to be placed on the Title of Lot 45 DP 749898 to benefit Lot 35 DP 557448. The easement is to extend for the full length of the western wall of the dwelling erected on Lot 35 DP 557448 and extend a further distance of minimum 500mm past the north western and south western corners to allow continued access to this area from either the front or back yard of Lot 35 DP 557448.

OPERATIONAL MATTERS

44. Any lighting used on site in connection with the development is to comply with AS 4282 (current edition) – Control of the Obtrusive Effects of Outdoor Lighting, to protect the amenity of the locality.
45. All vehicles are to enter and leave the site in a forward direction, to ensure traffic/pedestrian safety. No vehicles larger than a small rigid vehicle are to enter the site, given the inadequate manoeuvring area available for larger vehicles and to prevent interference with the use of the public road by other vehicles and pedestrians.

ADVICE

In the event that Aboriginal artefacts are identified on the site during development through earthworks or construction, the Applicant shall contact the National Parks and Wildlife Service (NPWS – part of the Office of Environment and Heritage) and cease work in the relevant location pending investigation and assessment of its heritage value by NPWS and the relevant local Aboriginal groups.

A 'Consent to Destroy' Application under section 90 of the National Parks and Wildlife Act 1974 must be submitted and issued by the Director-General of National Parks and Wildlife for any Aboriginal archaeological sites that are to be damaged or destroyed as a result of any development. The Applicant shall consult with the relevant local Aboriginal groups and to the satisfaction of the NPWS prior to any 'Consent to Destroy' Application being submitted.

For further information see the NPWS Code of Practice for Archaeological Investigations in NSW:

<http://www.environment.nsw.gov.au/licences/archinvestigations.htm>

In the event that any relics, being any deposit, artefact, object or material evidence that:

- (a) relates to the settlement of the area that comprises New South Wales, not being Aboriginal settlement, and
- (b) is of State or local heritage significance,

are identified on the site during development through earthworks or construction, the Applicant/developer shall notify the NSW Heritage Council as required under s.146 of the Heritage Act 1977, as well as the Armidale Dumaresq Council, of the find and await further advice before proceeding with the development.

Certain modern energy installations (eg. photovoltaic systems, solar hot water, wind energy installations) may require Council's consent under current planning legislation.

If you are planning on installing such technology as part of this project, please consult with Council's Development Control Unit to confirm whether development consent is required.

Any air conditioning condenser or heat pump installed as part of this project is to be located, or provided with appropriate noise attenuation measures, such that its operation is not audible inside any habitable room of any adjoining/nearby dwelling, to protect the amenity of the locality.

It is your responsibility to ensure you don't install a unit that bothers your neighbours. Make sure you discuss noise impacts with your designer or installer. This is enforced through the Protection of the Environment Operations Act 1997. Notices and penalties apply.

Item: 7.2.1 **Ref:** AINT/2016/01643
Title: Status report - merger of Armidale Dumaresq and Guyra Shire councils
Container: ARC16/0002
Author: General Manager
Attachments: 1. Merger 30 Day Checklist
2. Administrator Governance Action Checklist - First 30 Days

RECOMMENDATION:

- a) **That this report on Council's progress in meeting the NSW Government's objectives for the merger of Armidale Dumaresq and Guyra Shire councils be noted.**

Introduction:

On 12 May 2016 Armidale Regional Council was formed as part of a merger between Armidale Dumaresq and Guyra Shire councils as part of the *Local Government (Council Amalgamations) Proclamation 2016*.

Since this time, Council has made significant progress in meeting the NSW Government's objectives for the amalgamated council, as outlined in this report.

Report:

This report has been prepared to bring the community up to date on the actions and outcomes undertaken by the Administrator and staff in relation to the governance and operational roles of Armidale Regional Council in its first eight weeks.

The merging of Armidale Dumaresq and Guyra Council areas has progressed in accordance with the guidelines provided from the NSW Government and based on a very detailed project plan developed by Council. The merger implementation has been a smooth transition for the new council due to the extensive collaboration of the former councils and the strong community outcomes focus of staff. This report provides advice to the community on some of the processes required to transition two councils into one and provides a background to the future direction and outcomes required to complete the merger process.

To reduce the content in the report, major points in the process have been listed only and these do not include the substantial number of actions required to complete these processes. Attached to this report is a summary of the first 30 day requirements of the NSW Government and the requirements of the Administrator as part of his role.

The following items are highlights of activities and actions.

Governance

- Interim executive team adopted.
- Policy and Procedures:
 - Code of Meeting Practice adopted 23 May 2016 and revised Code of Meeting Practice incorporating broader public participation clauses adopted 15 June 2016.
 - Payment of Expenses and Provision of Facilities to Councillors Policy adopted 23 May 2016.
 - New website Policy Register under development.
 - New online Standard Practice Note (SPN) Register under development.

- Self Help Guide for the completion of Returns Disclosing Interests of Councillors and Designated Persons prepared.
 - Register of Voting on Planning Decisions accessible on council website.
 - Briefing Paper prepared as a precursor to the development of new Community Initiatives Program (Donations Policy).
- Training and Development:
 - Draft Code of Conduct Powerpoint Training tool for staff and committee members developed.
- Council Committees:
 - Review of Committee Structure adopted 15 June 2016.
 - Local Representative Advisory Committee (LRAC) established and Terms of Reference developed. Two meetings have been held with the committee.
 - New Terms of Reference prepared for Advisory Committees.
 - Expressions of Interest called for various restructured Advisory Committees.
 - New online Committee Register under development.
- Internal Audit Function:
 - Audit and Risk Committee held first meeting following merger.
 - Strategic Internal Audit Plan 2016-2019 adopted 27 June.
- Property Management:
 - Review of Council leases and licences commenced.
 - Draft Standard Practice Note (SPN) prepared.
- Grants Management:
 - Project Management Framework for Stronger Communities Fund – Community Grants Program developed and grants opened up to the community.
 - Fourteen projects were supported by the Administrator at an Ordinary Council meeting on 29 June 2016, for approval of the Assessment Panel. A meeting of the Assessment Panel convened for 20 July 2016 to consider the proposals.
 - Staffing resources allocated to grants management function in July.
- Undertook the NSW Government's "Promoting Better Practise Program" to help identify gaps across the organisation.

Organisational Structure/Staffing

- As per a Council resolution of 13 July 2016, a consultancy brief will be developed to employ a Local Government based consultancy service and Council's Internal Auditor to jointly provide an independent external management audit and internal audit to assist Council in developing a new organisational structure.
- Following the review of an organisation structure for the new Council, consultation with Council's staff Joint Consultative Committee about structure changes will proceed.
- Under the provisions of the *Local Government Act 1993* s354F there can be no forced redundancy of non-senior staff members for 3 years after the merger. Therefore, commencing on 12 May 2016 and up to and including 12 May 2019 a staff member's employment must not be terminated, without the staff member's agreement, within 3 years on the ground of redundancy arising from the staff transfer to the new council.
- In addition under s354D Preservation of entitlements of staff members following a merger, other than a senior staff member, is to continue on the same terms and conditions that applied to the staff member immediately before the merger. S354D applies to an individual staff member and not to the position they are appointed to.

Finance

- Enterprise Legal Entity Tax Structure is completed. This included:

- ABN is 39 642 954 203
- tax ruling to cover 6 months ABN Trading
- trading business names registered with ASIC
- new Tax File Number
- PAYG Tax Ruling
- MTA
- Licenced Inspection Station
- Change of Bank Accounts.
- Revenue Policy merged.
- Making of the Rates and Levy completed.
- Merging of Budget and Operational Plan for adoption and public exhibition completed.
- Six week budget for new entity implemented.
- Weekly and fortnightly Department of Premier and Cabinet reporting, as required.
- Change of organisation details communicated to stakeholders (contractors, suppliers etc.).
- Interim External Audit of Armidale Dumaresq and Guyra Shire councils completed.
- Contracts register data collection completed. Files are to be reviewed and non financial data to be added.
- 2015/16 end of financial year business processes completed.
- Investment Policies merged, with a report prepared for the 27 July 2016 Ordinary Council Meeting.
- End of financial year reporting 12th May is in progress with a review of the updated Code of Accounting Practice underway.

Communications and community engagement

- The new Armidale Regional Council website is live.
- 'Listening Tours' conducted in seven villages with a second round of tours planned to be carried out in August 2016.
- "Welcome to Armidale Regional Council" flyer and magnet developed for inclusion with rates notices.
- Communications plan is under review.
- Social media (Facebook; Twitter) is active with proactive stories being disseminated.

Planning/building

- All undetermined applications of two former councils audited and finalisation prioritised.
- Applications forms standardised.
- Staff from both former Councils met and common processes and reporting implemented.
- All other areas continue "Business as Usual".
- Discussions held with the Department of Planning and Environment to merge the two Local Environmental Plans.
- Sections 94 Contribution Plans to be reviewed, Consultant Briefs prepared for preparation of new combined plans.
- Referral guidelines for DA's to the Local Representation Advisory Committee established.

Community services

- Continued operations of all existing community service functions.
- Kolora construction program reviewed with the amended proposal to be retendered.
- Investigations underway into a new/expanded Guyra Pre School.
- Initial meetings of the Civic Advisory Committee; Access Advisory Committee; Gayinyaga Advisory Committee and the Arts and Cultural Advisory Committee held.

- The Administrator has held a joint information meeting with representatives of the Civic Advisory Committee and Friends of the Armidale Dumaresq Library to discuss the current position of a library.
- Building works undertaken at the Guyra Library to provide an improved customer service and advisory counter.

Engineering – general

- Works programme for 2016/17 transport drainage and design sections across the combined new council area developed.
- Manpower analysis of staff requirements to deliver the new combined programme of works for the next three years completed.
- Establishment of a centralised design service for the new area commenced, and plant and equipment requirements to deliver designs determined, with the aim of being 12 months ahead of construction by 30 June 2019.
- Work commenced on developing new service level agreements for the combined area by consolidating existing Asset Management Plans for roads maintenance and parks and facilities. This is expected to be in place by 31 Dec 2016.

Engineering business units (water sewer, waste, airport)

- Guyra water and sewer facilities inspected by Armidale and Guyra management.
- Post merger briefing on Guyra water security undertaken and provided to the local member Mr Adam Marshall MP and the Minister for Primary Industries and Minister for Lands and Water the Hon Niall Blair MLC.
- Undertook a joint inspection of remote landfill operations and reported on a way forward for review, rationalisation and regulatory compliance.

Master planning

- Five plans have been placed on public exhibition since 12 May 2016, including:
 - Armidale City Mall Vibrancy Plan
 - Dumaresq Dam Plan
 - Armidale Regional Airport Plan
 - Guyra Showground Plan of Management
 - Guyra Bike Plan
 - Guyra Drought Plan.

Benefits register

Council has established a Benefits Register and will keep note of the cost savings that arise due to the merger process. Initial week eight savings in insurance for example are shown in the following table. Council has also realised a saving of \$60,000 in compliance reporting in financial statements and QBRS due to the elimination of duplication from 1 July 2017. Additional savings will come from purchasing and operational efficiencies over the next three years.

Class of insurance	2015-16 Armidale Dumaresq	2015-16 Guyra Shire	Combined Total 2015-16	2016-17 Armidale Regional	Saving/- Increase
Marine Hull Commercial	\$1,305		\$1,305	\$1,250	\$55
Casual Hirers Liability	\$2,680	\$2,680	\$5,360	\$4,200	\$1,160
Personal Accident	\$1,874	\$1,968	\$3,842	\$3,842	\$0

Workers Compensation Top Up	\$4,184	\$609	\$4,793	\$5,273	\$-480
Property	\$27,3014	\$92,552	\$365,566	\$327,884	\$37,682
Public Liability Professional Indemnity	\$356,780	\$52,184	\$408,964	\$391,300	\$17,664
Motor Vehicle	\$108,260	\$33,030	\$141,290	\$145,498	\$-4208
Councillors and Officers	\$43,802	\$17,667	\$61,469	\$56,318	\$5,151
Fidelity Guarantee	\$2,200	\$1,450	\$3,650	\$2,291	\$1,359
Workers Compensation	\$432,538	\$84,901	\$517,439	\$486,274	\$31,165
TOTAL	\$1,226,637	\$287,041	\$1,513,678	\$1,424,130	\$89,548

Financial Implications:

All actions for amalgamation are to be funded from the \$5 million implementation fund.

Environmental Implications:

Some of the planned consultancy services are required to be carried out to evaluate and ensure compliance with current requirements.

Policy Issues:

A number of policy issues will be considered as part of this planned work.

Social Implications:

Social implications of this report are extensive and varied.

Integrated Planning and Reporting Issues:

A new Community Strategic Plan, Delivery Plan and Operational Plan are planned to be developed.

Risk Management Issues:

A number of risk management issues will be considered as part of this planned work.

Legal Issues:

Some of the planned consultancy services are required to be carried out to evaluate and ensure compliance with legal requirements.

Item:	7.2.2	Ref: AINT/2016/01696
Title:	Cash & Investments Report June 2016	Container: ARC16/0041
Author:	Chief Finance and Information Officer	
Attachments:	Nil	

RECOMMENDATION:

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

Introduction:

Cash and Investments for the month of June 2016.

Report:

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

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

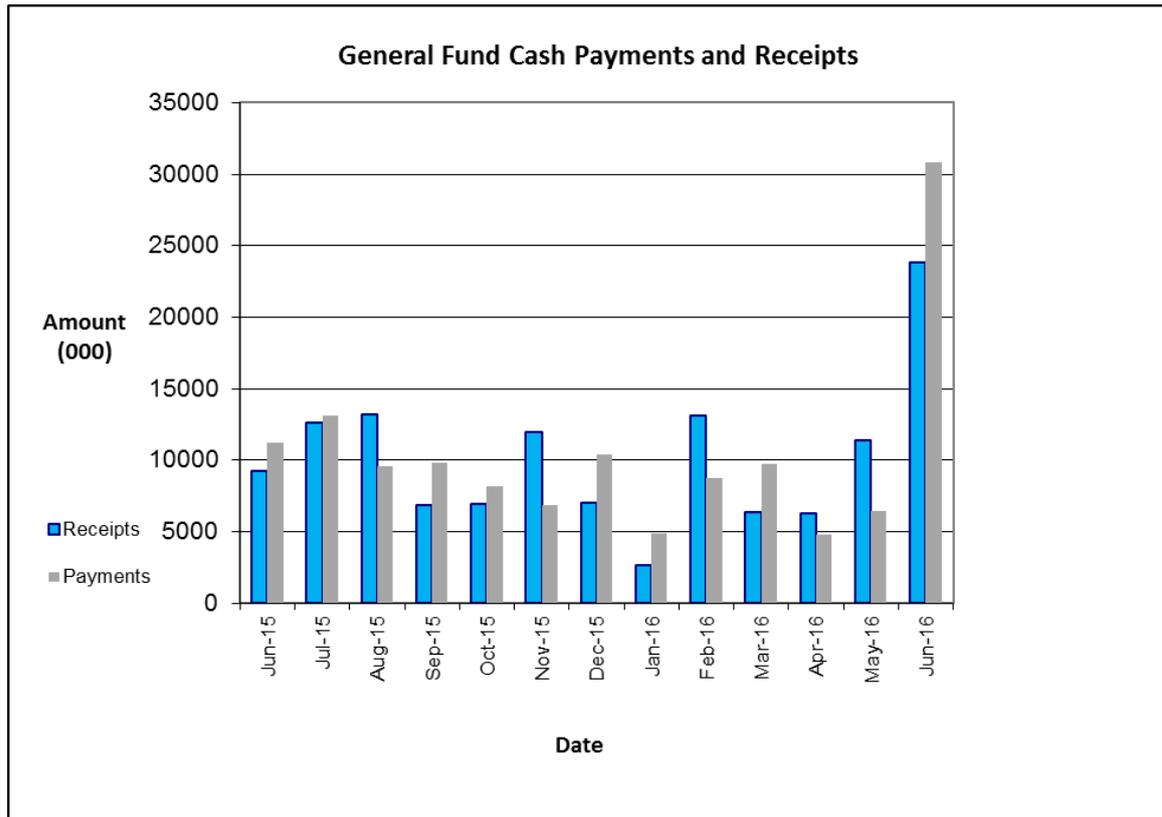
- Council Investment Policy POL152
- Local Government Act 1993 – Section 625
- Local Government Act 1993 – Order of the Minister dated 12 January 2011
- The Local Government General Regulation 2005 Reg 212

At the end of the June period, Council held \$76,787,999.81 in investments and a consolidated bank account balance of \$3,129,666.24 excluding the Trust Fund.

During the month of June, total payments and receipts were \$30.8 million and \$23.8 million respectively.

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

General Fund	3,129,666.24
Trust Fund	1,158,434.87
Total Bank Balances	4,288,101.11



Investments

	%
30 day BBSW Index	1.87
Average Interest Rate on Term Deposit Investments	2.97

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			
People Choice Credit Union	2,000,000.00	2.95%	3.43%
ING	1,000,000.00	3.00%	1.72%
Bank of Queensland	1,000,000.00	2.80%	1.72%
IMB	2,000,000.00	2.80%	3.43%
AMP	2,000,000.00	2.90%	3.43%
NAB	504,709.59	3.02%	0.87%
Bank of Queensland	1,000,000.00	3.05%	1.72%
Rural Bank	2,000,000.00	2.95%	3.43%
NAB	7,565,824.00	3.11%	12.98%
Bendigo Bank	1,000,000.00	2.70%	1.72%
AMP	1,000,000.00	3.00%	1.72%
Bank of Queensland	1,000,000.00	3.10%	1.72%
Credit Union Australia	1,000,000.00	2.75%	1.72%
Bank of Queensland	2,000,000.00	3.05%	3.43%
ING	2,000,000.00	3.00%	3.43%
Rural Bank	1,000,000.00	2.90%	1.72%
Rural Bank	1,000,000.00	2.75%	1.72%
ING	1,500,000.00	2.90%	2.57%
ME Bank	1,000,000.00	2.70%	1.72%
Credit Union Australia	2,000,000.00	2.90%	3.43%
ME Bank	1,000,000.00	3.00%	1.72%
ME Bank	1,000,000.00	3.05%	1.72%
ME Bank	2,000,000.00	3.05%	3.43%
ING Bank	500,000.00	3.10%	0.86%
Credit Union Australia	1,500,000.00	3.10%	2.57%
AMP	2,000,000.00	2.90%	3.43%
Peoples Choice Credit Union	1,000,000.00	2.95%	1.72%
Peoples Choice Credit Union	1,200,000.00	3.00%	2.06%
Bank of Queensland	2,000,000.00	3.05%	3.43%
NAB	1,034,887.53	3.02%	1.78%
NAB	513,719.15	3.02%	0.88%
ME Bank	1,000,000.00	2.95%	1.72%
AMP	1,000,000.00	3.00%	1.72%
AMP	1,000,000.00	3.00%	1.72%
ME Bank	1,000,000.00	3.05%	1.72%
Credit Union Australia	1,000,000.00	3.10%	1.72%
ME Bank	1,000,000.00	3.07%	1.72%

Sub Total	53,319,140.27	
High Interest At Call Savings Account	4,953,044.15	8.50%
Total	58,272,184.42	

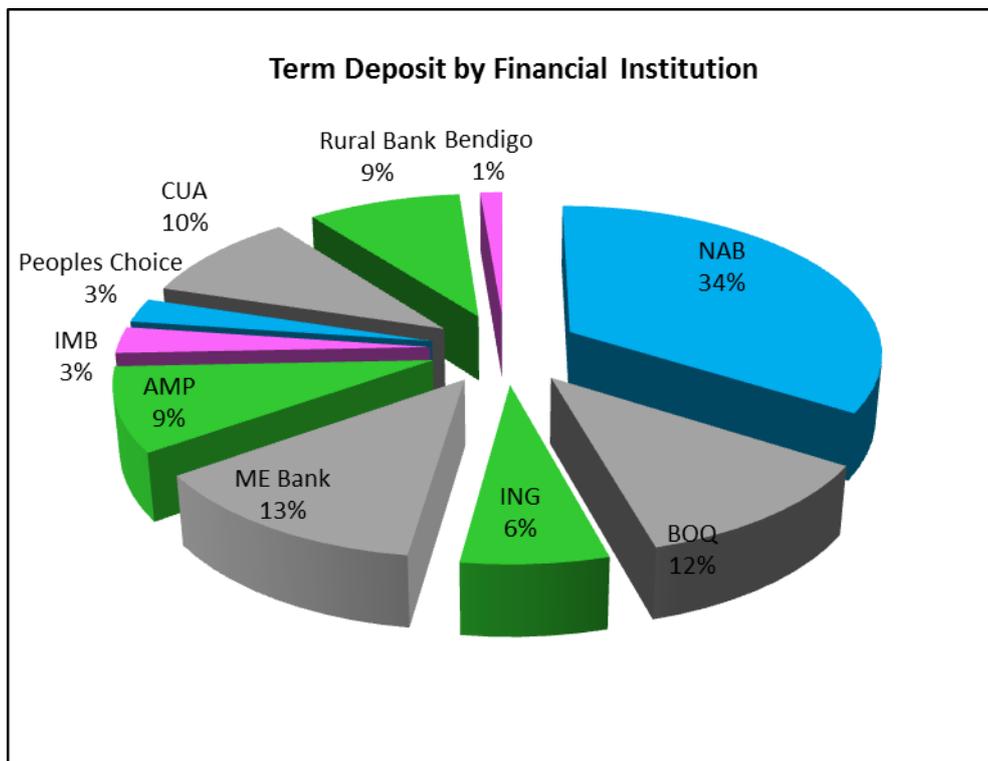
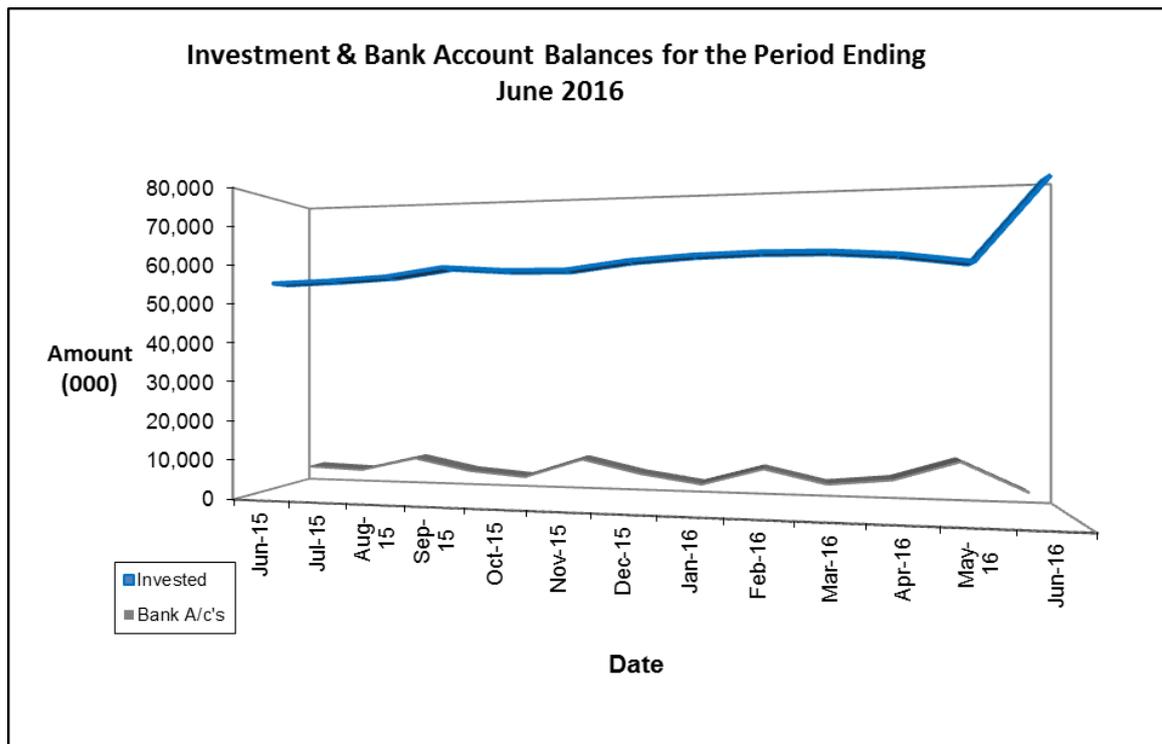
Redemptions to the NAB General and Business A/c's	- 3,000,000.00	
Funds Transferred from the NAB General and Business A/c's	21,500,000.00	
Increased principal due to roll over of funds	15,815.39	
Closing Balance at the end of the Period	76,787,999.81	



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			
ING	1,000,000.00	3.00%	1.30%
Peoples Choice Credit Union	1,200,000.00	3.00%	1.56%
Bank of Queensland	2,000,000.00	3.05%	2.60%
Bank of Queensland	1,000,000.00	2.80%	1.30%
IMB	2,000,000.00	2.80%	2.60%
NAB	1,034,887.53	3.02%	1.35%
AMP	2,000,000.00	2.90%	2.60%
NAB	504,709.59	3.02%	0.66%
NAB	513,719.15	3.02%	0.67%
Bank of Queensland	1,000,000.00	3.05%	1.30%
Rural Bank	2,000,000.00	2.95%	2.60%
NAB	7,565,824.00	3.11%	9.85%
Bendigo Bank	1,000,000.00	2.70%	1.30%
ME Bank	1,000,000.00	2.95%	1.30%
ME Bank	2,000,000.00	2.95%	2.60%
AMP	1,000,000.00	3.00%	1.30%
AMP	1,000,000.00	3.00%	1.30%
Bank of Queensland	1,000,000.00	3.10%	1.30%
Credit Union Australia	1,000,000.00	2.75%	1.30%
Bank of Queensland	2,000,000.00	3.05%	2.60%

AMP	1,000,000.00	3.00%	1.30%
ING	2,000,000.00	3.00%	2.60%
Bank of Queensland	2,000,000.00	2.80%	2.60%
Rural Bank	1,000,000.00	2.90%	1.30%
Rural Bank	1,000,000.00	2.75%	1.30%
ING	1,500,000.00	2.83%	1.95%
ME Bank	1,000,000.00	2.85%	1.30%
Credit Union Australia	2,000,000.00	2.95%	2.60%
Peoples Choice Credit Union	1,000,000.00	2.89%	1.30%
NAB	5,000,000.00	2.99%	6.51%
Credit Union Australia	2,000,000.00	2.90%	2.60%
ME Bank	1,000,000.00	3.00%	1.30%
ME Bank	1,000,000.00	3.05%	1.30%
ME Bank	2,000,000.00	3.05%	2.60%
ME Bank	1,000,000.00	3.05%	1.30%
ING Bank	500,000.00	3.10%	0.65%
Rural Bank	2,000,000.00	3.00%	2.60%
Rural Bank	1,000,000.00	3.00%	1.30%
Credit Union Australia	1,000,000.00	3.10%	1.30%
Credit Union Australia	1,500,000.00	3.10%	1.95%
ME Bank	1,000,000.00	3.07%	1.30%
AMP	2,000,000.00	3.00%	2.60%
Sub Total	65,319,140.27		
High Interest At Call Savings Account	11,468,859.54		14.94%
Total	76,787,999.81		



Financial Implications:

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

Environmental Implications:

There are no environmental implications to consider in this report.

Policy Issues:

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

- Council Investment Policy POL152.

Social Implications:

There are no social implications to consider.

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.

Risk Management Issues:

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

Legal Issues:

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.

Item:	7.2.3	Ref: AINT/2016/01875
Title:	Draft Investment Policy July 2016	Container: ARC16/0041
Author:	Chief Finance and Information Officer	
Attachments:	1. Draft Investment Policy July 2016	

RECOMMENDATION:

- a) **That Armidale Regional Council's Investment Policy be placed on public exhibition for a period of twenty eight (28) days from Wednesday 3 August to Wednesday 31 August and if no significant public submissions are received the Investment Policy be enacted.**

Introduction:

A review of Guyra and Armidale's previous Investment Policies has been completed and a new policy developed for Armidale Regional Council.

Report:

It is a legislative requirement that Council has an Investment Policy. A process for annual review is also required as part of the policy.

Financial Implications:

This policy sets the framework for Council's investment activities for the coming year.

Environmental Implications:

Not applicable.

Policy Issues:

Not applicable.

Social Implications:

Not applicable.

Integrated Planning and Reporting Issues:

Not applicable.

Risk Management Issues:

Not applicable.

Legal Issues:

Complies with Local Government Regulations.

Item: 7.2.4 **Ref:** AINT/2016/02165
Title: Review of Water Account Management Policy (POL238) **Container:** ARC16/0193
Author: Chief Finance and Information Officer
Attachments: Nil

RECOMMENDATION:

That Water Account Management Policy 238 (POL238) be adjusted for write offs greater than \$900 to be approved under delegation to General Manager.

Introduction:

A Water Management Policy was introduced to streamline water billing adjustments. After a period of operation the process has proven to be successful and the policy has been updated. Recommended changes to the policy are noted in red.

Report:

Applies to:	Corporate services - Revenue
Officer Responsible:	Chief Finance and Information Officer
Associated Documents:	SPN -174-Finance, POL026-Significant Accounting Policies
Legislation:	Part 9 local Government Regulation
History:	Version 1 – January 2015
Council Meeting:	28 January 2015
Council Minute Number:	5/15
TRIM File Number:	A15/6591
Review Date:	January 2018
Reasons for Change:	New Policy

POL238-Finance – Water Account Adjustment Management

Purpose

To specify the process for adjusting irregular water accounts caused by water leaks.

Objective

To provide appropriate procedures when adjusting abnormal water consumption on caused by leaks.

To fulfill the statutory requirements of the Local Government Act 1993 with respect to the charging for water.

Scope

This policy applies to the adjustment of irregular water accounts caused by water leaks where the adjustment is calculated to be more than \$200 above an average of the previous 12 months of accounts but less than \$900.

Policy

Requests for adjustments to water accounts will be investigated by the responsible Revenue officer to identify the appropriate recommendation for each situation.

Accounts issued for less than \$200 that have been identified as a valid water pipe leak will not qualify for financial adjustment. Council will allow these additional costs to be paid off interest free over a period of 12 months only, before applying interest or as otherwise agreed due to personal hardship circumstances.

For issued accounts greater than \$200, where a recommended adjustment is calculated to be less than \$900, the recommendation will be presented to Finance Management for consideration. The land owner will be required to pay the first \$200 of the water account above the 12 month average water account volume and produce evidence from a licensed plumber that excess water use resulted from a broken or leaking pipe, excluding taps or fittings.

Management will provide to Council on a quarterly basis a list of all accounts that have been adjusted including the amount of the adjustment.

Where the recommended adjustment is calculated to be greater than \$900 the recommendation will be presented to Council the General Manager for approval.

Financial Implications:

These have been considered in the policy.

Environmental Implications:

Not applicable.

Policy Issues:

Not applicable.

Social Implications:

Not applicable.

Integrated Planning and Reporting Issues:

Not applicable.

Risk Management Issues:

Not applicable.

Legal Issues:

Not applicable.

Item:	7.2.5	Ref: AINT/2016/02405
Title:	Review of Community Strategic Plan (CSP)	Container: ARC16/0006
Author:	General Manager	
Attachments:	Nil	

RECOMMENDATION:

That Council invite consultants to submit a proposal to develop a community engagement program and a methodology to review the current documents and develop a new Community Strategic Plan (CSP) for the new council area, with extensive community engagement.

Introduction:

The report seeks to engage an experienced consultant to undertake a review of the Armidale Dumaresq Community Strategic Plan 2013-2028 and the Guyra Shire Community Strategic Plan 2013-2023 and to develop a new Community Strategic Plan.

Report:

The CSP is a high level plan for the council area and Council will be looking for a planning process that will have both diversity and depth of engagement. The plan will set out all the strategic priorities, outcomes and aspirations of our new community (the community vision).

While Council is responsible for leading the review and development of the Community Strategic Plan, it will be done with the understanding that it will be delivered as a partnership between Council, and other stakeholders such as federal/state agencies, community groups and individuals.

Financial Implications:

The project costs will be funded from the \$5 million new Council Implementation Fund.

Environmental Implications:

The framework is designed to help improve the sustainability of the community, the local government area, and the Council using the 'quadruple bottom line' approach. This is made up of four pillars - Civic Leadership, Community, Economy and Environment.

Civic leadership also commonly known as governance relates not only to the way Council interacts and works with the community but also the way the community and other agencies might become involved with delivering some of the plans objectives. It also relates to democracy and the operations of the elected Council.

Policy Issues:

In 2009, the NSW Government's new framework for integrated planning and reporting (IP&R) for local councils came into effect. Each council must now prepare a number of plans, which provide details on how the council intends to deliver works and services in the short and long term, based on community priorities that have been identified through consultation and engagement.

Social Implications:

The framework is designed to help improve community wellbeing.

Integrated Planning and Reporting Issues:

The Integrated Planning & Reporting (IP&R) framework is the principal planning and reporting tool for NSW local councils.

The framework encourages councils to better integrate their various plans to plan holistically for the future. It allows councils and their communities to have important discussions about funding priorities, service levels and preserving local identity and to plan in partnership for a more sustainable future.

The framework is a new way of doing business. It ensures all the council's plans and reports work together to achieve community outcomes.

Each local council must prepare and implement a Community Engagement Strategy for engaging the local community for the development and review of the CSP. The Community Engagement Strategy must identify relevant stakeholder groups in the community and outline the methods that the council will use to engage each of these groups.

Risk Management Issues:

The timeframe for the overall community planning program requires that the project is completed by the end of December 2016. Significant community engagement activities should not be undertaken during the Christmas/New Year period.

Legal Issues:

Not applicable.

Item:	7.3.1	Ref: INT/2016/06808
Title:	Implications and opportunities of introducing a Container Deposit Scheme (CDS) for Armidale Regional Council and our community	Container: A03/1248-2
Author:	Director Regional Services	
Attachments:	1. EPA's CDS fact sheets 2. CDS flow chart 3. ARS contract excerpts- <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 modify the existing Development Application (DA) for the Resource Recovery Park, 114 Long Swamp Road, to cater for the construction of a Container Deposit Scheme (CDS) redeeming facility.
- b) That Council investigate the viability of establishing a CDS redeeming facility at the Guyra Waste Transfer Station.
- c) That Council determine a business model to operate the CDS redeeming facilities both in Armidale and Guyra.
- d) That Council accept Armidale Recycling Services (ARS) offer to adopt an open book approach to manage the impacts of the CDS on the recycling contracts ARS has with Council.
- e) That Council exercise an extension of the 2011/03 ARS contract up to a maximum of 4 years as per item 5 & 6 of Schedule A of the contract.

Introduction:

The NSW Government has committed to introducing a Container Deposit Scheme (CDS) from July 2017. This report deals with the constraints and opportunities the CDS will have for Council and our community. In particular, the opportunity to locate CDS approved redeeming facilities at both the Armidale Waste Management Facility and the Guyra Waste Transfer Station, and run them as a business unit.

As a result of the pending CDS legislation there will also be implications for our contract with Armidale Recycling Services (ARS). Initial discussion with ARS indicate they are willing to operate this service.

Report:

After a consultation period, which both Armidale Regional Council and Northern Inland Regional Waste contributed to, the EPA have announced the CDS design parameters for NSW. Attached are 6 factsheets provided by the EPA (<http://www.epa.nsw.gov.au/waste/cds-work.htm>) which detail the CDS and the implications for all stakeholders. In summary the CDS design as of July 2016 is as follows:

- One Coordinator will oversee the CDS, including the payment of refunds via redeeming centres or reverse vending machines (RVM's), and the processing and transport of containers back to the manufacturers of drink containers.
- Most drinks sold in containers between 150ml and 3L will be eligible for a 10c refund, similar to SA.
- Eligible containers that are included in kerbside recycling bins will be eligible for a refund either by the Council or their contractor, which in turn can be used to offset waste charges.
- Consumers will likely pay for the 10c refund when they purchase their drink, less likely is that the drink supplier will absorb the costs of CDS.
- Councils that own a material recovery facility (MRF) will likely become the processing depot for the CDS Coordinator on a fee for service basis (baling fee).
- Redeeming facilities (collection points) or RVM's in regional areas are most likely going to be best located at existing Waste Management Facilities where residents and business already recycle and dispose of waste.
- Redeeming facilities could be run by council, a contractor, community group, charity or schools and such need to be determined by a competitive tender process. However, the operator will require a formal agreement with the CDS Coordinator and approval from EPA.
- Other informal collection points can be set up by any organisation or individual who are 'gifted' the container. An example is the local Cub/Scouts that can arrange a 'container drive', encouraging both residents and business to donate containers to their cause.

Attached is a basic flow diagram indicating how the CDS would practically operate in Armidale and Guyra. The flow diagram is based on a set of assumptions which are yet to be endorsed by the EPA, however are based on the SA model currently operating, and likely to be adopted in the NSW CDS (see flowchart). It should be noted that CDS containers that end up in the litter stream may also be picked up and redeemed, but this is not represented in the flow chart.

Regarding accessibility to CDS redeeming facilities for residents at our villages, it is still uncertain as to how the Coordinator will manage this. Residents from Tingha will most likely travel to Inverell to redeem their containers, while Ben Lomond and Black Mountain residents will have to travel to Guyra. Hillgrove, Ebor and Wollomombi residents will likely have to bring their containers to Armidale for the 10c redemption. It is highly likely that informal collection points will be developed at our villages supporting local community initiatives and may be initiated by schools, hall committees etc.

Opportunities for Armidale Regional Council

Unlike metropolitan areas where access to waste management facilities is limited, regional areas are well placed to provide a centralised space for container redeeming centres. Armidale and Guyra residents and businesses are familiar with our 'one-stop-shop' for all their recycling and waste disposal requirements, so logically, existing waste transfer and waste management facilities are ideal locations for redeeming centres.

Council has an opportunity to secure development approvals at the Armidale Waste Management Facility and Guyra Waste Transfer Station for redeeming centres. Subject to Council capital expenditure availability, Council could build CDS redeem facilities and run them such as part of the Waste Services business unit. Otherwise lease the facility to a third party to run it, or adopt a build own operate and transfer (BOOT) model, via a competitive tender process. There are various options Council can consider all of which represent a business opportunity.

Both Armidale and Guyra have existing container processing/ baling infrastructure (MRF's) at their waste facilities, so having the redeeming centre nearby is another synergy and justification for such centres to be located at existing waste facilities.

Opportunities for Armidale Regional Council & Armidale Recycling Services (ARS)

Armidale Recycling Services (ARS) is contracted to Council for both the collection of recyclate and the operation of the Council owned materials recovery facilities (MRF's). ARS are also contracted to receive and process recycling directly from the community at the MRF's. Under the existing contract conditions (excerpts from ARS contract 2011/03 attached) ARS have ownership of the materials collected at the kerb (item 7.5.1.1). The contract does not make mention of whether ARS has the right to redeem the 10c CDS containers and as such it could be interpreted that Council still has the right to the income derived from redeeming containers. However, the fact that ARS maintains ownership of recyclate suggests that they also have the redeeming rights.

The CDS will reduce the volume of recyclate that ARS collect which will impact on their profitability. However, ARS may have the ability to redeem the 10c on all CDS containers presented at the kerb and what is dropped off at the MRF's. In SA approximately 10% of CDS containers remain in the kerbside recycling stream which represents a significant income opportunity for ARS. It is expected that ARS may offset the loss of recyclate income by redeeming the CDS containers.

Discussions with Mr Mark Low, Director of ARS, as to how contractually to manage the impacts of CDS have focused around ensuring that both ARS and Council and ultimately of community mutually benefit. Mark has offered to run an open book approach with Council. Whereby ARS would be able to demonstrate to Council where his business has suffered a loss of income due to a reduction in kerb side recyclate as a result of CDS, and increase in income due to their ability to redeem CDS containers both collected at the kerb side and dropped off at the MRF's. Assuming that ARS achieve a net benefit as a result of the CDS, ARS could offer Council a financial return either in the form of reduced recycling collection costs and/or a direct monetary return.

Mr Low has also requested that we consider exercising an extension option of the contract as per item 5 & 6 of Schedule A of the contract (excerpt attached). The justification for this is to provide ARS with business continuity and amortise any costs incurred by ARS as a result of the CDS over a longer period of time.

Financial Implications:

As described in the report the CDS will impact on recycling contracts. However, by working open and transparently Council, ARS and our community may benefit from the CDS.

Environmental Implications:

The implementation of a CDS is expected to result in a significant reduction in public place litter and the resulting pollution of our waterways. It is expected that greater recycling and recovery of drink containers will occur, reducing waste to landfill.

Social Implications:

The CDS will provide charities, community groups and schools with a new income stream as a result of 'container drives'. Individual can also derive income from collecting containers from public spaces and as a result of their own beverage consumption.

Legal Issues:

Abide by existing contract conditions and successfully negotiate any new contract conditions and agreements with ARS open and transparently.

Item: 7.3.2 **Ref:** AINT/2016/02419
Title: Restart NSW - Round Two - Fixing Country Roads funding **Container:**
A15/6922
Author: Director of Regional Infrastructure
Attachments: 1. Advice regarding Fixing Country Roads program - Level 3 Bridge
Inspections and Tenterden Road Bridge Replacement

RECOMMENDATION:

That the attached notification from the Hon Duncan Gay MLC, Minister for Roads, Maritime and Freight regarding funding from the RestartNSW Fixing Country Roads program be noted.

Introduction:

Armidale Regional Council has been advised that Council will receive funding from RestartNSW as part of Round Two of the NSW Government's Fixing Country Roads program.

Report:

Council was successful in the following applications:

- \$95,000 for Level 3 Bridge Inspections to assess 26 timber bridges (former Armidale Dumaresq Council application)
- \$510,000 for Tenterden Road Bridge Replacement (former Guyra Shire Council application).

The assessment of Council's 23 timber bridges will provide readily usable, current, and up to date data. The Tenterden Road Bridge Replacement project will involve replacing the existing bridge with a wider two-lane concrete bridge.

Financial Implications:

These works are grant funded.

Environmental Implications:

Not applicable.

Policy Issues:

Not applicable.

Social Implications:

Not applicable.

Integrated Planning and Reporting Issues:

Not applicable.

Risk Management Issues:

Not applicable.

Legal Issues:

Not applicable.

Item: 7.4.1 **Ref:** AINT/2016/01934
Title: Administrator's Listening Tours **Container:** ARC16/0163
Author: General Manager
Attachments: Nil

RECOMMENDATION:

That the report and minutes from the Administrator Listening Tours be noted.

Introduction:

Administrator Listening Tours were held in Ebor, Guyra, Ben Lomond, Tingha, Wollomombi, Wards Mistake, and Black Mountain between 20-22 June 2016. Members of the public were invited to attend the meetings to discuss the changes that have occurred as a result of the merger of Armidale Dumaresq and Guyra Shire councils to form the new Armidale Regional Council.

The Administrator provided a brief overview of his background and advised the community that he has a 68 week appointment. His messages were that it was business as usual, council jobs were secure and that he wanted to hear from the community on their issues.

Report:

Minutes from the meetings are included in the attachments. An overview of the common topics discussed at the meetings is outlined below:

Community Matters	Response/Action	Responsible Directorate
Council Name	The name Armidale Regional Council was decided by the NSW Government and the Administrator supports the name as it reflects the region.	No further action
Local Representation	Established a Local Representation Advisory Committee, made up of former Councillors. The former Councillors were duly elected by the community as their representatives and will provide valuable input to the administrator with their background knowledge about issues relevant to their respective communities.	Governance
Possible four Council Merger	The Minister originally supported in principle the merger of Walcha, Uralla, Guyra, and Armidale. However, has since stated that this merger will not proceed.	Governance
Boundary Adjustment Proposals	The Administrator met with the Tingha community and there was inconclusive evidence that this is the preferred option by the community. There have been no other formal approaches for boundary adjustments.	Governance
Stronger Communities Fund	There is funding available for the new Council to provide for needed community assets. \$1m of the Stronger Communities Fund will be made available for community groups to apply for funding on community owned and other infrastructure projects. The other \$9m will be utilised to enhance Council owned community assets.	Governance

	Council will be trying to leverage other funding sources to achieve more with the funding.	
Elections	Elections for the new council will be held in September 2017. There will be 11 undivided positions on the new council. The Mayor will be elected from and by the Councillors.	Governance
Job Security	All previous employed individuals are protected for a period of 3 years. Additionally, Guyra is designated as a Rural Centre under the <i>Local Government Act</i> . This provision ensures that that the core numbers pre-merger are maintained in Guyra.	Governance
Organisation Structure	The organisation structure is being reviewed, and senior roles will be contestable to ensure the best staff are appointed to effectively manage the organisation.	Governance
Merger Process	There were considerable costs to the community throughout the FFF process, and the resultant merger. With legal action still pending, some members of the community feel that now is not the time to give up on the possibility of retaining Guyra Shire Council.	Governance
Roads	Expenditure on roads is far less than required. The Administrator is making approaches to the Minister for Roads to secure additional funding to reduce the backlog. Specific road issues and conditions were noted throughout the Administrator tours and will be assessed by Council's Engineering Department.	Engineering
Community Meetings	The intent is to run these community meetings regularly, with another to be held before the end of 2016.	Governance
Community Representation	The Administrator has committed to visiting each of the communities again before the end of 2016. There is also new processes in place to allow the community to make representation at Council Meetings, which are held fortnightly.	Governance
Local Area Committees	Where these committees were previously operational and effective they will continue to operate.	Governance
Rates	The current rate path will be maintained for the next 4 years. For the former Guyra Shire area, this is an increase of CPI each year. An audit will be undertaken to ensure rates are commensurate with services.	Finance
Joint Organisations	Seen as a valuable tool for Local Government to provide regional solutions that provide efficiencies. The Administrator has been meeting with representatives of adjoining Joint Organisations.	Governance
Development Application Process	IHAP – Independent Hearing Advisory Panel – will give advice to the Administrator, who will make the final determination. The process for lodgment will not change, as both offices will continue to provide this service.	Services
Commitment to economic development and tourism	The director, once appointed, will be responsible for management of the entire council area.	Marketing and Promotions

Membership to regional bodies and other association	Most of these memberships are based on a per capita of population rate, the new council may decide to continue this membership on the same basis.	Governance
---	---	------------

Financial Implications:

Not assessed.

Environmental Implications:

Not applicable.

Policy Issues:

As listed in the above table and attached minutes.

Social Implications:

As listed in the above table and attached minutes.

Integrated Planning and Reporting Issues:

Not applicable.

Risk Management Issues:

Not assessed.

Legal Issues:

Not applicable.

Item:	7.4.2	Ref: INT/2016/06398
Title:	New Kolora Aged Care Facility	Container: G13/1
Author:	Director of Planning and Environmental Services	
Attachments:	1. Capital Expenditure Review - Kolora Homes Proposal 2. New Aged Care Facility - Build and Construct Pricing Variation	

RECOMMENDATION:

- a) That this report on the construction of the new Kolora Aged Care Facility be noted.
- b) That the proposed means of funding the new Kolora Aged Care Facility as identified in this report be endorsed which includes the use of the Real Estate Reserve of \$1.5m.
- c) That the construction of the new Kolora Aged Care Facility be retendered in accordance with the *Local Government Act 1993* and Council's adopted procurement guidelines.
- d) That Council refer the specific matter of the Operation and Management of the new Kolora Aged Care Facility to the Guyra Aged Care Advisory Committee for their advice.

Introduction:

The construction of the new Kolora Aged Care facility in Guyra was one of the largest infrastructure projects that the former Guyra Shire Council resolved to proceed with. The estimated build cost is in the order of \$7million with the site works having recently been completed.

It is therefore important that the residents of the new Armidale Regional Council are aware and informed of this project.

This report also identifies the need to determine the best model for the future management and operation of the new facility.

Report:

The former Guyra Shire Council at its ordinary meeting of 27 April 2015 when presented with a report on the Capital Expenditure Review of the Kolora Homes Proposal it was resolved:

Min 1/15

That Council proceeds with the construction of a new aged care facility.

And also

Min 2/15

That the following four points be for immediate consideration and endorsement:

- a) ***That Council delegate authority to Mayor and General Manager to continue negotiations for plans to be redrawn by Havenhand and Mather in response to advice received from Ageworks.***
- b) ***That Council delegate authority to Mayor and General Manager to have the 'new plans' quoted by the previously successful construction tenderer, as determined by the tendering process that occurred in 2013.***
- c) ***That Council delegate authority to Mayor and General Manager to negotiate contractual terms with the successful construction tenderer, provided the requote is no greater than the revised tender sum provided to Council on 4 February, 2015.***

d) That this report be sent to the Office for Local Government under Section 23A of the Local Government Act 1993.

The report provided a comprehensive review of the project, the costings and timeline. The report also identified that whilst Kolora is operated as a separate "Business Unit" Council will need to subsidise the construction of the facility from the General Fund. The estimate of deficit identified in the report was in the order of \$420k in the first year of operation and with the sale of the current Kolora this is expected to reduce to a deficit of \$315k.

A continuing deficit is expected until such time as the loan funds are repaid and the facility is operating at capacity.

Notwithstanding there has been little analysis and costing undertaken of the ongoing operational costs and lifecycle costs other than identifying a depreciation cost/value of \$235k per annum. A copy of the 27 April 2015 report is **attached**.

At its 26 October 2015 Ordinary Meeting, the former Guyra Shire Council considered a further report regarding the Kolora Aged Care Facility specifically relating to: the construction price variation as result of amended plans to suit standards for "Ageing in Place"; advice that whilst the project generally remains the same it does not need to go to re-tender; a revised estimate of costs from a Quantity Surveying firm which suggested an increase of approximately \$1m above the figure reported at the 27 April Council meeting; Splitting the project into two stages – bulk earthworks and the construction of the building. A copy of the 26 October 2015 report is attached.

Council subsequently resolved vide **Min 166/15**

- a) That Council reconsiders the delegation of authority to the Mayor and General Manager to allow for the increased estimated costs provided by the Builder.**
- b) That Council delegate authority to Mayor and General Manager to enter into a Bulk Earthworks contract with O'Donnell Hanlon as quoted and as the first stage of the two-stage construction process.**
- c) That Council delegate authority to Mayor and General Manager to increase Council's borrowing to fund the increased project cost, once plans are completed and accurate costing is known.**

The former Guyra Shire Council proceeded to split the project into two stages with a contract for the bulk earthworks being let with O'Donnell Hanlon who have recently completed the work generally in accordance with resolution **b)** above. There is no contract for the second stage of the project being the construction of the 32 bed Aged Care Facility. However, the former Guyra Shire Council has sought and received a revised cost from O'Donnell Hanlon for Stage 2.

Following the merger and consideration of the numerous projects that both former Council's had in progress, the decision to not re-tender for the Kolora project following the amended plan and the expected cost increase as advised by the Quantity Surveyors, Armidale Regional Council sought legal advice in regard to the tender process and also has requested a financial review considering the suggested \$1m increase for the construction.

The advice to Council is that whilst the proposal remains as a 32 bed facility, the altered concept and increased floor area along with the quantum increase in construction cost, Council does

need to re-tender to comply with the Local Government procurement guidelines and the Local Government Act 1993. This is different to resolution **a)** above, and an alternative recommendations based on legal advice is contained in this current report.

In accordance with resolution **c)** above, Council's Chief Financial Officer has undertaken a review on how the project could be funded with the aim of minimising the construction and ongoing operational deficit.

Using the same funding options as identified in section 4 of the Capital Expenditure Review undertaken in the 27 April 2015 report, the Chief Financial Officer is suggesting that the established Real Estate Reserve that the former Guyra Shire Council had established as a result of its land development activities be used instead of seeking additional borrowings for the construction of the facility. The use of this reserve would cover the expected increased construction costs and also reduce the need to use the "bonds" thus reducing the construction and operational deficit and risk associated with the "bonds". The current Real Estate Reserve is approximately \$1.5m.

The Chief Financial Officer has raised concerns with the original proposal to identify and use "bonds" of \$755k for the construction. The "bonds" are actual funds paid by residents of the facility and are repaid as required. The use of these "bonds" are also the subject of specific guidelines and controls.

Recommended funding options for the Kolora Aged Care Facility from Council's Chief Financial Officer:

• Federal grants	\$2,002,400
• Kolora Reserves	\$2,000,000
• Real Estate Reserve	\$1,500,000
• Loan funding unexpended as @June 201	\$1,200,000
• General Fund Allocation 17/18 budget*	\$ 400,000

Total \$7,102,400

**Alternatively allocation from the (merged Councils) Stronger Communities Fund.*

The above recommended funding options relate only to the construction of the new facility. The ongoing operational model and costs have not yet been refined. Whilst the former Guyra Shire Council commissioned several reports and engaged reputable consultants to assist and guide it through the design and operational considerations before resolving to proceed, no firm commitment, agreement or contracts have been entered into regarding the operation of the facility following its construction.

Council may be in a position to reduce the future impact on ratepayers once a decision is made in regard to the future use and/or disposal of the current Kolora facility and units. It is recommended that any surplus funds generated through the disposal of these assets are used to offset General Fund contributions toward the facility.

As such, it is recommended that Council further consider and take further advice in regard to the "management and operation" of the facility to ensure that it is operated as a commercial business with the aim of minimising the cost on ratepayers in providing this facility.

The intricate and challenging requirements associated with aged care have significantly changed in recent years and the advice is that this will continue to be the case, further supporting a strong business model to be implemented for the management of this facility.

Since the merger, preliminary discussions have been held with local firms who are considered to have some expertise in the operation and management of Aged Care Facilities. It is therefore recommended that the specific matter of the Operation and Management of the new Kolora Aged Care Facility be referred to the Guyra Aged Care Advisory Committee for their consideration and advice.

Financial Implications:

The former Guyra Shire Council identified that the construction of the new Kolora Aged Care Facility would operate in deficit and would be a cost against the General Fund. The 27 April 2015 report identifies that the *“Community had been consulted on numerous occasions”* and the report identifies that the Community *“have been positive with almost no negative feedback received”*.

Notwithstanding, proceeding with the construction of the facility will impact on General Fund and the Chief Financial Officer has recommended how best to fund the facilities construction which includes using the Real Estate Reserve established by the former Guyra Shire Council through its land development activities. The CFO also identifies that approximately \$400k will need to be budgeted for in the 2017/18 budget (General Fund) or taken from the Stronger Community Fund (if approved).

Council will need to consider the use and allocation of the funds from the current Kolora facility and units once their future use and/or disposal is determined to minimise ratepayer contributions towards the new facility and subsequent operations.

The ongoing operational model is still to be determined and this may have a further impact on annual budgets if the operations do not break even.

Environmental Implications:

There are no environmental implications with this report.

Policy Issues:

The retendering for the facility needs to occur to ensure that Council is compliant with Tendering and Procurement policies and guidelines.

Social Implications:

The new Kolora Aged Care Facility will provide a modern form of aged care for community members, the operation of the facility at or near capacity when completed will be critical.

The ongoing operations of the facility if in deficit, will impact upon the level of funds available for other community opportunities within the LGA.

Integrated Planning and Reporting Issues:

The construction of the new Kolora Aged Care Facility falls within the former Guyra Shire Council's Community Strategic Plan under the Our People element and within the Objective - *“Our Ageing & Disability” - Provide services and access to elderly residents and persons with disability*

Risk Management Issues:

The many risks associated with the ongoing Management and Operation of the facility when completed needs to be further considered to ensure that all operational and financial risks are addressed and minimised.

Funding the construction of the facility without using the “bonds” will avoid any risk associated with the use of these funds.

Legal Issues:

The retendering for the facility needs to occur to ensure that Council is compliant with the *Local Government Act 1993*.

Item: 8.1 **Ref:** AINT/2016/01709
Title: Arts & Cultural Advisory Committee - Minutes of the meeting held on 6 July 2016 **Container:** ARC16/0217
Author: Director of Planning and Environmental Services
Attachments: 1. Minutes - Arts & Cultural Advisory Committee - 06 July 2016

RECOMMENDATION:

That the Minutes of the Arts & Cultural Advisory Committee meeting held on 6 July 2016 be noted and the following recommendations endorsed:

- a) That the Arts and Cultural Advisory Committee request the stage mall sculpture be included in the Mall Vibrancy Plan.
- b) That the Arts & Cultural Advisory Committee's TOR is amended to include further representatives as listed below and endorsed.
- c) That an EOI is sought from NECOM, UNE, the Civic Advisory Committee, the Guyra locality, NE Writers Centre, Saumarez, Hoskins Centre, ACCKP, and Armidale Live for a representative to join the Arts & Cultural Advisory Committee.

Item: 8.2 **Ref:** AINT/2016/01786
Title: Traffic Advisory Committee - Minutes of the meeting held 5 July 2016
Container: ARC16/0168
Author: Director of Regional Infrastructure
Attachments: 1. Minutes - Local Traffic Committee - 05 July 2016

RECOMMENDATION:

- (a) That the Minutes of the Traffic Advisory Committee meeting held on 5 July 2016 be noted.

Shambrook Avenue

- (b) That a 50 AHEAD (G9-79) sign be installed on Shambrook Avenue for eastbound traffic.
(c) That a 50 AREA (R4-10) sign be replaced with 50 (R4-1) sign installed on Shambrook Avenue for eastbound traffic.

A Day of the Gravel 2016

- (d) That approval be granted for the Armidale Civic Precinct Committee, Day on the Gravel Special Event and the closure of Cinders Lane car park, including the smaller car park off O'Connor Place to be held Sunday 9 October 2016, from 6.30am until 5pm.

Tour de North West

- (e) That approval be granted for the Special Event Transport Management Plan for the Tour de North West to be held on Sunday 2 October 2016.

2016 Aboriginal Day Street March

- (f) That the Special Event Transport Management Plan and temporary road closures of Tingcombe Lane and Dangar Streets, moving north down Dangar Street to Moore Street, right turn to Faulkner Street and south to Rusden Street finishing at the Armidale Town Hall, Rusden Street for the NAIDOC March in conjunction with NAIDOC Week to take place on Friday 2 September 2016 at 10am, be approved in accordance with the provided Traffic Management Plan.

'No Through Road' sign on O'Connor Rd/Ross St intersection

- (g) That the request be denied for a 'No Through Road' sign on the Corner of O'Connor Rd/Ross Street.

Armidale Public School Zone Parking

- (h) That the request for parking zones for taxis close to the school's main entrance be denied.
(i) That the Ranger Team Leader be requested to discuss with the Taxi representative and discuss the School Zone parking options and provide the "Parking at Schools brochure" for the local schools.

Armidale Public School -School Zone Signage

- (j) That speed counts be undertaken in Faulkner Street and reported back to the August Traffic Advisory Committee meeting.

Longswamp Road - Minimbah School Zone

- (k) That Council prepare a LATM for the Minimbah School Zone area.

Request to open Faulkner Street to traffic off Erskine Street

- (l) That Council advise the resident, that the request is denied as the Faulkner Street turn is located on a bend and investigations show that traffic speeds and numbers are low.

School Zone - Taylor Street

- (m) That speed counts be undertaken around the Ben Venue School Zone in Taylor Street during and after the current construction has taken and be reported back to a future meeting.

Moore Street Shared Loading/Parking Zone

- (n) That the Moore Street shared Loading/Parking sign be removed and replaced with 2 x 15 minute parking zones.

Arboretum Carpark

- (o) That the current barriers in the parking area be extended to prevent access to and from Kentucky Street.

Item: 8.3 **Ref:** AINT/2016/02420
Title: Audit and Risk Committee - Minutes of the meeting held 27 June 2016
Container: A10/4868
Author: General Manager
Attachments: 1. Minutes Audit and Risk Committee Meeting 27 June 2016

RECOMMENDATION:

That the Minutes of the Audit and Risk Committee meeting held on 27 June 2016 be noted and the following recommendations endorsed:

- a) **That the current committee composition endorsed by Council on 15 June 2016, be noted.**
- b) **That Expressions of Interest be called for independent members with either engineering, legal & accounting and risk management experience and qualifications.**
- c) **That the Audit and Risk Committee Charter be reviewed, in light of the council merger, and a revised draft be submitted to the next Committee Meeting for consideration.**
- d) **That the committee composition be increased to six (6) members with a minimum of four (4) members and a quorum be two (2) members.**
- e) **That meetings be scheduled for 23 August and 18 October 2016.**
- f) **That five (5) meetings be held each year in March, May, August, November and in September/October for external audit reporting.**
- g) **That the Strategic Internal Audit Plan for the years 2016/17, 2017/18 and 2018/19 be amended to include the Stronger Communities Fund – Community Fund Grant Award Processes and Major Projects Program.**
- h) **That the status report on the implementation of the recommendations of Internal Audit Reports 2013/14 and 2014/15 be noted.**