



RICHMOND VALLEY COUNCIL

Minutes

Extraordinary Meeting

Tuesday, 24 May 2011

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MINUTES OF THE EXTRAORDINARY MEETING OF RICHMOND VALLEY COUNCIL, HELD IN THE COUNCIL CHAMBERS, CNR WALKER STREET AND GRAHAM PLACE, CASINO, ON TUESDAY, 24 MAY 2011 AT 9.00 A.M.

PRESENT

Crs. C.J. Sullivan (Mayor), C.J. Cox, O. Crawford, S.A. George, B.J. Jeffery, D.A. Kinnish, S.E. Morrissey, R.A. Mustow and S.N. Wheatley.

The General Manager, Director Corporate Services, Director Works, Director Environmental Development Services, Manager Finance, Management Accountant and Executive Assistant (Roslyn Townsend) were also in attendance.

1 APOLOGIES

Nil.

2 DECLARATION OF INTERESTS

Nil.

3 REPORTS

3.1 INTEGRATED PLANNING AND REPORTING

Reference: Corporate Management - Planning, Reporting; Financial Management - Budgeting, Fees and Charges, Planning

Prepared by: General Manager

Background

On 12 April 2011 Council adopted Resourcing Strategy documents and also Draft Integrated Planning and Reporting (IPR) documents for public exhibition purposes.

The IPR documents (Community Strategic Plan, Delivery Program/Operational Plan) were placed on public exhibition for 28 days from 14 April to 12 May 2011.

Council also resolved to provide information to the Northern Co-operative Meat Company in relation to their offer on water pricing.

Report

Issues

This report provides information in regard to public submissions received during the exhibition period and also of proposed changes to the draft documents (so that they can be finalised by Council).

It needs to be noted in considering this report that whilst they were included in documents placed on public exhibition, the Resourcing Strategy (including the Asset Management Plans, Workforce Management Strategy and Long Term Financial Plan) has already been adopted by council. Copies of the proposed Community Strategic Plan, Delivery Program/Operational Plan and related Appendices have been provided separately to Councillors.

A summary of the submissions received by Council and also other issues relating to the IPR documents is as follows:

1. Community Strategic Plan

- *Volunteer Strategies;* it needs to be noted by Council that from 1 January 2012 a new Work Health and Safety Act will apply in NSW (and other States/Territories). It is understood that one of the significant changes (from current legislation) that will apply is that the meaning of "worker" will include volunteers. Therefore there will be increased requirements for the utilisation of volunteers by Council. The specific impacts/requirements are still to be ratified, however, the issues will need to be dealt with when the legislation is finalised.
- *Linkages/Cross Reference between Strategies;* throughout the Community Strategic Plan (and the Delivery Program/Operational Plan) there are overlaps and related issues between the focus areas. In the case of the Delivery Program/Operational Plan document, some specific references have been made to related items. As various actions are taken it is anticipated that there will be more cross linkages identified between the various focus areas. Rather than making the respective documents more complex through more specific cross referencing, additional statements have been included in both documents so that there is an acknowledgement that strategies/actions can be related and impact on one another.

Taking such action is based on the intent that a corporate/whole of organisation approach is required and will be taken when the progression of actions in various focus areas is being assessed, i.e. it is intended that when reporting on the progress of the various actions that staff from across the organisation will be involved (not just those having the identified responsibilities for various actions).

- *Aboriginal Advisory Committee;* requested that the capital 'A' be used for Aboriginal and that the document include some reference to Cross Cultural Awareness Training for Staff and regarding the Memorandum of

Understanding (MOU) between Council and Aboriginal organisations. The IPR documents have been amended to provide for the Capital 'A'. References to the Cross Cultural Awareness Training and MOU have been emphasised as part of the Delivery Program/Operational Plan documents.

- *Richmond Valley Ratepayers and Residents Association Inc;* the following summary is provided on the issues raised in this submission:
 - the community should have had the final say on priorities and whether they want them to be funded by higher rates or grants
 - CSP is being rushed through without further consultation (similar to LEP)
 - when consulting and giving the community reports on previous meetings, the wording needs to reflect the comments made at the meeting (not what Council thinks or wants)
 - questions whether Minister was informed about the "No" from special rate variation meetings and stated that community cannot afford the increase
 - water and sewerage rates should be included so the community know all the facts
 - community feel that they are not receiving value for money
 - what has Council done to keep costs down - referral to cars, General Manager's salary
 - Raised potential impact of water pricing on Northern Co-operative Meat Company. People and business issues and concerns are being treated with contempt by Council.
 - Council has to be more business like by bringing projects in on budget, not sell off assets under market value
 - referral to delays in drainage and road works
 - indicated double dipping by Council in respect to Rail/Gas Project Manager grant funding
 - Leadership not being shown by Councillors, General Manager has too much say
 - streets and garbage bins need to be cleaned up and more public conveniences provided
 - recognised Council involvement in trying to get 24 hour policing as well as working on ways to keep the community informed
- *D Kinnish;* a copy of this submission has been circulated separately to each Councillor. The submission makes comment on the IPR processes undertaken, particularly in regard to the non involvement of the community in priorities and the resourcing strategy.
- *Evans Head Memorial Aerodrome Committee Incorporated;* a copy of this submission has been circulated separately to each Councillor. The submission provides comment under the following headings:

- Planning process not environmentally sustainable
- Rural Residential is not a rating category
- Rating Structure as proposed in Appendix B is unfair and does not meet S8 of the Local Government Act
- Community Strategic Planning Process has failed to meet Council's Brief
- Council needs to raise rates as they are only a small percentage of total income?
- Asset Management Plans are flawed
- No integration on Planning Process
- Evans Head Airport Reserve

There is also a section Concluding Comments which relates to the abovementioned issues.

2. Delivery Program/Operational Plan

- *Revenue Policy (Fees and Charges)*

Two submissions were received in regard to the per person charge for the Casino Civic Hall hire. The submissions (from the Casino Dance Academy) indicate that whilst these charges have been in the fee structure previously, they have not been previously applied prior to 2010. The application of same had the impact of increasing their hire costs significantly (from \$1,180 in 2009 to \$2,886 in 2010). It was requested that Council delete the fee. It was also requested that Casino Dance Academy be a permanent booking at the Civic Hall in the first two weeks of December.

The Management Agreement for the Civic Hall/Sports Stadium Complex states that the contractor shall have the right to derive income from the application of fees and charges for hire of facilities within the complex according to the schedule of fees adopted by Council. Any changes to the schedule of fees are to be advised in writing. Accordingly, the contractor was advised of the submissions received and asked to respond to the matters raised. The input received from the contractor is as follows:

"One proposal is to delete the charge for the additional persons (past 100 people) for the daily hire and nightly hire of the facilities for large groups of people. This fee is used when there are large productions and as a concession the user groups receive a free matinee performance and two free rehearsals in order to compensate for this addition [sic] charge. If the additional charge is to be deleted then I only see it fit that the FREE rehearsals and matinee also be deleted as the daily fee on its own does not quantify the use of facilities and use of electricity for the entire facilities during these FREE sessions of use. The hire would not be financially viable for the managers now or in the future if only the additional person charge was deleted and not the FREE sessions. Personally I believe that if all user groups are aware of the charges when they book the facilities, then these charges can be budgeted for in their fees and charges for those attending the performances.

The second proposal before the Council at this time is to introduce a permanent booking of the Civic Hall for the first two weeks in December every year for the Casino Dance Academy Christmas Concert. As per the current lease agreement between Richmond Valley Council and myself, I am asked within this document to show preference for certain uses of the facilities, however not for certain users, except for Council elections, ANZAC day celebrations, etc. By providing a permanent booking for only two weeks a year, I believe this would be showing a preference for a user group as well as putting the regular users of the facilities, that patronise the Council facilities week in and week out, at a disadvantage for optimum hiring time of the hall. We give bookings to first in, first served and manage the facilities as best we can under the lease agreement between the Council and ourselves. Wherever possible adjustments are already being made to regular users of the facilities to make way for others when they need the facilities and since taking over the management of the facilities 2 years ago there have not been conflicts of groups for time in the halls that could not be adjusted to make all users happy. Last year for example the regular user of the Civic Hall happily rearranged her regular booking times and location to allow access for the Casino Dance Academy to utilise the Civic Hall when required. Not only do I feel that any changes would change the lease agreement, I also feel that regular user groups would be less likely to use us if they know they CANNOT access the Civic Hall all year round and would also make them less flexible during these busy times of the year, making amendments to their schedule for others."

In view of the above, the following changes have been made to the Draft Revenue Policy (page 34):

- the per person charges be deleted
- the stage production free rehearsals and matinee performance be deleted
- the booking schedule for the Civic Hall remain as per the current agreement

The following amendments have been made to the Revenue Policy due to additional information received/further consideration of issues:

- Page 18; Section 603 Certificate charges amended to \$65 (and \$130 urgent) as a result of Division of Local Government Circular 11-06.
 - Page 34; inclusion of interim charges Casino Community and Cultural Centre.
 - Page 74; amendment to Water Meter Testing to show "pay in advance and refund if over reading >3%".
 - Page 76; inclusion of revised Erection of Street Banner fees.
- *Revenue Policy (Water Charges)*

The NSW Sugar Milling Cooperative has advised that they "*totally reject the concept of 'location based pricing' on the basis that it is inconsistent with Council's current principle of Council Wide Pricing for water and sewerage services.*" The submission indicates that the Company has introduced

Continuous Improvement principles to all their sites and that one of the projects at the Broadwater Mill is to significantly reduce town water useage.

In the previous discussions with the Northern Co-operative Meat Company (NCMC) regarding the proposed pricing structure charges, it was requested that Council consider not applying any revised pricing for a period of time equivalent to that period of time between when NCMC requested Council to advise if it would accept its revised offer (\$0.74 per kilolitre), i.e. by 11 April 2011 and when the final determination on the water pricing structure for 2011/2012 is made, i.e. on 24 May 2011. This is effectively a period of six weeks. Based on 2009/2010 consumption figures, the cost of providing such a reduction would be in the order of \$102,600 for NCMC and \$121,500 if applied to all food producers. It is difficult to substantiate the rationale for this request as the inability of Council to provide the final outcome on the issue is controlled by legislative requirements and NCMC have already advised that they have made their decision to proceed with the construction of their own water treatment plant.

Whilst a further specific submission on the water pricing structure has not been received from NCMC, recent correspondence dated 11 May 2011 has indicated that they still support a location based pricing model. As Council would be aware, the two location based pricing reports received previously do not support a pricing structure at the levels that exist in 2010/2011.

The pricing structure advertised by Council for 2011/2012 was identified as an alternative to location based pricing as both the models considered for same had the potential to create other issues.

Richmond Dairies have also provided a submission that states the following:

- that it can understand the reason for Council moving to a uniform pricing structure
- requesting consideration of the financial implications on Food Producers of the change
- suggesting a formal facilitated process to be firstly implemented to allow for the development and implementation of strategies for reduction in water consumption
- suggested linkages to water conservation projects and the involvement of the NSW Department of Industry and Development
- that the current pricing structure (with provision for an annual CPI review) be retained while above occurs.

The approach from Richmond Dairies has some merit; however, it is considered that same should not require Council to not proceed with implementing the proposed pricing structure. In that regard, discussions have been arranged with the Department of Industry and Investment in relation to how they can facilitate assistance to those in the current Food Producer category.

As Council would be aware, the water pricing issue received considerable media coverage and Council made it clear as part of same that the community had the opportunity to comment on the issue. There has been little input/feedback on the issue.

- *Explanatory Components*

Page 6 of the explanatory section of the document has been amended to include more information in regard to the responsibility references in the various focus areas.

- *Actions*

The Actions for Strategy 3.3.3 - Page 37 (Record and Recognise Local Aboriginal history) have been amended to include specific reference to Cross Cultural Awareness Training. Reference to Memorandum of Understanding was already included.

Other minor typographical amendments have been made throughout the document.

3. Resourcing Strategy

A request has been received from the Stan Payne Memorial Oval Committee seeking that toilet cleaning at the Stan Payne Oval be amended to Mondays and Fridays (in lieu of Tuesday and Thursdays) to better accord with useage of the facility. This has been referred to staff for follow up in future revisions of the Asset Management Plans.

Consultation

The required consultation in relation to the draft IPR documents has been undertaken with the outcome of same included in this report for consideration by Council.

In that regard, in addition to advertising in the media and via Council's website, the IPR documents and related issues have been subject of presentation to the Community Network Groups and also various Council Advisory Committees/ Working Groups.

A total of 10 submissions were received in respect to the IPR documents and the issues raised in same have been included in this report.

Strategic Links

The IPR documents have been prepared in accordance with the legislative provisions and associated guidelines. The various documents have an integrated approach through their respective contents and intent.

Financial Implications

The basis of Council's IPR documents has been focussed on continuing the status quo with a view to Council having further engagement with the community regarding future revenue sources, financial planning, project priorities and the like.

It is a concern that there is a proposed budget deficit of \$571,392 for 2011/2112; however, as has occurred in the past two years, it is proposed to reduce that deficit throughout the year by operational savings. Nevertheless, Council needs to be clear that the longer term sustainability of Council needs to be addressed as soon as possible.

Conclusion

Overall the submissions received by Council have not suggested specific changes to the Integrated Planning and Reporting (IPR) documents. Proposed changes/amendments have been included in this report and the proposed final documents that have been circulated to Councillors. It is considered that Council should endorse/adopt the documents.

RECOMMENDATION

Recommended that:

1. In accordance with the provisions of the Local Government Act 1993 and the Local Government (General) Regulation 2005, Council adopt the 2011/2015 Delivery Program (including Financial Estimates), 2011/2012 Operational Plan (including Revenue Policy Part I and Part II) and the Community Strategic Plan 2011/2024 (as presented to the meeting and incorporating any proposed actions and amendments).
2. In respect of the general land rates contained in the 2011/2012 Revenue Policy, Council in accordance with Sections 535 to 537 of the Local Government Act 1993 make the following general rates for the 2011/2012 financial year.
 - If Council's application for a special rate variation is not approved:
 - (a) Residential – a base amount of \$310.00 yielding 46.80% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00290.
 - (b) Rural Residential – a base amount of \$240.00 yielding 44.68% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00178.
 - (c) Business – a base amount of \$360.00 yielding 19.33% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00901.
 - (d) Farmland – a base amount of \$360.00 yielding 33.83% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00189.

- If Council's application for a special rate variation is approved:
 - (a) Residential – a base amount of \$310.00 yielding 45.38% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00307.
 - (b) Rural Residential – a base amount of \$240.00 yielding 43.33% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00188.
 - (c) Business – a base amount of \$360.00 yielding 18.75% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00936.
 - (d) Farmland – a base amount of \$360.00 yielding 32.80% of the general rate income for this rating sub-category plus an ad valorem rate of \$0.00197.
- 3. Council make representations to the NSW Government and/or Federal Government in regard to the impact of the water pricing structure on businesses in the current Food Producer category and seek assistance for same in regard to water conservation and/or financial assistance.

240511/ 1 RESOLVED (Cr. Mustow/Cr. Jeffery)

That the above recommendation be adopted.

Further, that in respect to the Revenue Policy Part II (Operational Plan), the contribution to Richmond River County Council be reduced from \$235,300 to \$185,300.

FOR VOTE - Cr. Sullivan, Cr. Cox, Cr. Crawford, Cr. George, Cr. Jeffery, Cr. Morrissey, Cr. Mustow, Cr. Wheatley
AGAINST VOTE - Cr. Kinnish

Note: A copy of the adopted 2011/2015 Delivery Program (including Financial Estimates), 2011/2012 Operational Plan (including Revenue Policy Part I and Part II) and the Community Strategic Plan 2011/2024 was attached to the archived Minutes of this Meeting.

The Meeting closed at 9.21 a.m.

CONFIRMED - 21 June 2011

CHAIRMAN