

Richmond  
Valley  
Council



# **AGENDA**

## **Ordinary Council Meeting**

**I hereby give notice that an Ordinary Meeting of Council will be held on:**

**Date: Tuesday, 16 April 2019**

**Time: 5.00 pm**

**Location: Council Chambers  
10 Graham Place, Casino**

**Vaughan Macdonald  
General Manager**

**THIS PAGE IS  
INTENTIONALLY LEFT BLANK**

**ORDER OF BUSINESS**

|           |   |           |
|-----------|---|-----------|
| <b>1</b>  | <b>ACKNOWLEDGEMENT OF COUNTRY.....</b>  | <b>5</b>  |
| <b>2</b>  | <b>PRAYER.....</b>  | <b>5</b>  |
| <b>3</b>  | <b>PUBLIC ACCESS AND QUESTION TIME .....</b>  | <b>5</b>  |
| <b>4</b>  | <b>APOLOGIES .....</b>  | <b>5</b>  |
| <b>5</b>  | <b>MAYORAL MINUTES.....</b>   | <b>5</b>  |
|           | Nil   |           |
| <b>6</b>  | <b>CONFIRMATION OF MINUTES .....</b>  | <b>6</b>  |
| 6.1       | Minutes Ordinary Meeting held on 19 March 2019 .....  | 6         |
| 6.2       | Minutes Extraordinary Meeting held on 28 March 2019 .....   | 7         |
| <b>7</b>  | <b>MATTERS ARISING OUT OF THE MINUTES .....</b>   | <b>8</b>  |
| <b>8</b>  | <b>DECLARATION OF INTERESTS .....</b>   | <b>8</b>  |
| <b>9</b>  | <b>PETITIONS.....</b>   | <b>8</b>  |
|           | Nil   |           |
| <b>10</b> | <b>NOTICE OF MOTION .....</b>   | <b>8</b>  |
|           | Nil   |           |
| <b>11</b> | <b>MAYOR'S REPORT .....</b>   | <b>9</b>  |
| 11.1      | Mayor's Attendances 13 March - 8 April 2019 .....   | 9         |
| <b>12</b> | <b>DELEGATE'S REPORTS.....</b>  | <b>10</b> |
|           | Nil   |           |
| <b>13</b> | <b>MATTERS DETERMINED WITHOUT DEBATE .....</b>  | <b>10</b> |
| 13.1      | Matters to be Determined Without Debate.....  | 10        |
| <b>14</b> | <b>GENERAL MANAGER'S REPORTS .....</b>  | <b>11</b> |
| 14.1      | Draft Code of Meeting Practice .....  | 11        |
| 14.2      | Northern Rivers Livestock Exchange Business Update and 2019/2020 Fees<br>and Charges .....            | 14        |
| <b>15</b> | <b>FINANCIAL REPORTS .....</b>  | <b>27</b> |
| 15.1      | Financial Analysis Report - March 2019 .....  | 27        |
| <b>16</b> | <b>TENDER REPORTS.....</b>  | <b>33</b> |
| 16.1      | Tender RVC-847625 - Construct Shared Pathway on Bruxner Highway and on<br>Summerland Way, Casino..... | 33        |
| 16.2      | Supply and Delivery of Stationery .....   | 37        |
| 16.3      | Supply and Delivery of Water Meters - REGPRO191819 .....  | 41        |
| <b>17</b> | <b>GENERAL BUSINESS .....</b>   | <b>44</b> |
| 17.1      | Unsealed Roads Maintenance Funding.....   | 44        |
| 17.2      | Amendments to Operation of the Local Heritage Grants Scheme .....                                     | 46        |
| <b>18</b> | <b>MATTERS FOR INFORMATION .....</b>  | <b>49</b> |
| 18.1      | Customer Service Report - Quarterly update 1 January 2019 to 31 March<br>2019.....                    | 49        |

|           |   |           |
|-----------|---|-----------|
| 18.2      | Grant Application Information Report - March 2019.....  | 54        |
| 18.3      | Development Applications determined under the Environmental Planning and Assessment Act for the period 1 March 2019 to 31 March 2019..... | 62        |
| 18.4      | Tender RA315920RVC Electricity Reverse Auction - Contestable Sites and Street Lighting (Unmetered) .....                                  | 69        |
| 18.5      | Correspondence Submitted to April 2019 Ordinary Meeting .....   | 77        |
| <b>19</b> | <b>QUESTIONS ON NOTICE .....</b>  | <b>81</b> |
|           | Nil   |           |
| <b>20</b> | <b>QUESTIONS FOR NEXT MEETING (IN WRITING).....</b>   | <b>81</b> |
| <b>21</b> | <b>MATTERS REFERRED TO CLOSED COUNCIL .....</b>   | <b>82</b> |
| 21.1      | General Manager's Annual Performance Review for Period Ending February 2019.....  | 82        |
| <b>22</b> | <b>RESOLUTIONS OF CLOSED COUNCIL .....</b>  | <b>83</b> |

**1 ACKNOWLEDGEMENT OF COUNTRY**

The Mayor will provide an Acknowledgement of Country by reading the following statement on behalf of Council:

*"Richmond Valley Council recognises the people of the Bundjalung Nations as Custodians and Traditional Owners of this land and we value and appreciate the continuing cultural connection to lands, their living culture and their unique role in the life of this region in the past, present and future."*

**2 PRAYER****3 PUBLIC ACCESS AND QUESTION TIME****4 APOLOGIES****5 MAYORAL MINUTES**

Nil

**6 CONFIRMATION OF MINUTES**

**6.1 MINUTES ORDINARY MEETING HELD ON 19 MARCH 2019**

**Author:** Vaughan Macdonald, General Manager

**RECOMMENDATION**

That Council confirms the Minutes of the meeting held on 19 March 2019.

**ATTACHMENT(S)**

- 1. Ordinary Minutes 19 March 2019 (under separate cover)**

**6.2 MINUTES EXTRAORDINARY MEETING HELD ON 28 MARCH 2019**

**Author: Vaughan Macdonald, General Manager**

**RECOMMENDATION**

That Council confirms the Extraordinary Minutes of the meeting held on 28 March 2019.

**ATTACHMENT(S)**

- 1. Minutes Extraordinary Meeting 28 March 2019 (under separate cover)**

**7        MATTERS ARISING OUT OF THE MINUTES**

**8        DECLARATION OF INTERESTS**

(Councillors to specify details of item and nature of interest)

**9        PETITIONS**

Nil

**10       NOTICE OF MOTION**

Nil



**11 MAYOR'S REPORT****11.1 MAYOR'S ATTENDANCES 13 MARCH - 8 APRIL 2019**

**Author:** Robert Mustow, Mayor

**RECOMMENDATION**

That Council receive and note the Mayor's attendance report 13 March – 8 April 2019.

**REPORT****March**

- 13<sup>th</sup> Meeting with Chris Gulaptis MP
- 14<sup>th</sup> Meeting with Independent Candidate, Debra Novak
- 14<sup>th</sup> Meeting with NRJO Executive Officer, Isabel Perdriau
- 19<sup>th</sup> Coraki CWA Hall renovations - official opening by Chris Gulaptis
- 19<sup>th</sup> NSW Premier Community Service Award to Stuart George
- 19<sup>th</sup> Richmond Valley Council Ordinary meeting
- 20<sup>th</sup> Rous County Council briefing/workshop
- 21<sup>st</sup> Meeting with Evans Head Men's Shed
- 21<sup>st</sup> Meeting with Evans Head Aviation/Air Museum
- 26<sup>th</sup> Councillor Workshop
- 27<sup>th</sup> Launch of Seed Library at Casino Library
- 28<sup>th</sup> Richmond Valley Council Extraordinary meeting
- 29<sup>th</sup> LWU Policy Advisory Group quarterly meeting (phone hook-up)
- 29<sup>th</sup> Rotary District Conference at Lismore

**April**

- 2<sup>nd</sup> Councillor Information Session
- 3<sup>rd</sup> Meeting with Independent Candidate for Page Fiona Leviny
- 6<sup>th</sup> Fire and Rescue – Casino Fire Station Centenary Celebration
- 6<sup>th</sup> Relay for Life Casino
- 7<sup>th</sup> Relay for Life Casino
- 8<sup>th</sup> Woodburn Chamber of Commerce Meeting

**ATTACHMENT(S)**

**Nil**

**12 DELEGATE'S REPORTS**

Nil

**13 MATTERS DETERMINED WITHOUT DEBATE**

Each Councillor is given the opportunity to indicate which items they wish to debate or question. Item numbers identified for debate or questioning will be read to the Meeting.

Following identification of the above items a motion will be moved in regard to the balance of items being determined without debate.

**13.1 MATTERS TO BE DETERMINED WITHOUT DEBATE****RECOMMENDATION**

That items identified be determined without debate.

## **14 GENERAL MANAGER'S REPORTS**

### **14.1 DRAFT CODE OF MEETING PRACTICE**

**Author:** Deborah McLean, Manager Governance & Risk

#### **EXECUTIVE SUMMARY**

Amendments made to the *Local Government Act 1993* (LGA) in August 2016 by the *Local Government Amendment (Governance and Planning) Act 2016* provide for a model code of meeting practice (Model Meeting Code) to be prescribed by the Regulation.

Following an extensive consultation process, a Model Meeting Code has been prescribed under the *Local Government (General) Regulation 2005* (the Regulation) and the existing meetings provisions of the Regulation have been repealed. The Model Meeting Code contains mandatory and non-mandatory provisions.

In response, the Richmond Valley Council Draft Model Code of Meeting Practice (Draft Meeting Code) was prepared and presented at the April 2019 Councillor Information Session. The Draft Meeting Code contains the mandatory provisions as well as a number of non-mandatory and supplementary provisions.

Council must adopt a code of meeting practice that incorporates the mandatory provisions of the Model Meeting Code no later than 12 months after the next ordinary council elections.

#### **RECOMMENDATION**

That

1. Council exhibit the Richmond Valley Council Draft Model Code of Meeting Practice for at least 28 days and provide members of the community at least 42 days in which to comment.
2. Council consider community feedback at the completion of the exhibition period and prepare a final Richmond Valley Council Model Code of Meeting Practice for adoption at the June 2019 Ordinary Meeting.

#### **DELIVERY PROGRAM LINKS**

Making Council Great

CS1: Leading and Advocating for our Community

CS1.3: Ensure transparency and accountability in council's operations

#### **BUDGET IMPLICATIONS**

Not applicable.

#### **REPORT**

At the 29 January 2018 Councillor Information Session, the draft Model Code of Meeting Practice for Local Councils in NSW was presented to Council for feedback as part of the consultation process.

A summary of the mandatory and non-mandatory provisions which were new or changed, and a summary of provisions from the current Code of Meeting Practice not included in the draft were provided.

The Model Code of Meeting Practice has now been prescribed (14 December 2018) and in response a Draft Meeting Code has been prepared.

Councils are required to adopt a code of meeting practice that incorporates the mandatory provisions of the Model Meeting Code prescribed by the Regulation. A council's adopted meeting code must not contain provisions that are inconsistent with the mandatory provisions.

Council's adopted meeting code may also incorporate the non-mandatory provisions of the Model Meeting Code and any other supplementary provisions adopted by Council.

Council and committees of councils of which all the members are councillors must conduct their meeting in accordance with the code of meeting practice adopted by the council.

The Draft Model Meeting Code attached under separate cover contains mandatory, non-mandatory and supplementary provisions.

- The mandatory provisions are in accordance with the LGA and the Regulation. They mirror most of the provisions in the current Richmond Valley Council Code of Meeting Practice (2013) (the 2013 Meeting Code).
- The non-mandatory provisions are optional provisions included in the Model Meeting Code.
- The supplementary provisions aim to capture those provisions in the 2013 Meeting Code which are not included in either the mandatory or non-mandatory Model Meeting Code.

Councils must adopt a code of meeting practice that incorporates the mandatory provisions of the Model Meeting Code no later than 12 months after the next ordinary council elections. Councils' adopted codes of meeting practice may also incorporate the non-mandatory provisions of the Model Meeting Code and other supplementary provisions, provided they are not inconsistent with the mandatory provisions.

Until a council adopts a new code of meeting practice, its existing code of meeting practice will remain in force up until six months from the date on which the new Model Meeting Code was prescribed (14 December 2018 – 14 June 2019). If a council fails to adopt a new code of meeting practice within this period, any provisions of the council's adopted meeting code that are inconsistent with the mandatory provisions of the Model Meeting Code will automatically cease to have any effect to the extent that they are inconsistent with the mandatory provisions of the Model Meeting Code.

In addition, irrespective of whether councils have adopted a code of meeting practice based on the Model Meeting Code, all councils will be required to webcast meetings of the council and committees of which all members are councillors from 14 December 2019. The webcasting requirement may be met simply by posting an audio or video recording of the meeting on the council's website.

In the draft Model Meeting Code, mandatory provisions are indicated in black font, non-mandatory provisions are indicated in red font and supplementary provisions are indicated in green font.

## **CONSULTATION**

In response adopting a new code of meeting practice, under section 361 of the LGA, councils are required to exhibit a draft of the code of meeting practice for at least 28 days and provide members of the community at least 42 days in which to comment on the draft code.

## **CONCLUSION**

In response to the new Model Meeting Code a Draft Richmond Valley Council Model Code of Meeting Practice has been prepared for the consideration of Council. The Draft Meeting Code has been prepared in accordance with the Regulation. It contains the mandatory provisions prescribed in the Regulations, together with non-mandatory and supplementary provisions. It is proposed that Council adopt the Draft Meeting Code and place on public exhibition for a minimum

of 28 days and provide members of the community at least 42 days to comment prior to finalising and adopting a Final Richmond Valley Council Model Code of Meeting Practice at the 25 June Ordinary Meeting.

**ATTACHMENT(S)**

1. **Draft Richmond Valley Council Model Code of Meeting Practice (2019) (under separate cover)**

**14.2 NORTHERN RIVERS LIVESTOCK EXCHANGE BUSINESS UPDATE AND 2019/2020 FEES AND CHARGES**

**Author:** Bradley Willis, NRLX Redevelopment & Operations Manager

**EXECUTIVE SUMMARY**

As the completion of the \$14 million upgrade draws closer, the newly branded Northern Rivers Livestock Exchange (NRLX) is an emerging business working to establish itself as a major competitor in the livestock trading market across Northern NSW, with significant time and hard work invested in redefining the NRLX as a business over the past few years. In June 2018 a Redevelopment and Operations Manager was appointed to the NRLX with the aim of continuing to develop the NRLX as a competitive and commercial enterprise that is financially sustainable and supports the economic prosperity of the Richmond Valley community.

As part of the strategic approach taken to NRLX operations, it is advantageous to finalise the 2019/2020 fee structure at the earliest opportunity to provide stability and confidence to key stakeholders, such as vendors and agents. It is vital for NRLX to demonstrate its commitment to existing stakeholders as a competitive growth focused operation that is willing to pursue new business and opportunities by adapting to a changing and in recent times often volatile marketplace.

In addition to the NRLX's growth strategies, it is also imperative to demonstrate a commitment of supporting the local agriculture sector following a prolonged and difficult drought. Providing stability to the fee structure at this time and making this decision early will be of great significance to all NRLX stakeholders.

**RECOMMENDATION**

That

1. Council notes the content of the report and provides approval for the following fees to remain at the same level as in 2018/19 and be included in the 2019/20 Draft Revenue Policy:
  - Agent Business Licence Fee of \$10,500
  - Agent Business Usage Fee of \$0.75 per head
  - Vendor Usage Fee of \$10.80 per head
  - Vendor Capital Levy of \$2.05 per head
2. Council notes that the other fees as set out in the attached schedule will be included in the 2019/20 Draft Revenue Policy for consultation.

**DELIVERY PROGRAM LINKS**

Growing our Economy

EC1: Driving Economic Growth

EC1.1: Review Council's existing businesses and investigate further business opportunities

**BUDGET IMPLICATIONS**

The NRLX program result for 2019/20 sees an Operating Cash result of \$273,083 with an Operating Result after depreciation of a deficit of \$188,927. Depreciation has increased due to the investment of \$14 million into the facility. However, the forward years 2020/2021 – 2022/2023 sees the Operating Result move into surplus which achieves a positive financial result with depreciation

being fully funded. (See attachment 1 for the NRLX Operational Plan 2019/20 Budget Summary and Forward Financial Estimates.)

## **REPORT**

The NRLX is positioning itself as a major competitor in the livestock trading market for Northern NSW and it is important that NRLX is able to position itself as a true commercial competitor in the cattle sales process. The investment made in the NRLX infrastructure delivers outstanding results for Animal Welfare, Workplace Health and Safety and greatly improves facilities for all stakeholders, which is an exceptional foundation to develop and build the business as an enterprise that delivers consistent, genuine service and value for all stakeholders.

### ***Operational improvements***

It is important to note the NRLX is working diligently and embracing innovation and technology developments as a core strategy for future growth. The operations of NRLX are actively researching, developing and implementing modern saleyard processes for improved efficiency, accuracy and safety. As part of this implementation NRLX has made significant operational changes in the past year by modernising our saleyard processes, which have been of operational significance to the agents and their employees.

### ***Stage Two Construction***

The construction has presented operational challenges which may have impacted on throughput numbers at times. Stakeholders have been co-operative through the Stage 2 construction period which has imposed significant constraints at times. They have been actively involved in staging construction programs, providing input to operational requirements for sales while also being open to the importance of advancing construction to enable both processes to continue. This process has been beneficial to the relationship with the agents and communication has generally been cohesive.

### ***Beef Marketplace***

The 2017/2018 throughput summary from Meat & Livestock Australia (MLA) was included in the December financial report. This information is included again to highlight the significant reduction in throughput for NRLX compared with the remainder of NSW saleyards. This information is a point of significance that must be considered in positioning NRLX as a competitive and viable business that can deliver value for all stakeholders.

The key points for NRLX from the MLA Survey:

- NRLX has dropped from 4<sup>th</sup> to 6<sup>th</sup> for the year recording a 23% reduction in throughput.
- NRLX is one of two saleyards in the top 15 to record a decrease in numbers for 2017/2018. Maitland at number 14 only had 0.7% decrease. Grafton being a neighbouring yard at number 16 had a similar reduction at 25%.
- 12 of the top 15 Saleyards in NSW recorded growth in excess of 15%.
- As a state NSW saleyard numbers increased by 8.2%.
- Four of the top ten yards in NSW are privately owned.
- The numbers for NSW clearly demonstrate the trend of smaller saleyards becoming smaller and/or obsolete. This trend reinforces council's decision to invest in NRLX as the major Livestock Exchange for Northern NSW.
- NRLX throughput is completely against the trend of major saleyards in NSW and this is a significant indication that the business and reputation require operational, business and customer service improvements that we are addressing and working hard to improve.
- Increased direct sales between processors and producers along with increased sales between producers.

These numbers support that NRLX needs to remain financially competitive to retain market share and throughput numbers. Based on the Operational Review conducted in 2018 by Kattle Gear the

reviewer states that of the 21 producers surveyed the respondents sold an average of 302 head each through NRLX each year. However, the respondents also stated that NRLX only processed an average of 76% of their stock with the remainder being sold via direct consignment or through the paddock. If we apply the same calculation across the existing 2017/2018 throughput of 92,010 for NRLX, then we have missed 29,055 head of the available 121,065 available for processing.

The 29,055 equates to the following potential lost income:

| Income type               | Price  | Throughput | Totals Ex GST |
|---------------------------|--------|------------|---------------|
| Vendor usage Ex GST       | \$9.82 | 29055      | \$285,320.10  |
| Capital works levy Ex GST | \$1.86 | 29055      | \$54,042.30   |
| Agent Fees ex GST         | \$0.00 | 0          | \$0.00        |
| Agent Business Usage Fee  | \$0.68 | 29055      | \$19,757.40   |
|                           |        |            |               |
|                           |        |            | \$359,119.80  |

On completion of construction, the NRLX Redevelopment and Operations Manager will have more capacity to focus his efforts on attracting more of these 29,055 head to be sold at the NRLX.

### **Online Auctions**

Online auctions are a significant threat to growing the NRLX business, however we are building the infrastructure to enable this platform to be offered from our facility. Notwithstanding that we are not currently in this field the information below demonstrates the attraction to producers.

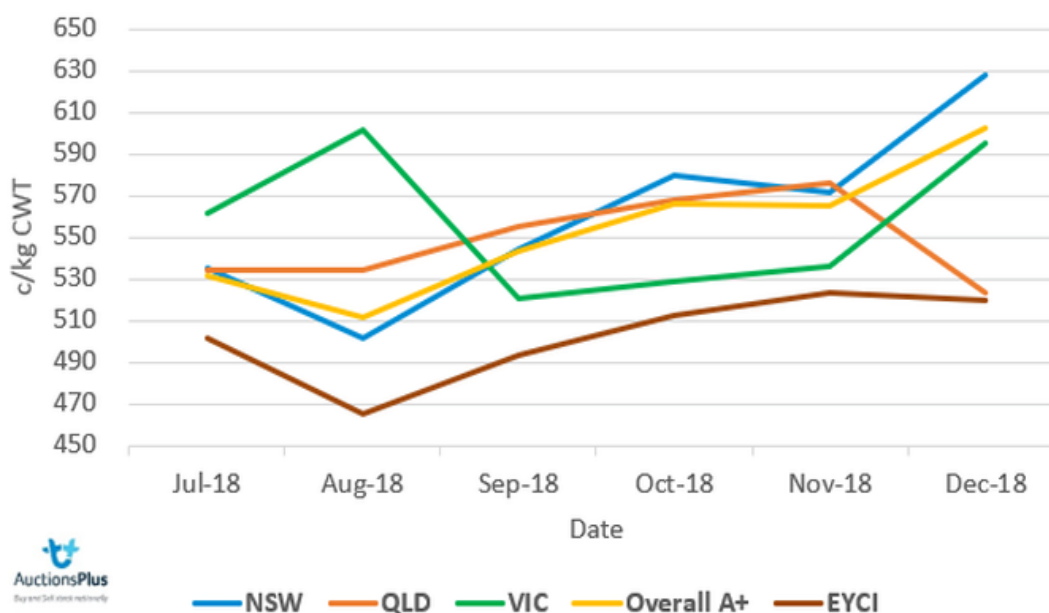
The EYCI, which is produced by Meat & Livestock Australia's (MLA) National Livestock Reporting Service (NLRS), is Australia's most recognised and reliable cattle price indicator. It is a seven-day rolling average of young cattle from 25 saleyards across Queensland, New South Wales and Victoria, including the NRLX. It is expressed in cents per kilogram carcass (or dressed) weight (c/kg cwt) and is rounded to the nearest 1/4 cent. MLA quote the EYCI as "generally a good indicator of the physical market, with movements in the EYCI closely reflecting movements in many cattle prices."

In comparison to the Eastern Young Cattle Indicator (EYCI), young cattle of the same description offered on AuctionsPlus from July to December 2018 averaged 10% better than the EYCI. This corresponds to an average 51c/kg cwt premium. AuctionsPlus prices for young cattle consistently out-performed the EYCI in all eastern states across this time period. See the following graphs:

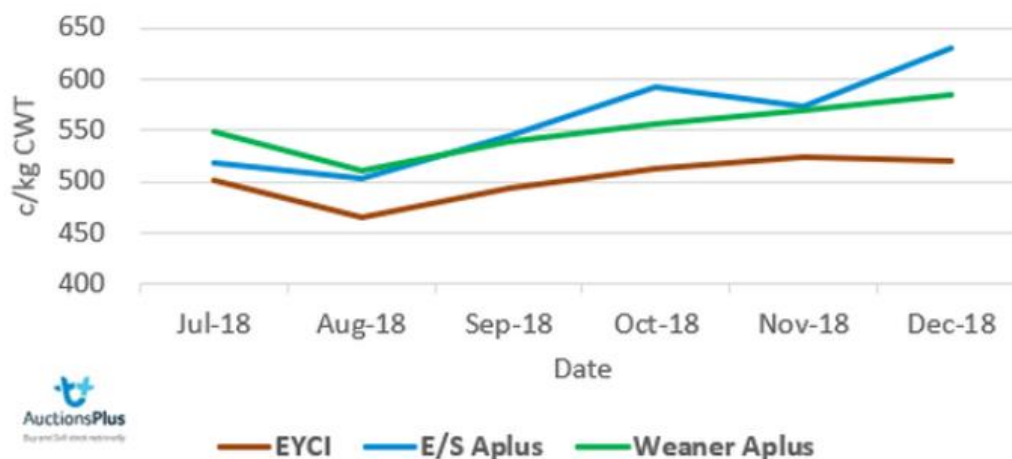




**Figure 1: EYCI-Like Cattle Performance on AuctionsPlus compared to the EYCI**



**Figure 3: EYCI-Like Cattle Performance in AuctionsPlus Sales compared to the EYCI**



### **Impacts of the drought**

The Northern Rivers has just been through the driest period for many years, which has impacted on the beef industry and farmers across the region. In 2018, the NSW Government announced a NSW Emergency Drought Relief Package to help farmers manage the effects of the current drought.

The package includes \$100 million for cutting the cost of farming fees and charges including the waiving of Local Land Services rates for 2019.

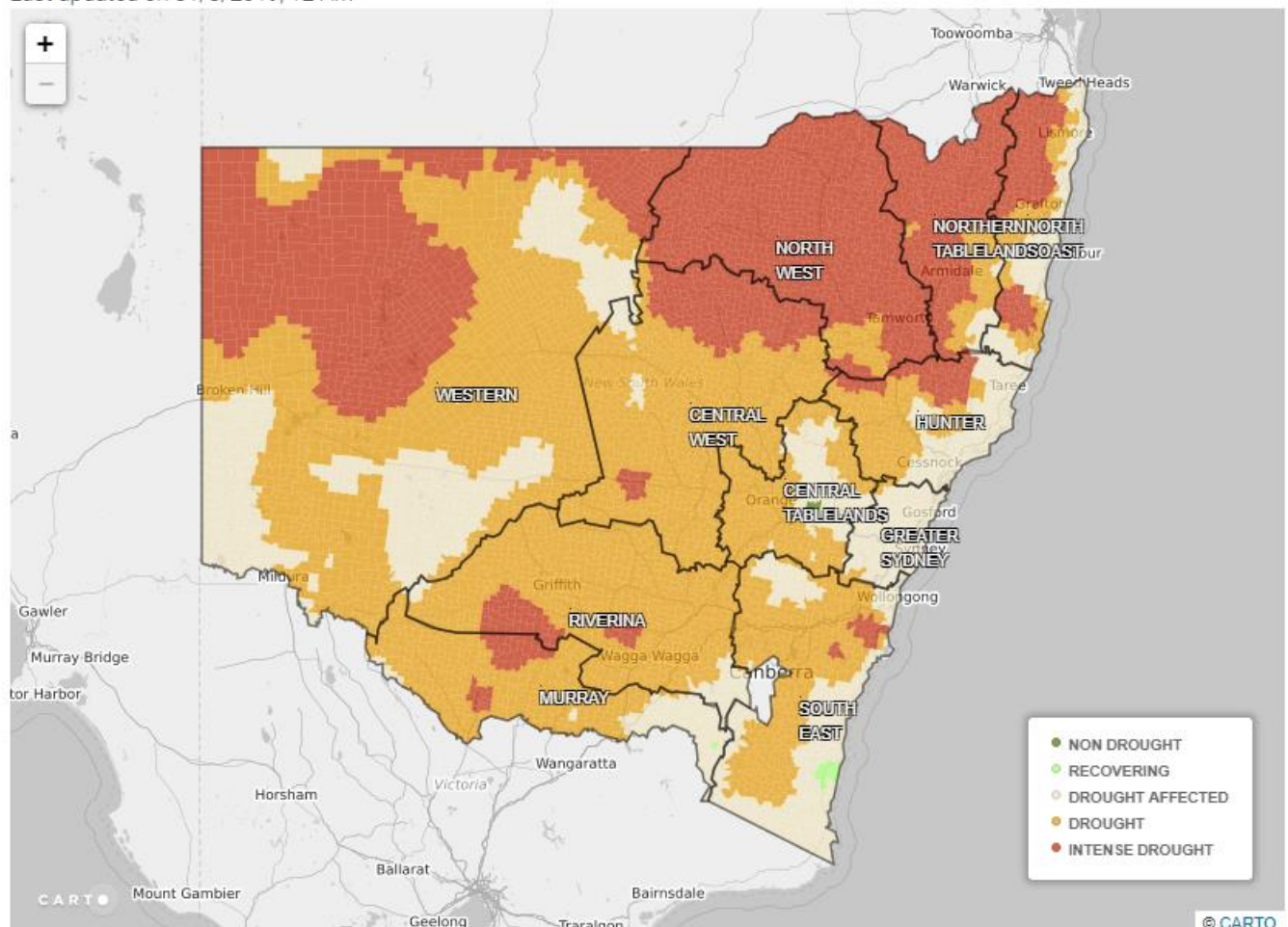
Around 130,000 rates notices would be sent to NSW ratepayers in January 2019, however, as part of the NSW Government's drought relief package, Local Land Services rates will not be payable for the period.

Rates notices will show the usual components, but amounts shown will not be payable. NSW Government drought relief package will provide funding to LLS to continue to deliver the services normally funded from rates.

This relief package demonstrates the significance of the 2018/2019 drought and ongoing conditions. Council's consideration of not increasing the fees will be consistent with the support that has been provided to farmers by the Australian and NSW Governments.

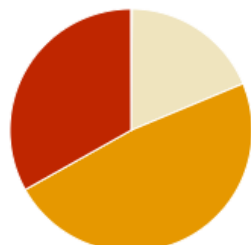
### Official Drought Status as per NSW Department of Primary Industries

Last updated on 31/3/2019, 12 AM



CDI = Combined Drought Indicator. RI = Rainfall Index. SWI = Soil Water Index. PGI = Pasture Growth Index. DDI = Drought Direction Index

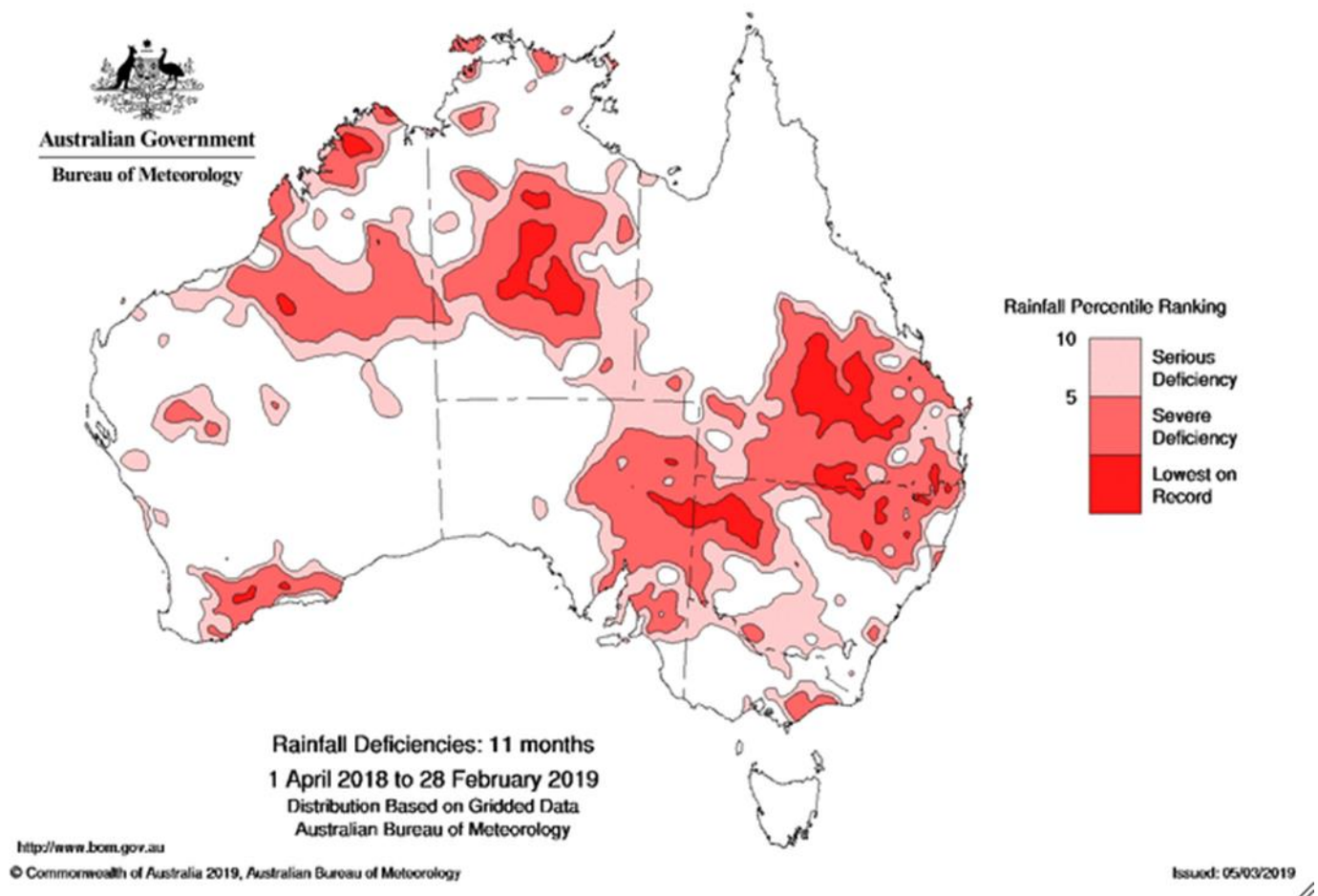
### NSW Summary



For more information please refer to the NSW DPI [State Seasonal Update](#).

- Non Drought: 0.0 %
- Recovering: 0.1 %
- Drought Affected: 18.1 %
- Drought: 48.1 %
- Intense Drought: 33.1 %

## 11-month rainfall deficiencies


[Download high resolution map](#)
**Financial scenarios:**

Based on the throughput projections for the NRLX and an assessment of the current marketplace the following scenarios have been prepared.

|                     | Fee category              | Proposed Pricing Ex GST | Throughput 2018/19 (est) | Value Ex GST   |
|---------------------|---------------------------|-------------------------|--------------------------|----------------|
| <b>Scenario One</b> | Vendor usage Ex GST       | \$9.82                  | 95,550                   | \$938,301.00   |
|                     | Capital works levy Ex GST | \$1.86                  | 95,550                   | \$177,723.00   |
|                     | Agent Fees ex GST         | \$9,545.45              | 5                        | \$47,727.25    |
|                     | Agent Business Usage Fee  | \$0.68                  | 95,550                   | \$64,974.00    |
|                     |                           |                         |                          | \$1,228,725.25 |

|                     |                           | Pricing with<br>3% increase<br>Ex GST | Throughput<br>2018/19 (est) |                |
|---------------------|---------------------------|---------------------------------------|-----------------------------|----------------|
| <b>Scenario Two</b> | Vendor usage Ex GST       | \$10.11                               | 95,550                      | \$966,010.50   |
|                     | Capital works levy Ex GST | \$1.92                                | 95,550                      | \$183,456.00   |
|                     | Agent Fees ex GST         | \$9,831.81                            | 5                           | \$49,159.05    |
|                     | Agent Business Usage Fee  | \$0.70                                | 95,550                      | \$66,885.00    |
|                     |                           |                                       |                             | \$1,265,510.55 |

|                       |   | Proposed<br>Pricing<br>Ex<br>GST | Throughput<br>2019/20 (est) |                |
|-----------------------|---|----------------------------------|-----------------------------|----------------|
| <b>Scenario Three</b> | Vendor usage Ex GST                                       | \$9.82                           | 105,000                     | \$1,031,100.00 |
|                       | Capital works levy Ex GST                                 | \$1.86                           | 105,000                     | \$195,300.00   |
|                       | Agent Fees ex GST   | \$9,545.45                       | 5                           | \$47,727.25    |
|                       | Agent Business Usage Fee                                  | \$0.68                           | 105,000                     | \$71,400.00    |
|                       |   |                                  |                             | \$1,345,527.25 |
|                       |   |                                  |                             |                |
|                       | Available Revenue from 2019/2020 with proposed core fees  |                                  |                             | \$1,228,725.25 |
|                       | Available Revenue 2019/2020 with 3% increase              |                                  |                             | \$1,265,510.55 |
|                       | Available Revenue 2019/2020 proposed with throughput gain |                                  |                             | \$1,345,527.25 |

Scenario one provides the financial outcome for the current fee structure with the estimate for throughput for 2018/19 of 95,550.

Scenario two provides the financial outcome for the 2018/19 throughput of 95,550 with a 3% increase to pricing which shows an income gain of \$36,785.30 above scenario one.

Scenario three provides the financial outcome for the targeted throughput increase to 105,000 as outlined in the NRLX draft budget with the core vendor and agent sale fees remaining unchanged which shows an increase in revenue of \$116,802.00 above scenario one.

Scenario three delivers \$80,016.70 more revenue than scenario two. Based on the climate and industry factors outlined in this report, as well as the opportunities being pursued by the NRLX Redevelopment and Operations Manager of the facility to enhance the competitiveness of the NRLX in the beef industry marketplace, the core fees set out under scenario three are being recommended for Council adoption.

## CONSULTATION

The NRLX Redevelopment and Operations Manager has established respectful relationships with the Stock and Station Agents and key stakeholders of the NRLX. Stakeholder feedback in recent years has identified the need for a Manager of the facility who has the authority to make decisions on the spot. The NRLX Redevelopment and Operations Manager has embraced this role and feedback and observations are that the NRLX operations are heading in a positive direction. The impact of the drought has been significant and there is a need for confidence in the agricultural sector. Given that stakeholders have been expressing concerns about further increases at the NRLX it is moved to set the fees in advance of the annual revenue policy process, hence the reason for the timing of this report to Council.

If adopted by Council, the fees will be included in the Draft Revenue Policy that will go through the usual annual consultation process. However, given that this recommendation is to keep the core fees at the same amount, it is unlikely there will be any feedback that isn't positive and will recognise that Council is in tune with the needs of an important section of the community.

If adopted, Council will communicate to all NRLX stakeholders and promote the NRLX as the best marketplace to achieve the best price for their cattle.

### **CONCLUSION**

With the completion of construction scheduled for end of June 2019, the opportunity is now for a true re-start to the NRLX business. We are delivering a premiere facility and we now need to focus on delivering a premium saleyard experience for all stakeholders.

Strategically, maintaining the current core sale fees will enable our focus to be on increasing throughput as this delivers the best financial outcomes for the business, the stakeholders and the community. We continue to work hard to grow the business and are in regular discussions with potential new entrants to the marketplace.

### **ATTACHMENT(S)**

- 1. NRLX Draft Revenue Policy (Fees and Charges) 2019/20**
- 2. NRLX Draft Budget 2019/20 - 2023/24**

| FEE/CHARGE DESCRIPTION   | TECH ONE CODE |         | 2018/19<br>FEE/CHARGE<br>LEVIED \$ | 2019/20<br>FEE/CHARGE<br>LEVIED \$ | UNIT  | GST INC | PRICING<br>CAT. |
|--|---------------|---------|------------------------------------|------------------------------------|---|---------|-----------------|
| <b><u>Northern Rivers Livestock Exchange</u></b>                             |               |         |                                    |                                    |   |         |                 |
| <b>Sale Fees</b>   |               |         |                                    |                                    |   |         |                 |
| Annual Business Licence Fee  | SYDAuctLic    | Debtors | 10,500.00                          | 10,500.00                          | Per annum   | Y       | D               |
| Agents Business Usage Fee  | SYDAgtBUsg    | Debtors | 0.75                               | 0.75                               | Per head  | Y       | D               |
| Agents Business Usage Fee - Stud Bulls and Registered Livestock              | SYDAgtBuSS    |         | 2.00                               | 2.00                               | Per head  | Y       | D               |
| Saleyard Inductions (Minimum 10)   | SyrdInduction | GL      | 146.00                             | POA                                | Per person  | Y       | D               |
| Vendor Usage Fee   | SYDGrnCat     | Debtors | 10.80                              | 10.80                              | Per head  | Y       | D               |
| Vendor Capital Levy  | SYDCapWxs     | Debtors | 2.05                               | 2.05                               | Per head  | Y       | D               |
| Stud Bulls and Registered Livestock Sale Vendor Fee                          | SYDBulls      | Debtors | 20.00                              | 20.00                              | Per head  | Y       | D               |
| Bull Sales - Vendor Fees (Wednesday & Store Sales)                           | SYDWedBull    | Debtors | 10.80                              | 10.80                              | Per head  | Y       | D               |
| Rollbacks, Sale Changes etc  | SYDRoll       | Debtors | 68.00                              | 70.05                              | Minimum charge  | Y       | D               |
| Special Weighs   | SYDSpcSale    | Debtors | 10.80                              | 10.80                              | Per head  | Y       | D               |
| Scale Testing Fee  | SYDSpcSale    | Debtors | 265.00                             | 273.00                             | Per Test  | Y       | D               |
| Horses – Vendors Fees  | SYDHorses     | Debtors | 10.80                              | 10.80                              | Per head  | Y       | D               |
| <b>General Fees</b>  |               |         |                                    |                                    |   |         |                 |
| No Sale Charge   | SYDNoSale     | Debtors | 10.80                              | 10.80                              | Per head  | Y       | D               |
| No Sale Charge Stud Bulls and Registered Livestock Sale Vendor Fee           | SYDNoSaleBull | Debtors | 20.00                              | 20.00                              | Per head  | Y       | D               |
| Store Sale Booking Fee - Monday-Friday                                       | SYDSSBook     | Debtors | 148.00                             | 152.45                             | Per day   | Y       | D               |
| Special Sale Booking Fee - Saturday - Sunday                                 |               |         |                                    | POA                                | POA   | Y       | D               |
| National Vendor Declaration – No Fee if Included in Agent Permit             | See Finance   | Debtors | Actual cost                        |                                    |   | Y       | D               |
| Dead Beast Handling Fee (Excludes Disposal – Charged at Cost per kg)         | SyrdOther     | GL      | 96.00                              | 99.00                              | Per head  | Y       | D               |
| Use of Facility Fee (For Cattle Using Snake Race, Crushes, Pens, Yards etc.) | SyrdOther     | GL      | 10.80                              | 10.80                              | Per head<br>(Minimum charge<br>applies – see Note<br>2) | Y       | D               |
| <b>After Hours Call Out Fee</b>  |               |         |                                    |                                    |   |         |                 |
| Monday - Friday (6pm - 6am)  | SYDCallOMF    |         | 154.00                             | 154.00                             | Per callout   | Y       | D               |
| Saturday and Sunday  | SYDCallOSS    |         | 198.00                             | 198.00                             | Per callout   | Y       | D               |
| Public Holiday   | SYDCallOPH    |         | 253.00                             | 253.00                             | Per callout   | Y       | D               |

Draft Richmond Valley Council **Revenue Policy** 2019-2020

| FEE/CHARGE DESCRIPTION   | TECH ONE CODE |         | 2018/19<br>FEE/CHARGE<br>LEVIED \$ | 2019/20<br>FEE/CHARGE<br>LEVIED \$ | UNIT  | GST INC | PRICING<br>CAT. |
|--|---------------|---------|------------------------------------|------------------------------------|---|---------|-----------------|
| <u>Northern Rivers Livestock Exchange (continued)</u>  |               |         |                                    |                                    |   |         |                 |
| <b>Transit Fees</b>  |               |         |                                    |                                    |   |         |                 |
| Ramp to Ramp Unloading and Reloading (Both Vehicles Must be on Site at the Same Time. Minimum Charge \$25.00)          | SyrdsOther    | GL      | 0.62                               | 0.62                               | Per head<br>(Minimum charge<br>applies – see Note<br>2) | Y       | D               |
| Ramp Usage and Transit Yard Fee (First Day)  | SYD           | Debtors | 5.62                               | 5.62                               | Per head per day  | Y       | D               |
| Ramp Usage and Transit Yard Fee - Cow and Calf Unit (First Day)  | SYD           | Debtors | 6.75                               | 6.75                               | Per head per day  | Y       | D               |
| Transit Yard Fee (Day Thereafter)  | SYD           | Debtors | 4.50                               | 4.50                               | Per head per day  | Y       | D               |
| Transit Yard Fee - Cow & Calf [Must Remain Together] (Day Thereafter)  | SYD           | Debtors | 5.40                               | 5.40                               | Per head per day  | Y       | D               |
| Post Sale Yard Fee Beyond Load Out Requirement (Maximum 5 Days)  | SYD           | Debtors | 3.00                               | 3.00                               | Per head per day<br>(see Note 3)                        | Y       | D               |
| Post Sale Yard Fee Beyond Load Out Requirement - Cow & Calf [Must Remain Together] (Maximum 5 Days)                    | SYD           | Debtors | 3.60                               | 3.60                               | Per head per day<br>(see Note 3)                        | Y       | D               |
| <b>Use of Crush/Head Bale Fee</b>  |               |         |                                    |                                    |   |         |                 |
| Use of Crush Pre or Post Sale at NRLX (Must be Booked With Administration)   | SYD           | Debtors | 0.62                               | 0.62                               | Per head (see<br>Note 4)                                | Y       | D               |
| Use of Crush for Cattle Not Sold or Bought Through NRLX Within the Same Calendar Week or Post Sale Load Out Timeframe. | SYD           | Debtors | 8.00                               | 8.00                               | Per head (see<br>Note 4)                                | Y       | D               |
|  |               |         |                                    |                                    | Per head  | Y       | D               |



| FEE/CHARGE DESCRIPTION                                  | TECH ONE CODE    |         | 2018/19<br>FEE/CHARGE<br>LEVIED \$ | 2019/20<br>FEE/CHARGE<br>LEVIED \$ | UNIT                | GST INC | PRICING<br>CAT. |
|---|------------------|---------|------------------------------------|------------------------------------|---------------------|---------|-----------------|
| <u>Northern Rivers Livestock Exchange</u>               |                  |         |                                    |                                    |                     |         |                 |
| <b>Holding Paddock Charges (Except Permit Paddocks)</b> |                  |         |                                    |                                    |                     |         |                 |
| 1 Day Minimum   | SYDHold          | Debtors | 53.00                              | 54.59                              |                     | Y       | D               |
| 2 Days  | SyrdsHoldPad     | GL      | 74.00                              | 76.22                              |                     | Y       | D               |
| 3 Days  |                  |         | 96.00                              | 98.88                              |                     | Y       | D               |
| 4 Days  |                  |         | 116.00                             | 119.48                             |                     | Y       | D               |
| Weekly  |                  |         | 148.00                             | 152.44                             |                     | Y       | D               |
| Monthly   |                  |         | 200.00                             | 206.00                             |                     | Y       | D               |
| Annually  |                  |         | 2,120.00                           | 2,183.60                           |                     | Y       | D               |
| <b>Railway Holding Paddocks</b>                         |                  |         |                                    |                                    |                     |         |                 |
| Weekly  | SYDHoldRWY       | Debtors | 59.00                              | 60.77                              |                     | Y       | D               |
| Monthly   |                  |         | 180.00                             | 185.40                             |                     | Y       | D               |
| Yearly  | SyrdsHoldPad     | GL      | 2,120.00                           | 2,183.60                           |                     | Y       | D               |
| <b>Truck Wash (Avdata System)</b>                       |                  |         |                                    |                                    |                     |         |                 |
| Key Purchase  | SyrdsOther       | GL      | 42.00                              | 44.10                              |                     | Y       | D               |
| Usage Per Minute  | SyrdsAvdata      | GL      | 0.80                               | 0.83                               | Per minute pro rata | Y       | D               |
| Minimum Charge  | SyrdsAvdata      | GL      | 4.20                               | 4.35                               |                     | Y       | D               |
| <b>Canteen Hire</b>                                     |                  |         |                                    |                                    |                     |         |                 |
| Canteen Hire – Casual Hirer (No Lease)                  | SyrdsCanteenHire | GL      | 100.00                             | POA                                | For each use        | Y       | D               |
| Canteen Hire – Casual Hirer Bond (No Lease)             | See Finance      | BAGS    | 320.00                             | POA                                | For each use        | N       | D               |
| <b>Advertising Fees</b>                                 |                  |         |                                    |                                    |                     |         |                 |
| Southern Yards boundary 2400 x 900mm                    | SYDAdvert        | Debtors | 880.00                             | 880.00                             | Per annum           | Y       | D               |
| Southern Yards boundary 1200 x 900mm                    | SYDAdvert        | Debtors | 495.00                             | 495.00                             | Per annum           | Y       | D               |
| Southern Yards boundary 900 x 900mm                     | SYDAdvert        | Debtors | 396.00                             | 396.00                             | Per annum           | Y       | D               |
| Eastern Loading Zone 3600 x 900mm                       | SYDAdvert        | Debtors | 1320.00                            | 1320.00                            | Per annum           | Y       | D               |
| Eastern Loading Zone 2400 x 900mm                       | SYDAdvert        | Debtors | 880.00                             | 880.00                             | Per annum           | Y       | D               |

Note 1: A minimum charge of \$25.00 will apply (telephone charges to be invoiced quarterly).

Note 2: Ramp and yard usage fee and use of facility fee will be charged \$25 when fees accumulate to this amount.



## Richmond Valley Council Operational Plan 2019/2020 including Forward Financial Estimates

## EC2 Building on our Strengths

## Service: Northern Rivers Livestock Exchange

| Original Budget 2018/2019 | Revised Budget 31-Dec-18 | Project | Description                                 | Original Budget % +/- | Budget 2019/2020 | Budget 2020/2021 | Budget 2021/2022 | Budget 2022/2023 |
|---------------------------|--------------------------|---------|---|-----------------------|------------------|------------------|------------------|------------------|
| 10,000                    | 10,000                   | 190010  | Operating Revenue                           |                       |                  |                  |                  |                  |
| 0                         | 0                        | 190010  | Advertising Fees                            | 0.0%                  | 10,000           | 10,000           | 10,000           | 10,000           |
| 64,308                    | 64,308                   | 190010  | Contributions - Other                       | 0.0%                  | 2,000            | 0                | 0                | 0                |
| 7,200                     | 7,200                    | 190010  | LIRS Subsidy                                | -13.0%                | 55,950           | 47,213           | 37,869           | 28,435           |
| 47,727                    | 47,727                   | 190010  | Rental Income                               | 390.0%                | 35,280           | 36,338           | 37,428           | 38,551           |
| 71,400                    | 71,400                   | 190010  | NRLX - Agents Business Licence Fees         | 0.0%                  | 47,727           | 49,159           | 50,634           | 52,153           |
| 1,031,100                 | 1,031,100                | 190010  | NRLX - Agents Business Usage Fees           | 0.0%                  | 71,400           | 87,500           | 90,000           | 96,200           |
| 4,120                     | 4,120                    | 190010  | NRLX - Cattle Fees                          | 0.0%                  | 1,031,100        | 1,263,750        | 1,301,250        | 1,393,600        |
| 4,120                     | 4,120                    | 190010  | NRLX - Holding Paddock Rents                | -100.0%               | 0                | 0                | 0                | 0                |
| 3,090                     | 3,090                    | 190010  | NRLX - Transit Fees                         | 609.3%                | 29,224           | 30,101           | 31,004           | 31,934           |
| 10,300                    | 10,300                   | 190010  | NRLX - No Sale Fees                         | 3.0%                  | 3,183            | 3,278            | 3,376            | 3,477            |
| 0                         | 0                        | 190010  | NRLX - Other Fees                           | 3.0%                  | 10,609           | 10,927           | 11,255           | 11,593           |
| 3,825                     | 3,825                    | 190010  | NRLX - Recycled Materials                   | 0.0%                  | 15,000           | 15,450           | 15,914           | 16,391           |
| 47,741                    | 47,741                   | 190010  | NRLX - Special Stud Fees                    | 3.0%                  | 3,940            | 4,058            | 4,180            | 4,305            |
|                           |                          | 190010  | NRLX - Washdown Fees                        | 15.2%                 | 55,000           | 56,650           | 58,350           | 60,101           |
| <b>1,304,931</b>          | <b>1,304,931</b>         |         | <b>Total Operating Revenue</b>              | <b>5.0%</b>           | <b>1,370,413</b> | <b>1,614,424</b> | <b>1,651,260</b> | <b>1,746,740</b> |
|                           |                          |         | <b>Operating Expenditure</b>                |                       |                  |                  |                  |                  |
| 40,690                    | 40,690                   | 190010  | Administration Expenses                     | -5.0%                 | 38,644           | 39,532           | 40,522           | 41,534           |
| 102,388                   | 102,388                  | 190010  | Borrowing Costs                             | -13.9%                | 88,146           | 75,225           | 61,460           | 47,524           |
| 115,518                   | 115,518                  | 190010  | Employee Costs                              | 80.1%                 | 208,062          | 213,888          | 219,876          | 226,032          |
| 0                         | 0                        | 190010  | Employee Costs - Team Meetings              | 0.0%                  | 2,765            | 2,840            | 2,918            | 2,998            |
| 0                         | 0                        | 190010  | Fire Safety Inspections                     | 0.0%                  | 1,000            | 1,023            | 1,049            | 1,075            |
| 1,019                     | 1,019                    | 190010  | Fleet Expenses                              | 150.1%                | 2,549            | 2,615            | 2,686            | 2,758            |
| 30,795                    | 30,795                   | 190010  | Internal Expenses                           | -32.0%                | 20,947           | 22,007           | 23,122           | 24,293           |
| 1,529                     | 1,529                    | 190010  | M & R - Air Conditioner                     | 2.0%                  | 1,559            | 1,595            | 1,635            | 1,676            |
| 16,482                    | 16,482                   | 190010  | M & R - Buildings                           | -27.5%                | 11,952           | 12,252           | 12,573           | 12,902           |
| 14,911                    | 14,911                   | 190010  | M & R - Grounds                             | 22.2%                 | 18,217           | 18,697           | 19,202           | 19,720           |
| 3,851                     | 3,851                    | 190010  | M & R - Other Structures                    | 27.2%                 | 4,900            | 5,024            | 5,156            | 5,293            |
| 64,701                    | 64,701                   | 190010  | Operating Expenses                          | 0.0%                  | 64,676           | 67,378           | 70,244           | 73,241           |
| 47,028                    | 47,028                   | 190010  | NRLX - Effluent Area Expenses               | 28.9%                 | 60,607           | 36,046           | 36,975           | 37,928           |
| 20,380                    | 20,380                   | 190010  | NRLX - Effluent & Soil Sampling             | 4.6%                  | 21,320           | 21,810           | 22,355           | 22,914           |
| 91,523                    | 91,523                   | 190010  | NRLX - General Operations, M & R            | 2.0%                  | 93,399           | 95,840           | 98,416           | 101,061          |
| 0                         | 15,000                   | 190010  | NRLX - Soft Flooring Material               | 0.0%                  | 45,000           | 46,035           | 47,186           | 48,366           |
| 22,038                    | 22,038                   | 190010  | NRLX - Store Sales Computer & Gate Operator | 16.2%                 | 25,599           | 26,317           | 27,053           | 27,811           |
| 0                         | 0                        | 190010  | NRLX - Store Sales Pre Sale Scannings       | 0.0%                  | 15,750           | 18,750           | 18,750           | 19,500           |
| 9,287                     | 9,287                    | 190010  | NRLX - Vendor Declaration System            | 2.5%                  | 9,519            | 9,786            | 10,060           | 10,342           |
| 119,105                   | 104,105                  | 190010  | NRLX - Yards & Pens M & R                   | 7.5%                  | 128,064          | 131,460          | 135,026          | 138,687          |
| 6,229                     | 6,229                    | 190010  | Truckwash Area Expenses                     | 92.7%                 | 12,004           | 12,292           | 12,607           | 12,929           |
| 6,322                     | 6,322                    | 190010  | Weed Control                                | 7.2%                  | 6,775            | 6,950            | 7,135            | 7,326            |
| 0                         | 0                        | 190010  | Vegetation Control for Fire Management      | 0.0%                  | 7,550            | 3,775            | 3,881            | 3,989            |

## Richmond Valley Council Operational Plan 2019/2020 including Forward Financial Estimates

## EC2 Building on our Strengths

## Service: Northern Rivers Livestock Exchange

| Original Budget<br>2018/2019 | Revised Budget<br>31-Dec-18 | Project | Description                               | Original Budget<br>% +/- | Budget<br>2019/2020 | Budget<br>2020/2021 | Budget<br>2021/2022 | Budget<br>2022/2023 |
|------------------------------|-----------------------------|---------|---|--------------------------|---------------------|---------------------|---------------------|---------------------|
| 0                            | 0                           | 190030  | Operating Expenditure (continued)         |                          |                     |                     |                     |                     |
|                              |                             |         | All Breeds Sale                           | 0.0%                     | 5,230               | 5,376               | 5,526               | 5,681               |
| 197,390                      | 197,390                     | 190991  | Indirect Expenditure                      | 2.9%                     | 203,096             | 207,676             | 212,833             | 219,360             |
| 348,347                      | 293,400                     | 190990  | Activity Based Costing - Expense          | 32.6%                    | 462,010             | 473,380             | 485,152             | 497,219             |
|                              |                             |         | Depreciation                              |                          |                     |                     |                     |                     |
| 1,259,533                    | 1,204,586                   |         | Total Operating Expenditure               | 23.8%                    | 1,559,340           | 1,557,569           | 1,583,398           | 1,612,159           |
| 45,398                       | 100,345                     |         | Operating Result - Surplus/(Deficit)      | -516.2%                  | (188,927)           | 56,855              | 67,862              | 134,581             |
| 393,745                      | 393,745                     |         | Operating Cash Result - Surplus/(Deficit) | -30.6%                   | 273,083             | 530,235             | 553,014             | 631,800             |
|                              |                             |         | Capital Movements                         |                          |                     |                     |                     |                     |
|                              |                             |         | Add: Capital Grants & Contributions       |                          | 195,300             | 240,000             | 247,500             | 265,200             |
|                              |                             |         | Add: Loan Funds Used                      |                          | 0                   | 0                   | 0                   | 0                   |
|                              |                             |         | Add: Asset Sales                          |                          | 0                   | 0                   | 0                   | 0                   |
|                              |                             |         | Add: Transfer from Restricted Assets      |                          | 18,359              | 0                   | 0                   | 0                   |
|                              |                             |         | Less: Asset Acquisition                   |                          | 150,000             | 75,000              | 0                   | 0                   |
|                              |                             |         | Less: Loan Repayments                     |                          | 336,742             | 349,664             | 363,429             | 377,364             |
|                              |                             |         | Less: Transfer to Restricted Assets       |                          | 0                   | 345,571             | 437,085             | 519,636             |
|                              |                             |         | Program Cash Result - Surplus/(Deficit)   |                          | 0                   | 0                   | 0                   | 0                   |

**15 FINANCIAL REPORTS****15.1 FINANCIAL ANALYSIS REPORT - MARCH 2019**

**Author:** Ryan Gaiter, Chief Financial Officer / Manager Mid-Richmond

**EXECUTIVE SUMMARY**

The purpose of this report is to inform Council on the status and performance of its investment portfolio in accordance with the *Local Government Act 1993* (Section 625), *Local Government (General) Regulation 2005* (Clause 212), Australian Accounting Standard (AASB 139) and Council's Investment Policy.

The value of Council's Investment Portfolio as at 31 March 2019 including General Bank Accounts and Trust Funds is shown below.

| Investment Portfolio | General Bank Accounts | Trust Funds | Total        |
|----------------------|-----------------------|-------------|--------------|
| \$43,517,736         | \$977,222             | \$87,050    | \$44,582,008 |

The average rate of return on Council's investments for March 2019 was 3.10% which is above the 90 Day Bank Bill Index for March of 1.77%.

**RECOMMENDATION**

Recommended that Council adopt the Financial Analysis Report detailing investment performance for the month of March 2019.

**DELIVERY PROGRAM LINKS**

Making Council Great

CS2: Great Support

CS2.11: Examine all revenue and expenditure reduction opportunities within legislative powers

**BUDGET IMPLICATIONS**

As at 31 March 2019, Council had earned \$388,484 in interest and \$511,381 in fair value gains for total investment revenue of \$899,865 against a budget of \$810,953 (which equates to 110.96%).

**REPORT****Reserve Bank of Australia (RBA) Cash Rate Update**

The RBA left the cash rate unchanged at 1.50% per annum at its March 2019 meeting.

**Rate of Return**

The average rate of return on investments decreased in March 2019 to 3.10%, a decrease of 40 basis points from the previous month. However, this rate of return is 133 basis points above the 90 Day Bank Bill Index of 1.77% which is Council's benchmark.

**Council's Investment Portfolio**

The value of Council's Investment Portfolio as at 31 March 2019 including General Bank Accounts and Trust Funds are shown below.

| Investment Portfolio | Face Value   | General Bank Accounts | Trust Funds |
|----------------------|--------------|-----------------------|-------------|
| \$43,517,736         | \$42,771,635 | \$977,222             | \$87,050    |

The Investment Portfolio balance at 31 March 2019 of \$43,517,736 is made up of Council's Business Online Saver Account (\$3,268,324), Term Deposits (\$25,000,000) and NSW Treasury Corporation Investments (\$15,249,412).

Council's investment portfolio has maturity dates ranging from same day up to 732 days. Term deposits of \$25,000,000 represented 57.45% of the total portfolio as at 31 March 2019. Council made four new term deposits during the month of March 2019; one with each of Westpac Bank, MyState Bank Limited, AMP Ltd and Auswide Bank of which Westpac Bank and AMP Ltd support the fossil fuel industry. These term deposits were chosen as they offered the highest available return after diversification principles were applied. Four term deposits matured during the period.

Council had \$15,249,412 in longer term investments being the Cash Facility Trust and Medium Term Growth Fund with NSW Treasury Corporation as at 31 March 2019. The investment values are shown below.

| <b>Investment Holding</b> | <b>Fair Value<br/>31-Mar-19</b> | <b>Fair Value<br/>Gain/(Loss)<br/>March 2019</b> | <b>Fair Value<br/>Gain/(Loss)<br/>YTD</b> |
|---------------------------|---------------------------------|--|---|
| Cash Facility Trust       | \$6,072,194                     | \$12,755   | \$88,913                                  |
| Medium Term Growth Fund   | \$9,177,218                     | \$79,804   | \$172,188                                 |
| <b>Total</b>              | <b>\$15,249,412</b>             | <b>\$92,559</b>                                  | <b>\$261,101</b>                          |

During the 2018/2019 financial year, Council withdrew from the Strategic Cash Facility Trust, which returned a fair value gain of \$56,691 as it was underperforming compared to other funds the NSW Treasury Corporation held. These funds were transferred into the better performing Cash Facility Trust and the Medium-Term Growth Fund.

Council also received one-off payments relating to historical CDO investments no longer held. These payments total \$193,589 year to date, resulting in total fair value gains of \$511,381 to 31 March 2019.

### **Environmentally Sustainable Investments (ESI's)**

The current holdings in ESI's is \$16,000,000 or 36.77% of the total portfolio. The information for the assessment has been sourced from the website [www.marketforces.org.au](http://www.marketforces.org.au) which is an affiliate project of the Friends of the Earth Australia.

### **CONCLUSION**

During the month of March 2019 Council's investments have been made in accordance with the Act, the Regulations and Council's Investment Policy. As at 31 March 2019 Council's investments totalled \$43,517,736 with a further \$1,064,272 held in bank accounts. The average rate of return was 3.10% for the month of March and total investment revenue equals 110.96% of budgeted revenue for the year to 31 March 2019. Excluding the CDO one-off payment total investment revenue would be 87% of budgeted revenue with one quarter remaining. This is a positive result.

### **ATTACHMENT(S)**

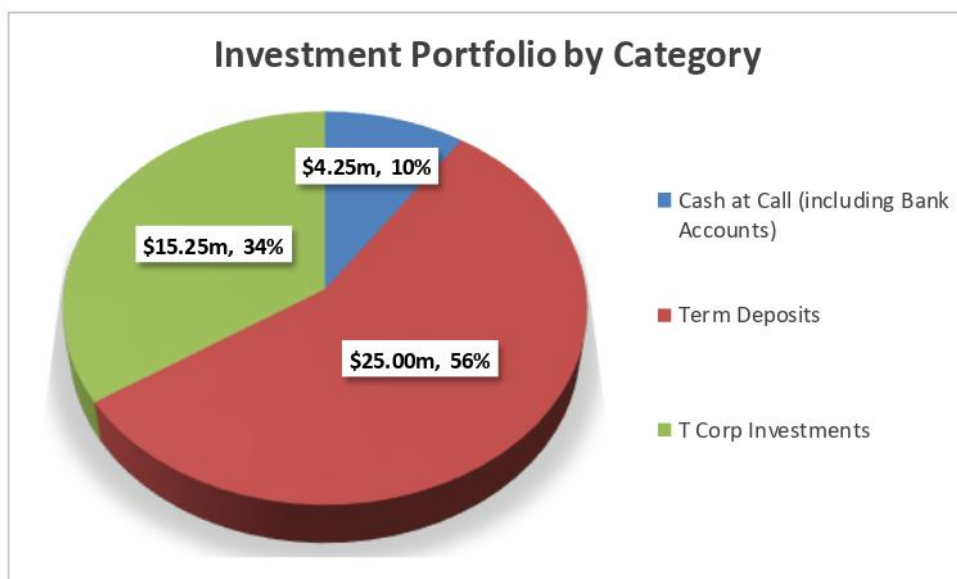
#### **1. Financial Analysis Report Attachments**

**Attachment(s)**

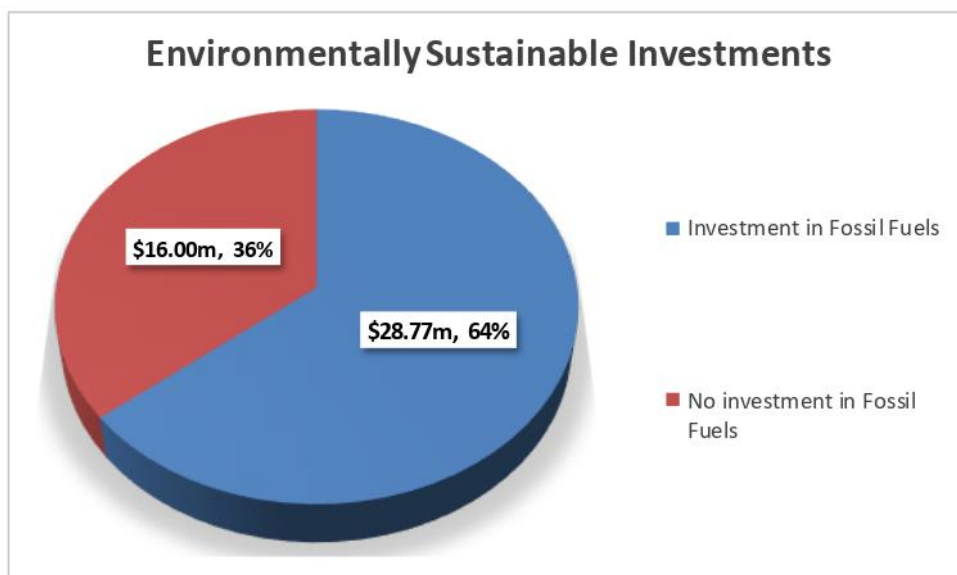
Included below:

1. Supporting Graphs; and
2. Investment Portfolio as at 31 March 2019

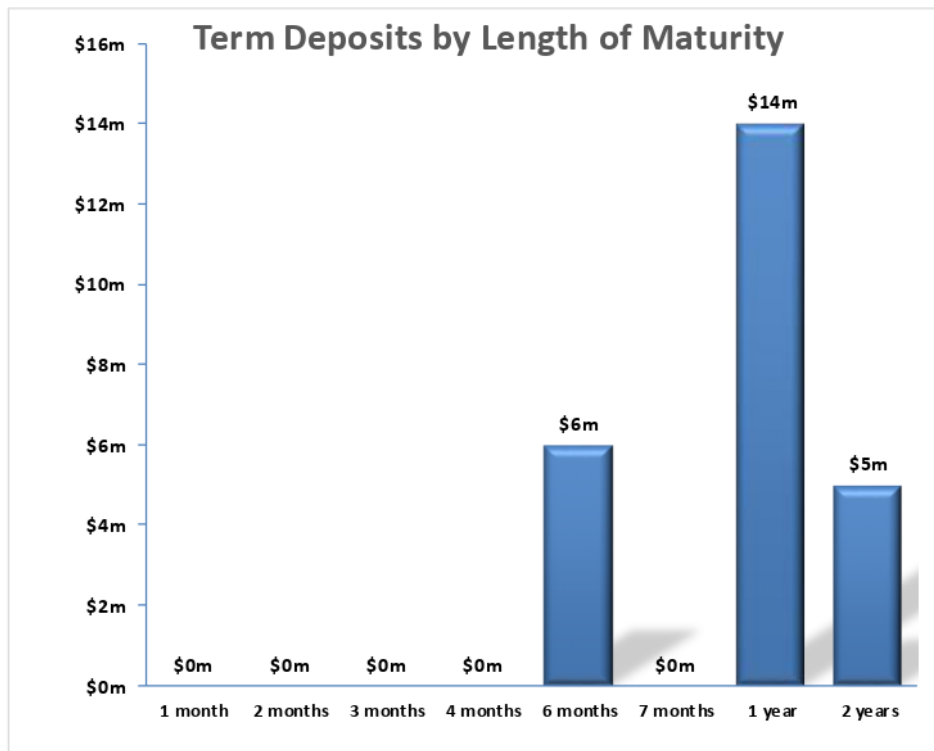
The following graph shows Council's investment portfolio by investment category as at 31 March 2019.



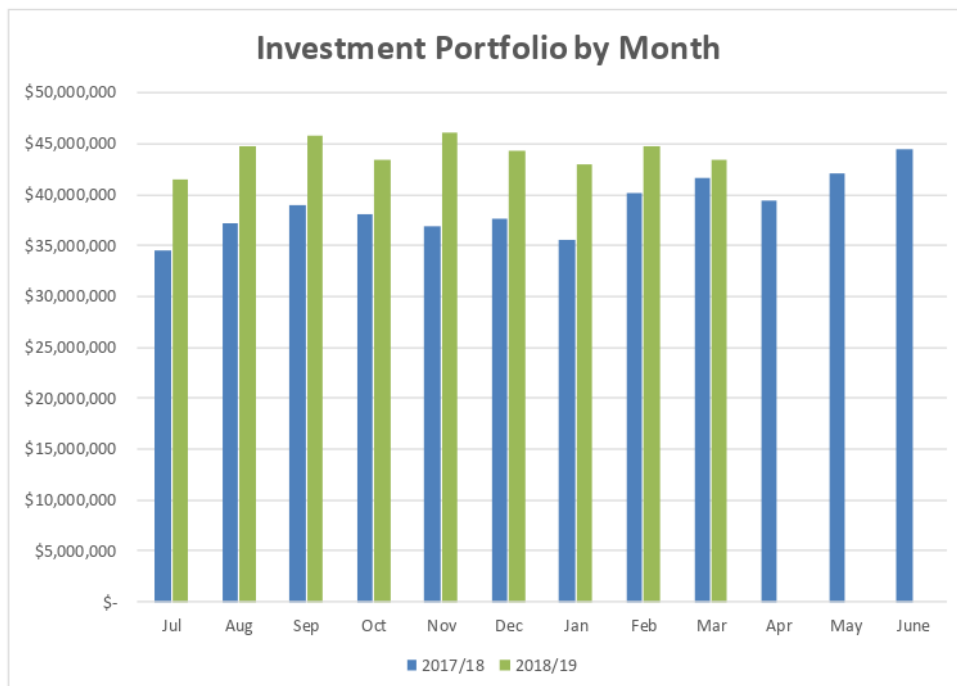
The following graph details Council's Environmentally Sustainable Investments as a percentage of Council's investment portfolio as at 31 March 2019.



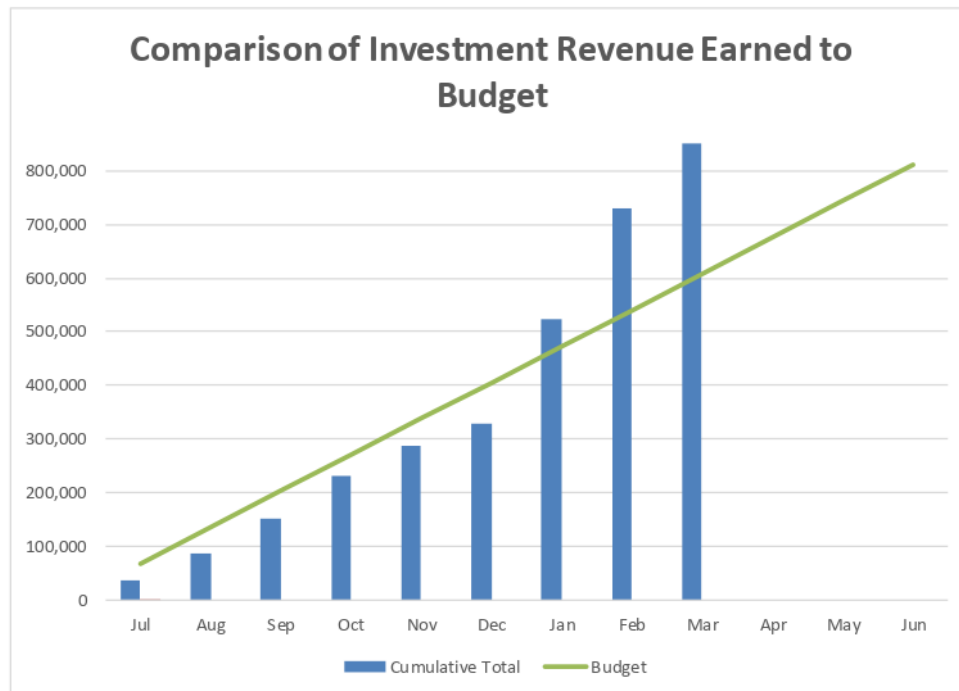
The following graph shows the length of time of Council's term deposit maturities as at 31 March 2019.



The following graph shows Council's total investment portfolio by month over the past two financial years to date.



The following graph compares Council's total investment revenue by month to the budgeted revenue.



| RICHMOND VALLEY COUNCIL FINANCIAL ANALYSIS REPORT AS AT 31 MARCH 2019 |                 |         |   |                 |               |                |                           |                               |                                    |                      |
|---|-----------------|---------|---|-----------------|---------------|----------------|---------------------------|-------------------------------|------------------------------------|----------------------|
| Investment Source   | Investment Type | Rating  | Environmentally Sustainable Investments         | Investment Date | Maturity Date | Rate of Return | Original Investment Value | Current Investment Fair Value | Interest/ Fair Value Gain Received | % of Total Portfolio |
| <b>Cash at Call</b>   |                 |         |   |                 |               |                |                           |                               |                                    |                      |
| CBA Business Online Saver   | At Call         | A1+/AA  | N   | At Call         |               | 1.40%          | N/A                       | 3,268,324                     | 3,526,481                          | 7.51%                |
| Interest on Other Bank Accounts                                       |                 |         |   |                 |               |                |                           |                               |                                    |                      |
|   |                 |         |   |                 |               | <b>Total</b>   |                           | <b>3,268,324</b>              | <b>3,987</b>                       | <b>7.51%</b>         |
| <b>Term Deposits</b>  |                 |         |   |                 |               |                |                           |                               |                                    |                      |
| ING Direct  | Term Deposit    | A2/A-   | N   | 21/02/2018      | 21/02/2020    | 2.90%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| ING Direct  | Term Deposit    | A2/A-   | N   | 1/03/2018       | 2/03/2020     | 2.88%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| ING Direct  | Term Deposit    | A2/A-   | N   | 5/03/2018       | 5/03/2020     | 2.88%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Bank of QLD   | Term Deposit    | A2/BBB+ | N   | 28/05/2018      | 28/05/2019    | 2.75%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Members Equity Bank   | Term Deposit    | A2/BBB  | Y   | 29/05/2018      | 29/05/2019    | 2.80%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| ANP Ltd   | Term Deposit    | A1-A    | N   | 1/08/2018       | 3/08/2019     | 2.95%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Peoples Choice Credit Union   | Term Deposit    | A2/BBB  | Y   | 12/08/2018      | 12/08/2019    | 2.90%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Greater Bank  | Term Deposit    | A2/BBB  | Y   | 13/08/2018      | 12/08/2020    | 3.00%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Greater Bank  | Term Deposit    | A2/BBB  | Y   | 13/08/2018      | 13/08/2019    | 2.90%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Heritage Bank   | Term Deposit    | A3/P2   | Y   | 28/08/2018      | 28/08/2019    | 3.10%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Defence Bank  | Term Deposit    | A2/BBB  | Y   | 3/09/2018       | 2/09/2020     | 3.00%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Westpac   | Term Deposit    | A1+/AA- | N   | 3/09/2018       | 3/09/2019     | 2.76%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Police Credit Union Limited   | Term Deposit    | Unrated | Y   | 9/10/2018       | 9/04/2019     | 2.85%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Bank of Us  | Term Deposit    | Unrated | Y   | 29/11/2018      | 29/11/2019    | 2.95%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Bank of Us  | Term Deposit    | Unrated | Y   | 29/11/2018      | 29/11/2019    | 2.95%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Auswide Bank  | Term Deposit    | A3/BBB- | Y   | 29/11/2018      | 28/05/2019    | 2.75%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| MyState Bank Limited  | Term Deposit    | A2/BBB  | Y   | 3/12/2018       | 3/12/2019     | 2.85%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Australian Military Bank  | Term Deposit    | Unrated | Y   | 4/12/2018       | 4/12/2019     | 2.99%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Auswide Bank  | Term Deposit    | A3/BBB- | Y   | 12/12/2018      | 12/12/2019    | 2.90%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Australian Military Bank  | Term Deposit    | Unrated | Y   | 20/02/2019      | 20/02/2020    | 2.90%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| ANP Ltd   | Term Deposit    | A1-A    | N   | 25/02/2019      | 26/08/2019    | 3.00%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Westpac   | Term Deposit    | A1+/AA- | N   | 1/03/2019       | 2/03/2020     | 2.63%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| MyState Bank Limited  | Term Deposit    | A2/BBB  | Y   | 6/03/2019       | 3/09/2019     | 2.74%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| ANP Ltd   | Term Deposit    | A1-A    | N   | 11/03/2019      | 9/09/2019     | 3.00%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| Auswide Bank  | Term Deposit    | A3/BBB- | Y   | 13/03/2019      | 11/09/2019    | 2.90%          | N/A                       | 1,000,000                     | 0                                  | 2.30%                |
| ANP Rebate  |                 |         |   |                 |               |                |                           |                               | 0                                  |                      |
| <b>Matured Term Deposits</b>  |                 |         |   |                 |               |                |                           |                               |                                    |                      |
| Westpac   | Term Deposit    | A1+/AA- |   | 1/03/2018       | 1/03/2019     |                |                           |                               | 26,200                             |                      |
| MyState Bank Limited  | Term Deposit    | A2/BBB  |   | 6/03/2018       | 6/03/2019     |                |                           |                               | 27,500                             |                      |
| ANP Ltd   | Term Deposit    | A1-A    |   | 10/09/2018      | 11/03/2019    |                |                           |                               | 13,962                             |                      |
| Heritage Bank   | Term Deposit    | A3/P2   |   | 13/12/2018      | 13/03/2019    |                |                           |                               | 7,151                              |                      |
|   |                 |         |   |                 |               | <b>Total</b>   |                           | <b>25,000,000</b>             | <b>74,812</b>                      | <b>57.45%</b>        |
| <b>NSW Treasury Corporation Hourglass Investments</b>                 |                 |         |   |                 |               |                |                           |                               |                                    |                      |
| Cash Facility Trust   | Trust           |         | N   | Various         | N/A           | 2.52%          | 5,498,282                 | 6,072,194                     | 12,755                             | 13.95%               |
| Medium Term Growth Fund   | Trust           |         | N   | Various         | N/A           | 10.56%         | 9,005,029                 | 9,177,218                     | 79,803                             | 21.09%               |
|   |                 |         |   |                 |               | <b>Total</b>   | <b>14,503,311</b>         | <b>15,249,412</b>             | <b>92,559</b>                      | <b>35.04%</b>        |
|   |                 |         |   |                 |               |                |                           |                               |                                    |                      |
| <b>Bank Accounts</b>  |                 |         | <b>Total Investment Portfolio at Face Value</b> |                 |               |                | <b>42,771,635</b>         |                               |                                    |                      |
| <b>Account Name</b>   |                 |         | <b>Balance \$</b>                               |                 |               |                | <b>31-Mar-19</b>          |                               | <b>43,517,736</b>                  |                      |
| General Fund Bank Account   |                 |         | 977,202   |                 |               |                |                           |                               |                                    |                      |
| TrustFund Bank Account  |                 |         | 87,050  |                 |               |                |                           |                               |                                    |                      |
| NAB Cheque Account  |                 |         | 20  |                 |               |                |                           |                               |                                    |                      |
| <b>Total</b>  |                 |         | <b>1,064,272</b>                                |                 |               |                |                           |                               | <b>171,358</b>                     |                      |
|   |                 |         | <b>Overall Average Interest Rate</b>            |                 |               |                | 3.10%                     |                               |                                    |                      |
|   |                 |         | <b>Total Bank Account Portfolio</b>             |                 |               |                | <b>1,064,272</b>          |                               |                                    |                      |
|   |                 |         | <b>Total Portfolio</b>                          |                 |               |                | <b>44,582,008</b>         |                               |                                    |                      |



**16 TENDER REPORTS****16.1 TENDER RVC-847625 - CONSTRUCT SHARED PATHWAY ON BRUXNER HIGHWAY AND ON SUMMERLAND WAY, CASINO**

**Author:** Ben Zeller, Manager Projects and Performance

**EXECUTIVE SUMMARY**

Richmond Valley Council has received funding to construct a shared cycle way on the Bruxner Highway (Johnston Street from Walker Street to Clark Street) and on Summerland Way (from Eccles Street to Casino Showgrounds Entrance), Casino.

This project funding was for two cycleways, with the two projects being included in Council's Pedestrian Access and Mobility Plan and having community support.

Council called for tenders from suitably qualified and experienced contractors to construct one or both pathway sections.

**RECOMMENDATION**

That

1. NRC Group Pty Ltd be approved as the preferred tenderer for the construction of both Portions A and B of the Casino Shared Pathway project for Richmond Valley Council at the tendered rate of \$587,875.00 exclusive of GST.
2. The General Manager be authorised to negotiate and finalise the terms and conditions of any contract or agreement including extension of scope of works in line with the content of this report and the available budget and affixing the seal of Council where necessary.

**DELIVERY PROGRAM LINKS**

Connecting People and Places

PP2: Getting Around

PP2.3: Create a sense of Civic Pride in the Community

**BUDGET IMPLICATIONS**

Council has a budget of \$940,500.00 excluding GST provided by funding from the NSW Government's Priority Cycleway Program to deliver these works. The works are proposed to be undertaken this financial year.

**REPORT**

Council regularly uses contractors, determined by tender process, to undertake construction works including concrete structures, drainage crossings and shared pathways throughout the LGA.

The shared pathway consists of two portions as follows:

- Portion A of the shared cycle way will start on Bruxner Highway (Johnston St), connecting the current footpath near Clark Street and end at Walker Street, Casino.
- Portion B of the shared cycleway is on Summerland Way and will start at Eccles Street and end at the Casino Showground Entrance, Casino.

The work was tendered in two distinct sections with the intention that tenderers price portions A and B separately where at the sole discretion of Council, either one or both portions may be awarded.



Figure 1: Johnston Street section (Portion A)



Figure 2: Summerland Way - Showground section (Portion B)

Tenders were called for on 22 February 2019 and closed at 5:00 pm on 22 March 2019 under the provisions of the *Local Government Act 1993*, the *Local Government (General) Regulation 2005* and the requirements of the Richmond Valley Council Purchasing Policy.

Council received one tender submission from NRC Group Pty Ltd. NRC Group Pty Ltd tendered the following prices:

Portion A - \$362,000 excluding GST

Portion B - \$225,875 excluding GST

Total - \$587,875 excluding GST

| Tenderer          | ABN            | Tendered Amount (\$) | Assessed Tender Amount (\$) | Total Score | Recommended Tender Amount |
|-------------------|----------------|----------------------|-----------------------------|-------------|---------------------------|
| NRC Group Pty Ltd | 69 600 373 355 | 587,875.00           | 587,875.00                  | N/A         | 587,875.00                |

### Key Issues

As part of the tender process Council staged a mandatory on-site briefing and site inspection on 4 March 2019. Four companies attended the site briefing and indicated they would be tendering. These companies were Coastal Works (Coffs Harbour Council), NRC Group Pty Ltd, Corbett Earthmoving Pty Ltd and M J Walker Concreting.

The tendered price received highlights a substantial gap between the price and Councils project budget. To date, Council has incurred survey and design costs of \$25,000 which have identified possible variations that will need to be undertaken as part of the project. The formalisation of

parking at the corner of Johnston and East Street is required to alleviate safety concerns for both customers of the corner store, pedestrians and users of the shared pathway. Additionally, a bus stop is required to be installed with associated works. The table shows an estimate of the total cost of the project at this stage:

|  | Price (\$)        |
|--|-------------------|
| Tendered Price                             | 587,875.00        |
| Survey and Design                          | 25,000.00         |
| Parking Cnr Johnston and East Streets      | 40,000.00         |
| Bus Stop Installation and Associated Works | 15,000.00         |
| Project Management and On-Costs            | 50,000.00         |
| <b>Project Total</b>                       | <b>717,875.00</b> |
| Budget                                     | 940,500.00        |
| <b>Grant Funding Remining</b>              | <b>222,625.00</b> |

With the surplus identified, Council staff have considered an option to undertake works on a section of shared pathway on Hare Street (Bruxner Highway) with the remaining funds if approved by the NSW Government's Priority Cycleway Program Administrator. To obtain the approval, Council staff may need to complete a tender process, including the awarding of the Contract, and then submit recommendations to the funding authority with options on how to expend the remaining funds. Once the approval has been received, staff will be able to commence the additional works.

The works identified on Hare Street have been submitted for funding under the same program in the past however have to date been unsuccessful. The estimated cost of this section of works is \$218,766.00, within the scope of the remaining grant funding budget. The works identified on Hare Street is in Council's current Pedestrian Access and Mobility Plan and because of this, the funding authority should look on a submission to expend the remaining funds in this location favourably.

### Tender Evaluation

A thorough tender evaluation was conducted on the NRC Group Pty Ltd submission by the evaluation panel of:

- Daniel Rowlands (Project Officer)
- Kelsey Carter (Engineering Assistant – Roads and Transport)
- Ben Zeller (Manager Projects and Performance)

The submission was assessed to be conforming and provided value for money and addressed the scope required by the tender documents. NRC Group Pty Ltd have successfully constructed similar projects for Council and have demonstrated the necessary capability in the construction of reinforced concrete shared cycleways including all necessary clearing, earthworks, drainage works, retaining structures, signs, etc as indicated in the construction drawings and civil works in the tender.

### Consultation

Referee reports on recent contracts were incorporated into tender evaluations.

### Options

Nil.

**Conclusion**

The only tender submitted was consistent with market expectations and comparable to the recently completed Broadwater Shared Pathway. The tendered rates submitted by NRC Group Pty Ltd are considered reasonable. The recommended tender amount is \$587,875.00 exclusive of GST.

**ATTACHMENT(S)**

Nil

**16.2 SUPPLY AND DELIVERY OF STATIONERY**

**Author:** Daniel Parker, Coordinator Purchasing and Stores

**EXECUTIVE SUMMARY**

Richmond Valley Council is a member of Regional Procurement's Richmond Tweed Clarence (RTC) Group. Regional Procurement runs tenders for regional Local Government member groups to aggregate local tenders in order to attract greater supplier competition and lower pricing for member Councils.

Regional Procurement® has called an open panel source by council tender for the supply and delivery of stationery. The tender closed at 10:00am on 5 February 2019.

**RECOMMENDATION**

Recommended that

1. Dolphin Stationery Pty Ltd be awarded the contract for supply and delivery of stationery to participating RTC member councils for the period 1 April 2019 to 31 March 2021.
2. Provision be allowed for a 12-month extension based on satisfactory supplier performance which may take this contract through to 31 March 2022.
3. The General Manager be authorised to negotiate and finalise the terms and conditions of any contract or agreement, including affixing the seal of Council where necessary.

**DELIVERY PROGRAM LINKS**

Making Council Great

CS2: Great Support

CS2.11: Examine all revenue and expenditure reduction opportunities within legislative powers

**BUDGET IMPLICATIONS**

This tender is for the ongoing supply of delivery of stationery. The stationery is purchased as part of specific projects within Council's adopted budgets.

Council has spent the below amounts over the previous financial years:

- Years 2016/17 \$94,439
- Years 2017/18 \$97,508
- Year to 1/4/19 \$66,299

**REPORT**

The participating councils in this tender are:

- Bogan Shire
- Clarence Valley
- Cobar Shire
- Gilgandra Shire
- Gunnedah Shire
- Richmond Valley
- Walgett Shire
- Warren Shire
- Warrumbungle Shire

This tender was advertised in the following media:

- Tenderlink on 15 January 2019.
- Sydney Morning Herald on 15 January 2019, and
- Western Magazine on 15 January 2019.

Three (3) tenders in total were received from:

- Dolphin Stationery Pty Ltd
- Office Brands Limited
- Winc Australia Pty Ltd (Late Tender)

Four (4) sets of tender documents were downloaded from the Tenderlink Portal.

### **Probity**

The tender has been conducted in accordance with Clause 166(a) of the *Local Government (General) Regulation 2005*.

Conflict of Interest Declarations were signed by all participating evaluation panel members including the Regional Procurement facilitator. The declarations are available to be viewed if required.

All tenderer insurance records were checked against tender requirements and potential non-conformities were noted in the evaluation matrix for the consideration of the panel.

The evaluation was conducted in accordance with the Local Government Tendering Guidelines, Regional Procurement Tendering Code of Conduct and Tendering Evaluation Principles and Process. Confidentiality and probity were maintained throughout the process.

### **Tender Evaluation**

**The tender evaluation was conducted on 7 March 2019 at Gilgandra Shire Council by:**

- Eric McCutcheon - Store Purchasing Officer Gilgandra Shire Council
- Mark Kentish - Key Account Manager Regional Procurement

### **Methodology:**

The % (percentage) weightings and criteria were agreed upon prior to the tender closing. The evaluation result was determined by:

- Adding the total value of all items together to determine the lowest overall price.
- The lowest overall amount was awarded the full Criteria % for each Category, as shown in the Evaluation Results Table on the following page.
- Each subsequent total \$ (dollar) value was then divided into the lowest total amount to obtain a score.
- Other Evaluation Criteria was evaluated based on the following factors:
  - If the tenderer provided the required evidence to meet the benchmark, eg: ISO 9001:2008 certificate and QMS document contents page, the Evaluation Panel awarded full marks (5) for that category.
  - If the tenderer provided partial evidence to meet the benchmark, eg: provided a QMS document contents page but they are not ISO certified, the Panel determined a lower score between 2-4, subject to the evidence in front of them.
  - If the tenderer failed to meet the benchmark completely, eg: they demonstrated no ability to meet the criteria and did not provide any evidence, the Panel awarded 0 points to the tenderer for that evaluation criteria.
- Where "Referees" was included as weighted criteria, each Tenderer's Referees Score was calculated by adding the total scores obtained from the Tenderer's three nominated referees (where each is worth up to 25 points) and dividing this total by the maximum

possible score of 75, then multiplying this number by the allocated matrix Weighting value (eg 5%).

Note:

- The tender submission from Winc Australia Pty Ltd was received after tender close.
- All tenderers had been noted as active on the ASIC website.
- No tenders were deemed non-compliant.

| REGPRO201819<br>Price Evaluation Criteria | Weighting | Supply and Delivery of Stationery |               |              |
|---|-----------|-----------------------------------|---------------|--------------|
|   | %         | Dolphin Stationery                | Office Brands | Winc         |
| <b>Price</b>                              | <b>55</b> |                                   |               |              |
| Bogan                                     | 55        | No Offer                          | 55.00         | 41.02        |
| Walgett                                   | 55        | No Offer                          | 55.00         | 38.77        |
| Warren                                    | 55        | No Offer                          | 55.00         | 33.54        |
| Warrumbungle                              | 55        | No Offer                          | 55.00         | 49.09        |
| Cobar                                     | 55        | No Offer                          | 55.00         | 31.62        |
| Gunnedah                                  | 55        | No Offer                          | 55.00         | 31.62        |
| Clarence Valley                           | 55        | 38.57                             | 55.00         | 40.09        |
| Richmond Valley                           | 55        | 40.87                             | 55.00         | 39.89        |
| Gilgandra                                 | 55        | No Offer                          | 55.00         | 41.83        |
|   |           |                                   |               |              |
| <b>Non-Price Criteria</b>                 |           |                                   |               |              |
| Referees                                  | 15        | 14.80                             | 13.00         | 11.90        |
| Customer Service                          | 10        | 10.00                             | 10.00         | 10.00        |
| Guaranteed Delivery Times                 | 20        | 15.00                             | 15.00         | 15.00        |
| <b>Non-Price Total</b>                    | <b>45</b> | <b>39.80</b>                      | <b>38.00</b>  | <b>36.90</b> |

| REGPRO201819 Final Scores<br>Summary Per Council | Supply and Delivery of Stationery |               |       |
|--|-----------------------------------|---------------|-------|
|  | Dolphin Stationery                | Office Brands | Winc  |
| Bogan  | No Offer                          | 93.00         | 77.92 |
| Walgett  | No Offer                          | 93.00         | 75.67 |
| Warren   | No Offer                          | 93.00         | 70.44 |
| Warrumbungle                                     | No Offer                          | 93.00         | 85.99 |

| REGPRO201819 Final Scores<br>Summary Per Council | Supply and Delivery of Stationery |               |       |
|--|-----------------------------------|---------------|-------|
|  | Dolphin<br>Stationery             | Office Brands | Winc  |
| Cobar  | No Offer                          | 93.00         | 68.52 |
| Gunnedah   | No Offer                          | 93.00         | 68.52 |
| Clarence Valley                                  | 78.37                             | 93.00         | 76.99 |
| Richmond Valley                                  | 80.67                             | 93.00         | 76.79 |
| Gilgandra  | No Offer                          | 93.00         | 78.73 |

There are a number of factors Council staff considered in recommending Dolphin Stationery as the preferred option for this tender. Even though Regional Procurements Evaluation Matrix shows Office Brands scored the highest in the pricing criteria, it doesn't show however the company did not provide pricing on all selected products. Office Brands only provided pricing on 282 of the requested 501 listed products. If Council accepted the tender of Office Brands, we would have to source a significant number of items from other retailers.

Dolphin Stationery Pty Ltd also has an office in the Richmond Valley Council Local Government Area which is locally operated.

### CONSULTATION

Regional Procurement consulted with Richmond Valley Council's Coordinator Purchasing & Stores throughout the entire tendering process. Council had input into the tender evaluation criteria and the weighting of the criteria.

### CONCLUSION

Dolphin Stationery Pty Ltd is the recommended tenderer to be awarded this contract for Richmond Valley Council. Dolphin Office supplied pricing for all products requested and is also locally operated in the Northern Rivers with stores in Casino, Lismore, Ballina and Murwillumbah.

### ATTACHMENT(S)

Nil



**16.3 SUPPLY AND DELIVERY OF WATER METERS - REGPRO191819**

**Author:** Daniel Parker, Coordinator Purchasing and Stores

**EXECUTIVE SUMMARY**

Richmond Valley Council is a member of Regional Procurement's Richmond Tweed Clarence (RTC) Group. Regional Procurement facilitate tenders for regional Local Government member groups to aggregate the combined local tenders in order to attract greater supplier competition and lower pricing for member Councils.

Regional Procurement® has called a Single Source by Council tender for participating RTC member councils for the Supply and Delivery of Water Meters.

Tenders closed at 10.00am on 5 February 2019.

**RECOMMENDATION**

Recommended that

1. Elster Metering Pty Ltd be awarded the contract for supply and delivery of water meters to participating RTC member Councils for the period 1 April 2019 to 31 March 2021.
2. Provision be allowed for a 12-month extension based on satisfactory supplier performance which may take this contract through to 31 March 2022.
3. The General Manager be authorised to negotiate and finalise the terms and conditions of any contract or agreement, including affixing the seal of Council where necessary.

**DELIVERY PROGRAM LINKS**

Making Council Great

CS2: Great Support

CS2.11: Examine all revenue and expenditure reduction opportunities within legislative powers

**BUDGET IMPLICATIONS**

This tender is for the ongoing supply of water meters. These meters are purchased as part of specific projects within Council's adopted budgets.

Council has expended the following amounts over the following financial years:

| 17/18         |             | 16/17         |             | 15/16         |             | 14/15         |             | 13/14         |             |
|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
| Value Ordered | Qty Ordered | Value Ordered | Qty Ordered | Value Ordered | Qty Ordered | Value Ordered | Qty Ordered | Value Ordered | Qty Ordered |
| \$ 15,057.87  | 357.00      | \$ 6,895.68   | 114.00      | \$ 10,387.57  | 394         | \$ 7,066.33   | 284.00      | \$ 22,035.32  | 702         |

**REPORT**

The participating councils are:

- Bogan Shire
- Bourke Shire
- Cobar Shire
- Coonamble Shire
- Clarence Valley
- Gilgandra Shire
- Richmond Valley
- Walgett Shire
- Warren Shire
- Warrumbungle Shire

This tender was advertised in the following media:

- Tenderlink on 15 January 2019.
- Western Magazine on 15 January 2019, and
- Sydney Morning Herald on 15 January 2019.

Three (3) tenders in total were received from:

- Elster Metering Pty Ltd
- Itron Australia Pty Ltd
- WaterGroup Pty Ltd

Five (5) sets of tender documents were downloaded from the Tenderlink Portal.

### **Probity**

The tender has been conducted in accordance with Clause 166(a) of the *Local Government (General) Regulation 2005*.

Conflict of Interest Declarations were signed by all participating evaluation panel members including the Regional Procurement facilitator. The declarations are available to be viewed if required.

All tenderer insurance records were checked against Tender requirements and potential non-conformities were noted in the Evaluation Matrix for the consideration of the panel.

The evaluation was conducted in accordance with the Local Government Tendering Guidelines, Regional Procurement Tendering Code of Conduct and Tendering Evaluation Principles and Process. Confidentiality and probity were maintained throughout the process.

### **Tender Evaluation**

The tender evaluation was conducted on Thursday 7 March 2019 at Gilgandra Shire Council by:

- Eric McCutcheon - Store Purchasing Officer Gilgandra Shire Council
- Mark Kentish - Key Account Manager Regional Procurement

### **Methodology:**

The % weightings and criteria were agreed upon prior to the tender closing. The evaluation result was determined by:

- Adding the total value of all items together to determine the lowest overall price.
- The lowest overall amount was awarded the full Criteria % for each Category, as shown in the Evaluation Results Table on the following page.
- Each subsequent total \$ value was then divided into the lowest total amount to obtain a score.
- Other Evaluation Criteria was evaluated based on the following factors:
  - If the tenderer provided the required evidence to meet the benchmark, eg: ISO 9001:2008 certificate and QMS document contents page, the Evaluation Panel awarded full marks (5) for that category.
  - If the tenderer provided partial evidence to meet the benchmark, eg: provided a QMS document contents page but they are not ISO certified, the Panel determined a lower score between 2-4, subject to the evidence in front of them.
  - If the tenderer failed to meet the benchmark completely, eg: they demonstrated no ability to meet the criteria and did not provide any evidence, the Panel awarded 0 points to the tenderer for that evaluation criteria.
- Where "Referees" was included as weighted criteria, each Tenderer's Referees Score was calculated by adding the total scores obtained from the Tenderer's three nominated referees (where each is worth up to 25 points) and dividing this total by the maximum possible score of 75, then multiplying this number by the allocated matrix Weighting value (eg 5%).

### **Note:**

- *No late tenders were received.*
- *All tenderers had been noted as active on the ASIC website.*
- *No tenders were deemed non-compliant.*

**Evaluation Results**

| <b>REGPRO191819</b>   | <b>Weighting</b> | <b>Supply and Delivery of Water Meters</b> |                        |                   |
|---|------------------|--|------------------------|-------------------|
| <b>Evaluation Criteria</b>  | <b>%</b>         | <b>Elster Metering</b>                     | <b>Itron Australia</b> | <b>WaterGroup</b> |
| <b>Price</b>  |                  |  |                        |                   |
| <b>Table 1. 20mm Domestic Water Meters</b><br>BALL FACE (NSW Meter Thread)<br><b>Unpainted</b> 20mm<br>Domestic Water Meter c/w integral dual<br>check valves (without couplings)                 | <b>15</b>        | <b>14.21</b>                               | <b>15.00</b>           | <b>No Offer</b>   |
| <b>Table 2. 25mm Domestic Water Meters</b><br>BALL FACE (NSW Meter Thread)<br><b>Unpainted</b> 25mm<br>Domestic Water Meter c/w integral dual<br>check valves (without couplings)                 | <b>15</b>        | <b>15.00</b>                               | <b>12.27</b>           | <b>No Offer</b>   |
| <b>Table 3. 20mm Domestic Water Meters for Recycled Water</b><br>RECYCLED WATER (Recycled Water Thread)<br>20mm Domestic Water Meter c/w integral<br>dual check valves (without couplings)        | <b>15</b>        | <b>15.00</b>                               | <b>14.74</b>           | <b>No Offer</b>   |
| <b>Table 4. 25mm Domestic Water Meters for Recycled Water Meters</b><br>RECYCLED WATER (Recycled Water Thread)<br>25mm Domestic Water Meter c/w integral<br>dual check valves (without couplings) | <b>15</b>        | <b>15.00</b>                               | <b>11.39</b>           | <b>No Offer</b>   |
|   |                  |  |                        |                   |
| <b>Total Price</b>  | <b>60</b>        | <b>59.21</b>                               | <b>53.40</b>           | <b>0.00</b>       |
| <b>Referees</b>   | <b>15</b>        | <b>14.80</b>                               | <b>10.00</b>           | <b>8.40</b>       |
| <b>Quality Assurance</b>  | <b>10</b>        | <b>10.00</b>                               | <b>10.00</b>           | <b>5.00</b>       |
| <b>Customer Service</b>   | <b>10</b>        | <b>8.00</b>                                | <b>8.00</b>            | <b>8.00</b>       |
| <b>ESD</b>  | <b>5</b>         | <b>5.00</b>                                | <b>5.00</b>            | <b>3.00</b>       |
| <b>Total</b>  | <b>100</b>       | <b>97.01</b>                               | <b>86.40</b>           | <b>24.40</b>      |

**CONSULTATION**

Consultation took place between Regional Procurement and the participating councils including Richmond Valley Council throughout the tender process. Council was consulted in relation to tender criteria and weighting of the criteria.

**CONCLUSION**

The tender submitted by Elster Metering Pty Ltd is seen as most advantageous to supply participating RTC member councils water meters for the period 1 April 2019 to 31 March 2021 and it is recommended that provision be allowed for a 12-month extension to this contract based on satisfactory supplier performance which may take this contract through to 31 March 2022.

## **17 GENERAL BUSINESS**

### **17.1 UNSEALED ROADS MAINTENANCE FUNDING**

**Author:** David Timms, Manager Infrastructure Services

#### **EXECUTIVE SUMMARY**

Council has two rural roads maintenance grading teams. These teams are usually funded by rural road maintenance budgets and natural disaster funding budgets to complete their full year of works. As our area has recently been in an extended dry period there are no natural disaster funded projects. The dry conditions have meant that these crews have moved towards more reactionary works. As natural disaster funding works is funded from grants, Council officers are requesting additional funding for these reactionary works to be completed.

The majority of funding can be found in other budgets, which requires Council approval for the funding transfers to occur. Council officers are also requesting an amount of \$60,000 to be funded from this financial year's projected surplus, which is higher than originally anticipated due to additional Financial Assistance Grants, which Council has the discretion to allocate as it sees fit. Given the importance of good quality roads to our community and the safety issues being faced with some roads this additional funding is necessary.

#### **RECOMMENDATION**

That

1. Council approve the following budget adjustments.
  - (a) Transfer \$100,000 from interest revenue to rural road maintenance.
  - (b) Transfer \$15,000 from capital gravel re-sheets to rural road maintenance.
2. Council allow a further increase of \$60,000 to rural road maintenance budgets, funded from the surplus.

#### **DELIVERY PROGRAM LINKS**

Connecting People and Places

PP2: Getting Around

PP2.1: Improve Road Management practices at Richmond Valley Council

#### **BUDGET IMPLICATIONS**

The suggested funding for these essential works are as follows; as Councils interest on investment budget is approximately 110% as at the end of March a transfer of \$100,000 from the additional interest revenue, \$15,000 from the capital gravel re-sheets budget, and the balance of \$60,000 funded from Councils projected surplus. This would leave the projected surplus at approximately \$245,000.

#### **REPORT**

Council is currently facing challenges funding the maintenance of unsealed roads. These funding challenges have been exacerbated by the recent extended dry period and a need to modify the usual maintenance grading program to become more reactionary.

Council has two rural roads maintenance grading teams; the Mid-Richmond Team and the Rural West Team. The Mid-Richmond team operates from the Evans Head depot and the Rural West team from the Casino depot. At present the Mid-Richmond team are grading to the set service level that has been in place since 2006 and are on schedule to complete that by the end of the financial year. The Rural West team have been diverted from their usual program and are grading

rural roads that require urgent repairs to maintain the safety and agreed level of service of the network. This change in practice has been necessary for a number of reasons, the main one being the extended dry period and the inability of roads to maintain moisture levels. Many roads have been unravelling quicker than they normally would due to the weather conditions and this has resulted in additional reactive works needing to be performed.

Each of these teams is allocated a yearly budget of \$375,000 for a combined rural roads grading budget of \$750,000. On average the teams require \$19,500 to complete the required grading program each full week that they work. As at 16 March a total of \$648,000 of the budget has been expended, leaving \$102,000 for the remaining 15 weeks of the financial year. An additional \$175,000 is required to fund the rural grading teams through to the end of the financial year.

Ellangowan Road is an example of a road that is currently not meeting its required level of service and is in need of additional works to restore it to its required condition such that it meets the level of service it should provide to motorists. The road has degraded over time to the point where it now has little gravel on it and the running surface consists mainly of clay and black soil for the majority of the unsealed section. Historically a large proportion of gravel replacement works on unsealed roads has been achieved through the Natural Disaster Relief and Recovery Arrangements (NDRRA) Program because the gravel has been lost due to natural disaster events.

Due to its location (on top of a ridge), Ellangowan Road does not normally incur damage during flooding or intense rainfall events and therefore has received very little NDRRA gravel re-sheeting in the previous 11 years. The 3.4km unsealed portion of the road now requires a complete gravel re-sheet at an estimated cost of \$135,000. This will be funded from the 2018/19 re-sheeting budget of \$150,000, leaving approximately \$15,000 unexpended.

In the past, if shortfalls of funding have been realised in the rural grading operations the funds from the re-sheeting have been used to assist in meeting the required service levels. This will not be achievable this financial year because the majority of those funds need to be spent on the gravel re-sheeting of Ellangowan Road.

The 2017 Road Services Review Report stated that unsealed road grading was one area that had 'been identified as significantly lacking funding in Council's budget' and that it needed to be addressed. The complete funding of the rural grading teams (approximately \$900,000 per year) is required as current funding levels are unsustainable into the future.

## **CONSULTATION**

Nil

## **CONCLUSION**

Council is in a position in relation to our rural roads maintenance budgets where increased funding is required this financial year and can be funded as recommended in this report. This funding shortfall has been brought about by the extended dry period our Council area has faced and the lack of natural disaster funded works which are normally performed each year.

## **ATTACHMENT(S)**

Nil

**17.2 AMENDMENTS TO OPERATION OF THE LOCAL HERITAGE GRANTS SCHEME**

**Author:** Tony McAteer, Coordinator Planning Services

**EXECUTIVE SUMMARY**

The Local Heritage Grants Scheme is part of a heritage incentives program offered by Council. The Scheme aims to promote the positives of heritage item ownership, and to encourage the ongoing maintenance of heritage fabric.

The Scheme underwent a review in 2016, however concerns have been raised over the effectiveness of the Scheme given the small amounts on offer. It is proposed to continue the Scheme with some minor changes to the maximum grant amounts that can be offered.

**RECOMMENDATION**

That Council continue to operate a Local Heritage Grants Scheme under the existing guidelines, except:

1. grants up to a maximum of \$2,000 may be offered, with a minimum 50% co-contribution from the owner, with larger grants to be considered on merit for more significant maintenance/restoration projects; and
2. the larger \$10,000 grant pool will no longer be offered separately to the total grant allocation.

**DELIVERY PROGRAM LINKS**

Growing our Economy

EC1: Driving Economic Growth

EC1.7: Provide flexible and innovative planning controls

**BUDGET IMPLICATIONS**

The Local Heritage Grants Scheme operates within an existing budget allocation of \$26,000 p.a. (to increase with CPI). The Scheme is partially funded by the NSW Heritage Branch of up to \$6,000. No changes to the budget allocation are proposed in this report.

**REPORT**

The Local Heritage Grants Program is a financial assistance scheme that offers small grants to owners of Heritage listed properties as an incentive to undertake maintenance or restoration work. The key aims of the scheme are to deliver good heritage and urban design management outcomes, while encourage regular maintenance, and assistance with the additional cost of properly maintaining heritage listed properties.

A review of the Program undertaken in December 2013 Ordinary meeting and resolved (Minute No 171213/12) to continue operating the Scheme under the Recommended Guidelines proposed in the report, being:

- offer a grant pool of \$25,000 in the 2014/15 Financial Year, increasing with CPI annually (therefore \$26,000 in 2019/20 round);
- prioritise funding towards:
  - heritage listed properties or those within conservation areas,
  - urgent maintenance projects, such as weather proofing, and
  - items with a high community profile;

- splitting the grant pool to offer:
  - small grants of up to \$2,000 each on a matching \$-for-\$ basis with the owner (potentially \$15,000 to be awarded), and
  - a larger grant of up to \$10,000 on a matching \$1 grant-to-\$2 owner basis, aimed strategically at items with a high community profile.

Authority was also given to the General Manager to award heritage grants based upon recommendations of the Heritage Advisor and Council's Heritage Officer.

### **Proposed Changes to the Scheme**

A Councillor Information Workshop was held on 2 April 2019 to discuss the upcoming 2019/20 round of Heritage Grants. Concerns over the effectiveness of the Scheme were raised given the maximum \$2,000 grant allowance may be too small to encourage significant maintenance work. It was proposed that some flexibility should be incorporated into the guidelines to allow grants larger than \$2,000 to be awarded on merit consideration of the project, and the equitable distribution of funds. Such grants would still be on a minimum 50% co-contribution with the owner (\$-for-\$).

Another area of concern has been the take up of the larger \$10,000 grants which can be awarded on minimum 66% co-contribution from the owner (\$-for-\$2). In the five years this type of grant has been offered, it has only been awarded on three occasions. If flexibility is given towards the maximum \$2,000 grants, there will no longer be a need to also segregate the grants into a small and larger pool. Therefore, this element of the scheme should be dropped.

All other aspects of the Scheme should continue to operate as per previous rounds.

### **Operation of the Scheme**

The Local Heritage Grants Scheme has now operated for 14 years and awarded over \$265,000 in grants towards 143 projects. The following table shows year-on-year how much was awarded. As a cost benefit, each dollar granted towards heritage maintenance has on average encouraged a 3.5x spend on heritage maintenance.

| Year          | Council Awarded Grants | Number of Projects Completed | Value of Work Completed |
|---------------|------------------------|------------------------------|-------------------------|
| 2005-06       | \$ 12,375.00           | 7                            | \$ 36,052.81            |
| 2006-07       | \$ 11,074.00           | 6                            | \$ 28,561.00            |
| 2007-08       | \$ 15,386.30           | 8                            | \$ 80,826.30            |
| 2008-09       | \$ 13,573.00           | 8                            | \$ 33,918.00            |
| 2009-10       | \$ 10,360.00           | 5                            | \$ 19,190.00            |
| 2010-11       | \$ 19,027.80           | 11                           | \$ 46,994.10            |
| 2011-12       | \$ 22,256.50           | 12                           | \$ 92,976.34            |
| 2012-13       | \$ 23,158.59           | 15                           | \$ 72,277.72            |
| 2013-14       | \$ 21,284.01           | 13                           | \$ 68,892.57            |
| 2014-15       | \$ 23,712.50           | 10                           | \$ 69,578.20            |
| 2015-16       | \$ 27,354.97           | 16                           | \$ 118,089.95           |
| 2016-17       | \$ 26,430.00           | 10                           | \$ 122,711.17           |
| 2017-18       | \$ 19,413.51           | 12                           | \$ 94,786.66            |
| 2018-19       | \$ 19,672.15           | 10                           | \$ 51,097.92            |
| <b>TOTALS</b> | <b>\$265,078.33</b>    | <b>143</b>                   | <b>\$ 935,952.74</b>    |

### **CONSULTATION**

Nil.

### **CONCLUSION**

The Local Heritage Grants Scheme is offered as part of a suite of heritage incentives. The Scheme is proven to encourage ongoing maintenance of heritage items and is a positive for

heritage ownership. It is recommended that the Scheme should continue with some minor changes to the maximum grants that can be awarded.

**ATTACHMENT(S)**

**Nil**



**18 MATTERS FOR INFORMATION****RECOMMENDATION**

Recommended that the following reports submitted for information be received and noted.

**18.1 CUSTOMER SERVICE REPORT - QUARTERLY UPDATE 1 JANUARY 2019 TO 31 MARCH 2019**

**Author:** Kelly Moroney, Coordinator Customer Service and Support

**RECOMMENDATION**

That Council receive and note the quarterly Customer Service Report for the period 1 January 2019 – 31 March 2019.

**REPORT**

Council is committed to providing a high level of customer service to the community. The Customer Service Framework was adopted by Council at the Ordinary Meeting held on 19 July 2016. As a result, this quarterly report detailing Council's performance against the standards in the framework has been developed. The report also contains details on the resolution of customer requests made through the Contact Centre. Analysis is undertaken to determine what strategies or areas of improvement are required.

The report comprises of three parts; the Customer Service Contact Centre Data, the data from the Customer Request Management System (CRM) and the data from the Customer Service After Service Survey.

***Customer Service Contact Centre Data - Key Statistics*****Calls Statistics**

A total of 6951 calls were received during the quarter which is an increase from previous although comparative to the corresponding period for the previous year. The Contact Centre has significantly exceeded all service targets for this quarter.

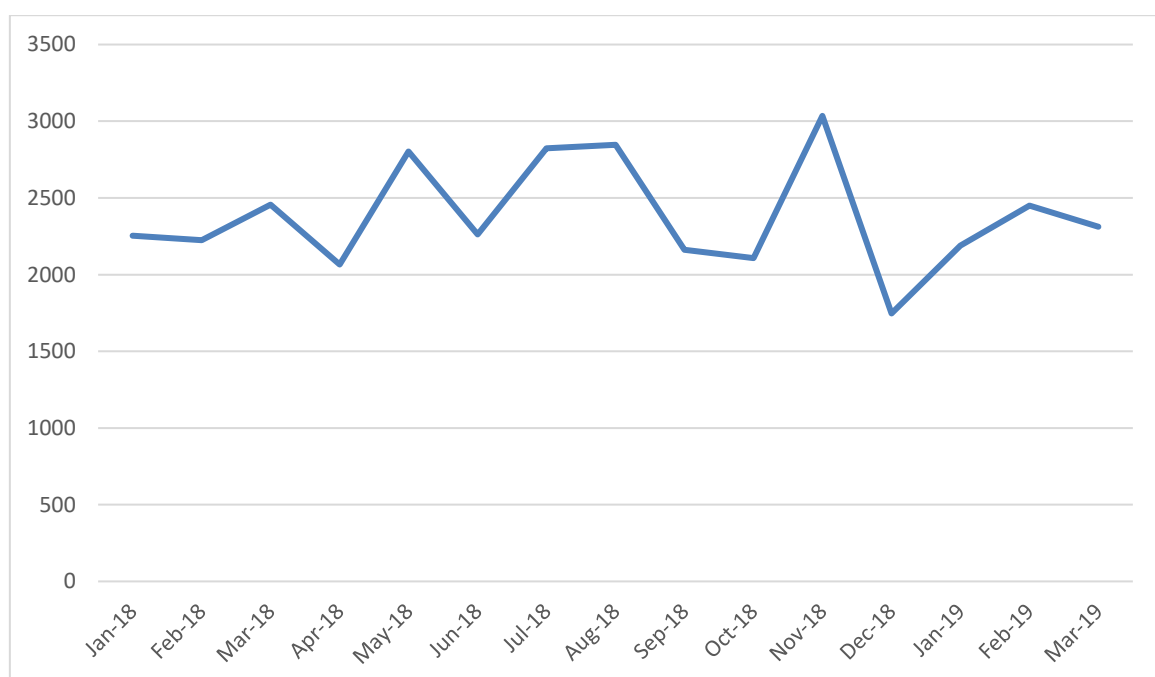


Figure 1- Total Number of Calls

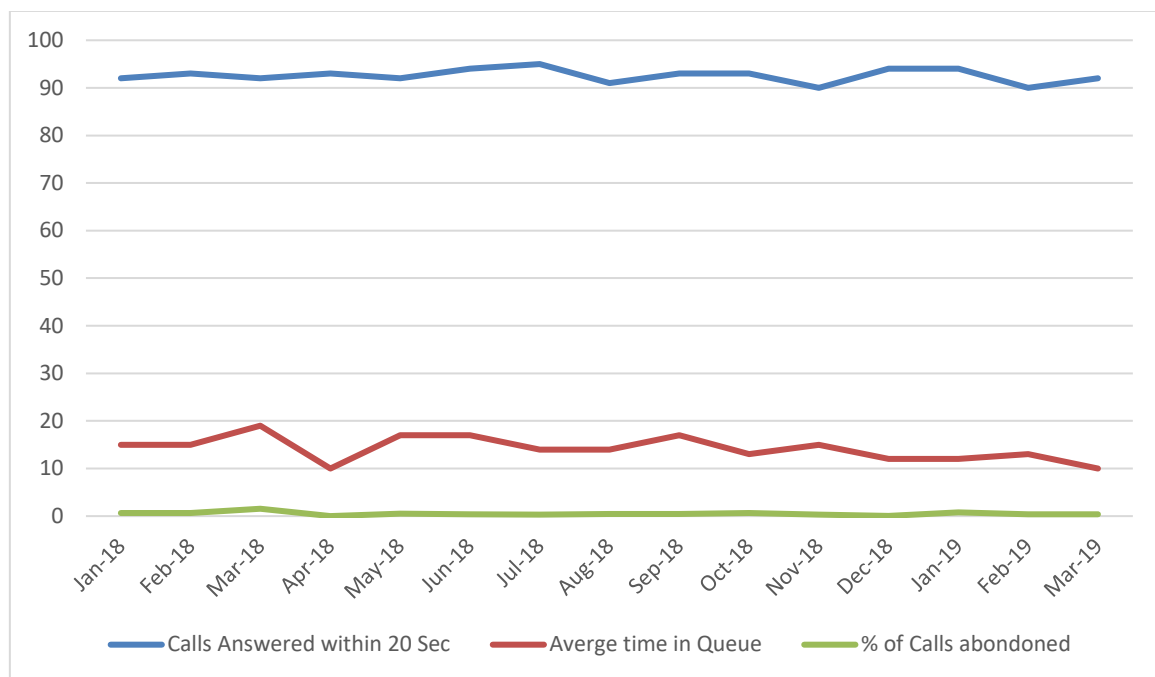


Figure 2 - Call Statistics

### Receipt and Administration Statistics

A total of 3051 receipts were actioned for this quarter which sees a decrease from the previous quarter mainly due to the holiday period in January.

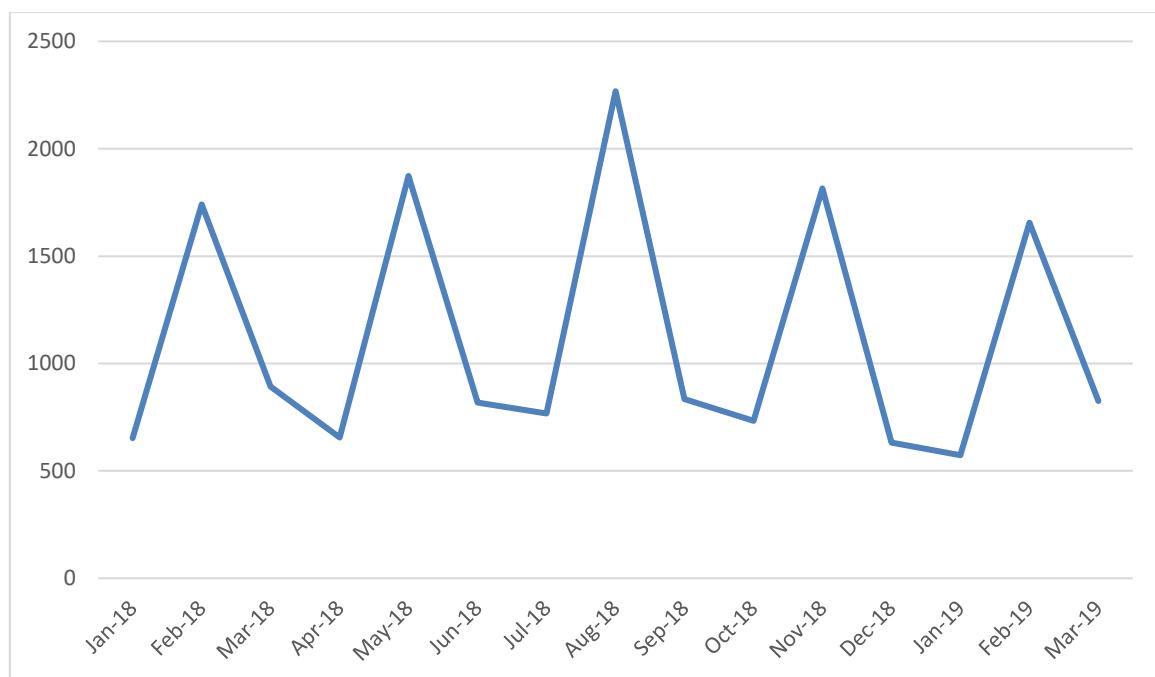


Figure 3 - Total Numbers of Receipts

92% of Section 735A, 149, 603 Certificates were completed within set timeframes as per our service standards. When comparing the statistics from this quarter with the previous quarter, they show a decrease in the number of Dial Before You Dig Applications mainly due to construction slowing throughout the January period and an increase of CRM's lodged which may be attributed to social media notifications advising to please report issues via Council's customer request management system.

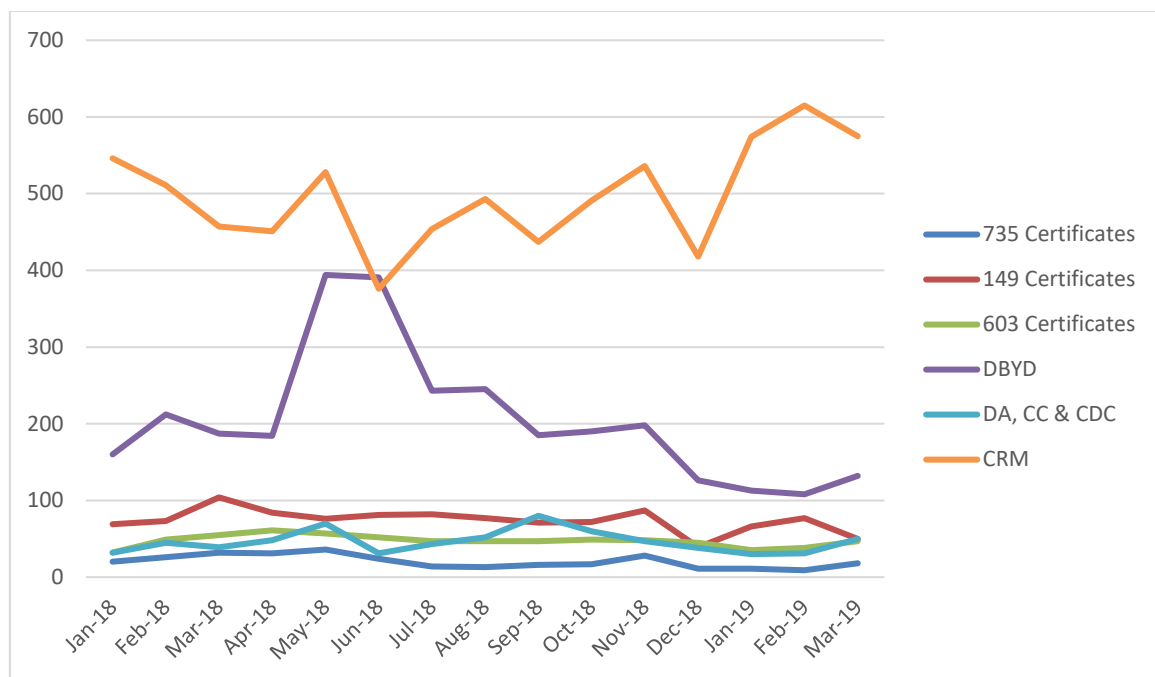


Figure 4 - Administration Statistics

### Customer Request Management System - Key Statistics

This quarter sees a 22% increase in CRM's received which coincides with social media communications advising to please lodge customer requests via Council. A total of 21% of requests were completed outside target which is a decrease from the last quarter. A marked improvement by the water/sewer team closing out requests within the target timeframes has attributed to this decrease.

Similar to the last quarter the majority of Council requests were referred to Environment Regulatory Control. The Water and Sewer section experienced a significant increase in CRM's. The Asset Management section continued on an upward trend.

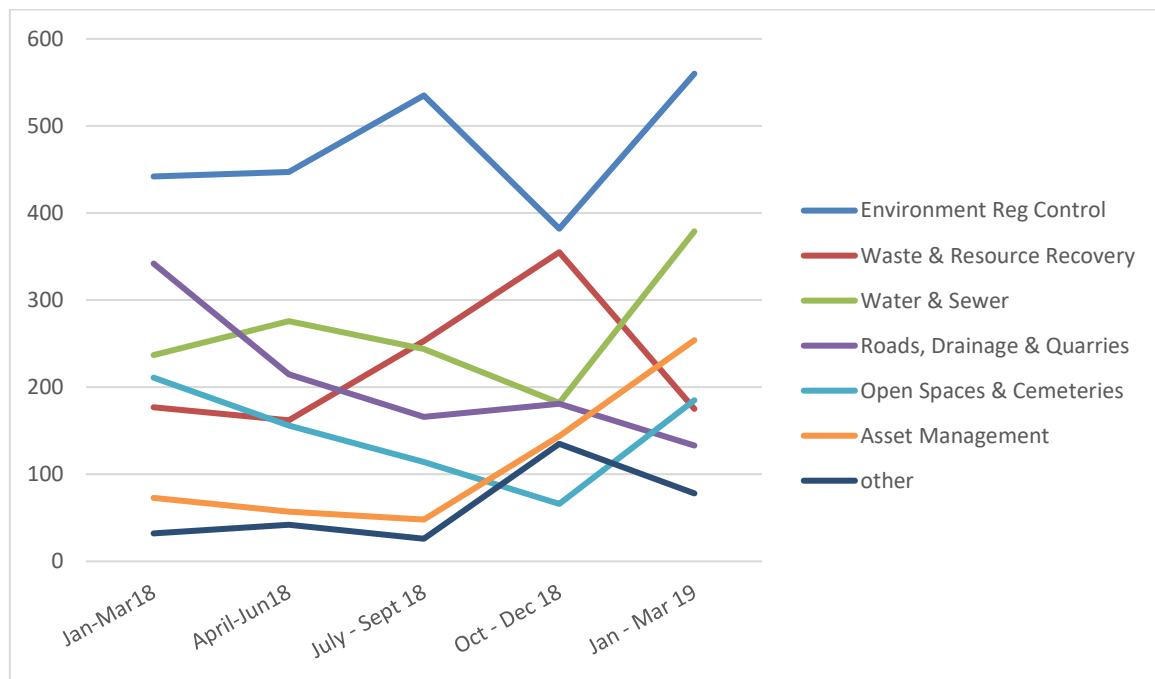


Figure 5 - Number of Requests

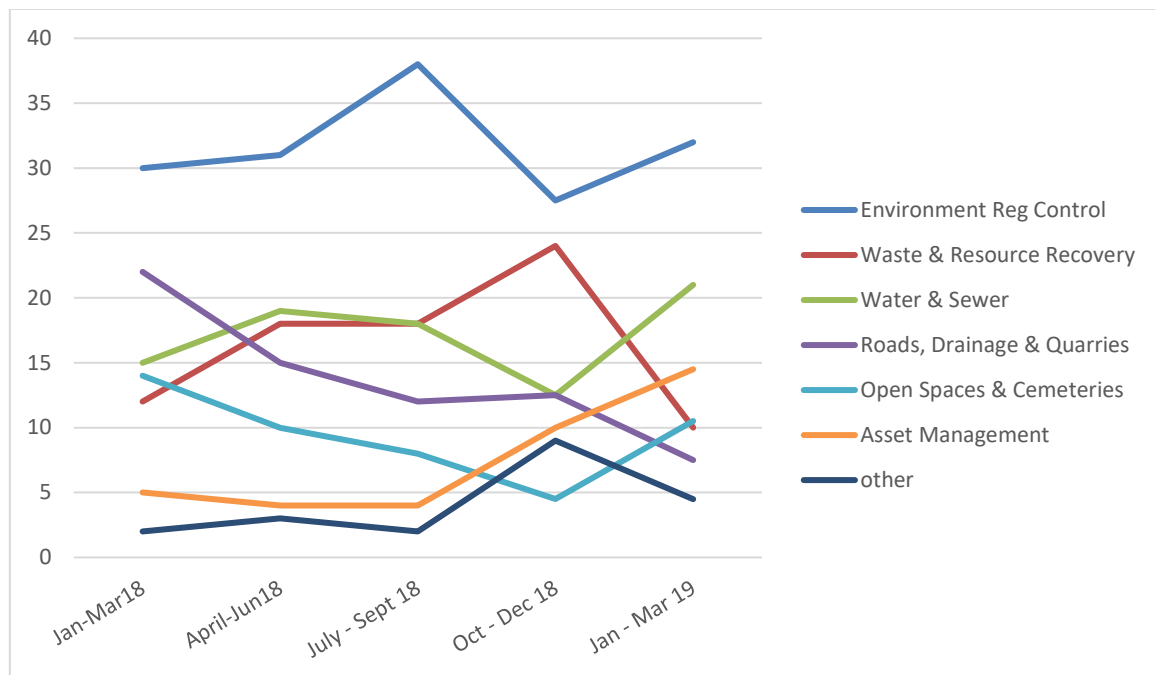


Figure 6 - Percentage of Total Requests

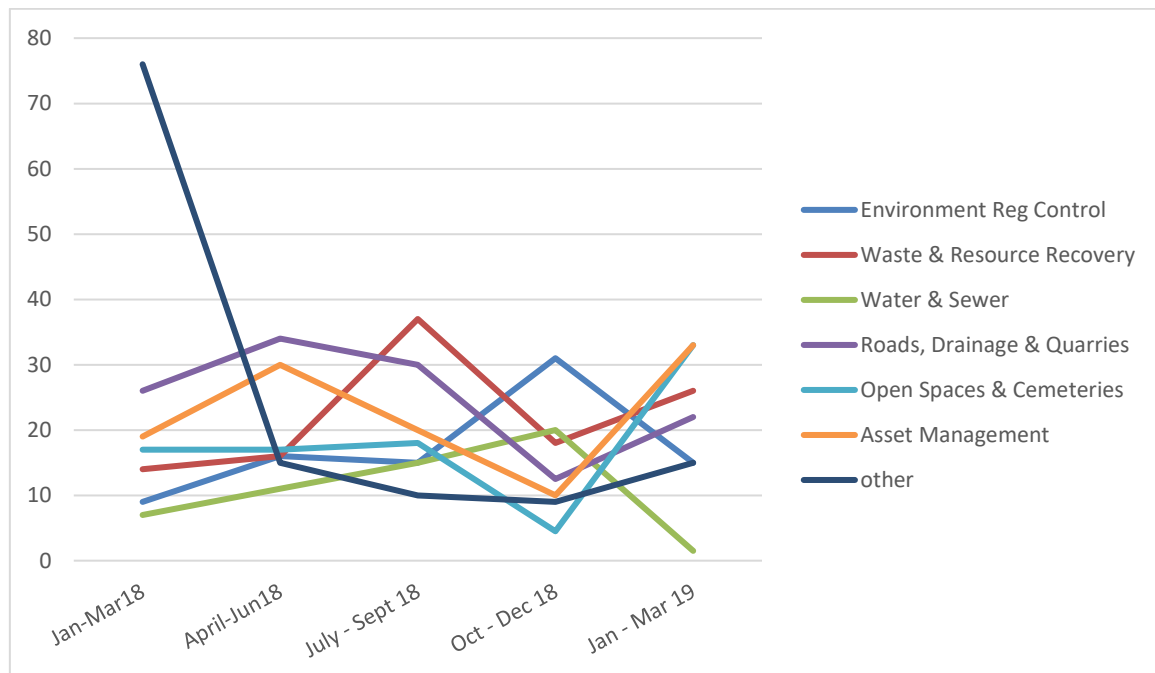


Figure 7- Completed Outside Target

### Customer Service After Service Survey - Key Statistics

The quarterly after service customer survey was conducted with customers who had recently made contact to Council who were contacted by phone and asked a series of questions in relation to the service they have received. The survey results revealed a 2% decrease in overall customer satisfaction and an increase of 8% of customers being dissatisfied with the service received. The results also showed a decrease in staff being able to answer the enquiry in the first instance however the result is still within our customer service framework targets of 80% first contact resolution. When asked of the survey respondents who advised that they were dissatisfied with the service, a series of comments were taken for follow up with the relevant work areas. A total of 18 responses were received from 100 calls and the key results are as listed below:

- 68% of the survey respondents had contacted Council by phone and 32% in person.
- 23% contacted Council to seek further information with 19% placing a request for service.

- 22% had contacted Council in relation to rates enquiries and 18% for building services. This is similar to last survey results for rates, however it is a decrease for building services. This is only reflected on customers who were surveyed.
- 23% of respondents advised they had to contact Council again to resolve their initial enquiry. This is a 3% increase from the previous quarter. When examining the information collected, the follow up enquiry often related to further information being required by a technical officer in order to resolve the enquiry.
- 83% advised the first person they were able to speak to could answer their enquiry.
- 67.88% of respondents advised they were very satisfied with the service and 23.36% satisfied, 4.38% neutral and 4.38% dissatisfied. There was a 5% decrease in very satisfied however a 5% increase in a satisfied rating. Dissatisfied was comparative to last survey results.
- A number of positive comments were also received including praise for the efficient and courteous service provided.

The after-service survey will continue to be actioned each quarter, trends monitored and areas for improvement identified within this quarterly report.

## **CONCLUSION**

The information contained in this report demonstrates the significant volume of tasks and actions which are required by our frontline Customer Service staff. The Customer Service standards we have set ourselves are generally met and more often than not exceeded.

Quarterly statistical analysis of Customer Service Contact Centre data, Customer Request Management System (CRM) and feedback from the Customer Service After Service Survey provide valuable information which enables identification of opportunities to improve Council's Customer Service and ensure our processes are as efficient and effective as they can be.

In accordance with Council's Customer Service Framework, we continue to strive for the provision of high standards in customer service to the community. In order for Council to continue to provide this high level of customer service, monitoring of our performance, the implementation of strategies and constant improvements to processes are required to this area of our business.

## **ATTACHMENT(S)**

**Nil**

**18.2 GRANT APPLICATION INFORMATION REPORT - MARCH 2019****Author:** Ryan Gaiter, Chief Financial Officer / Manager Mid-Richmond**RECOMMENDATION**

That Council receive and note the Grant Application Information Report for the month of March 2019.

**REPORT**

This report provides information on grant applications that have been approved, grants that have been received, grant applications that were unsuccessful and grant applications submitted for the month of March 2019.

One new grant was approved, while Council received funding for ten grants during the reporting period, totalling \$1,871,362. Council was notified as being unsuccessful with two grant applications and six new grants were applied for during this time.

Details of these grants are provided below:

***Grants that have been approved***

| <b>Woodburn Riverside Pontoon – Supporting Water Sports</b> |   |
|---|---|
| Project ID  | 10313   |
| Funding Body  | Department of Infrastructure, Regional Development and Cities |
| Funding Name  | Community Development Grants Programme                        |
| Government Level  | State   |
| Project Value (exc GST)                                     | \$181,910   |
| Grant Funding (exc GST)                                     | \$110,000   |
| Council Funding (exc GST)                                   | \$ 71,910   |
| Date Application Submitted                                  | N/A   |
| Date Approved   | 6 March 2019  |
| Comment (if required)                                       | N/A   |

***Grants that have been received***

| <b>Flood Event of 12 March 2017 Emergency and Restoration Works</b> |                             |
|---|-----------------------------|
| Project ID  | 10256                       |
| Funding Body  | Roads and Maritime Services |
| Funding Name  | Natural Disaster Funding    |
| Government Level  | State                       |
| Project Value (exc GST)   | \$1,773,221                 |
| Grant Funding (exc GST)   | \$1,744,221                 |
| Council Funding (exc GST)   | \$ 29,000                   |
| Date Application Submitted  | Various                     |

|                              |                               |
|------------------------------|-------------------------------|
| Date Received                | \$2,433 received 4 March 2019 |
| Total Funds Received To Date | \$1,728,463                   |
| Comment (if required)        | N/A                           |

#### **Flood Event of 28 March 2017 Emergency and Restoration Works**

|                              |                                |
|------------------------------|--------------------------------|
| Project ID                   | 10258                          |
| Funding Body                 | Roads and Maritime Services    |
| Funding Name                 | Natural Disaster Funding       |
| Government Level             | State                          |
| Project Value (exc GST)      | \$3,113,420                    |
| Grant Funding (exc GST)      | \$3,084,420                    |
| Council Funding (exc GST)    | \$ 29,000                      |
| Date Application Submitted   | Various                        |
| Date Received                | \$3,594 received 29 March 2019 |
| Total Funds Received To Date | \$3,044,880                    |
| Comment (if required)        | N/A                            |

#### **Northern Rivers Livestock Exchange Stage 2**

|                              |                                 |
|------------------------------|---------------------------------|
| Project ID                   | 10260                           |
| Funding Body                 | NSW Treasury                    |
| Funding Name                 | Restart NSW                     |
| Government Level             | State                           |
| Project Value (exc GST)      | \$7,000,000                     |
| Grant Funding (exc GST)      | \$7,000,000                     |
| Council Funding (exc GST)    | \$ 0                            |
| Date Application Submitted   | Various                         |
| Date Received                | \$838,735 received 7 March 2019 |
| Total Funds Received To Date | \$1,686,651                     |
| Comment (if required)        | N/A                             |

#### **Summerland Way Shared Pathway**

|                         |   |
|-------------------------|---|
| Project ID              | 10273   |
| Funding Body            | Transport NSW   |
| Funding Name            | Active Transport, Walking and Cycling Program, Priority Cycleways |
| Government Level        | State   |
| Project Value (exc GST) | \$341,000   |

|                              |   |
|------------------------------|---|
| Grant Funding (exc GST)      | \$341,000   |
| Council Funding (exc GST)    | \$ 0  |
| Date Application Submitted   | 20 September 2017   |
| Date Received                | \$1,440 received 4 March 2019<br>\$9,993 received 29 March 2019         |
| Total Funds Received To Date | \$22,133  |
| Comment (if required)        | Original application was for \$391,000, funding approved for \$341,000. |

| Johnston Street, Bruxner Hwy, Shared Pathway |   |
|--|---|
| Project ID                                   | 10274   |
| Funding Body                                 | Transport NSW   |
| Funding Name                                 | Active Transport, Walking and Cycling Program, Priority Cycleways         |
| Government Level                             | State   |
| Project Value (exc GST)                      | \$599,500   |
| Grant Funding (exc GST)                      | \$599,500   |
| Council Funding (exc GST)                    | \$ 0  |
| Date Application Submitted                   | 20 September 2017   |
| Date Received                                | \$1,060 received 4 March 2019<br>\$536 received 29 March 2019             |
| Total Funds Received To Date                 | \$2,296   |
| Comment (if required)                        | Original application was for \$1,015,500, funding approved for \$599,500. |

| Casino Drill Hall Project    |  |
|------------------------------|--|
| Project ID                   | 10280  |
| Funding Body                 | Department of Infrastructure and Regional Development                          |
| Funding Name                 | Building Better Regions Fund (BBRF)  |
| Government Level             | Federal  |
| Project Value (exc GST)      | \$1,415,000  |
| Grant Funding (exc GST)      | \$ 837,500   |
| Council Funding (exc GST)    | \$ 577,500   |
| Date Application Submitted   | 19 December 2017   |
| Date Received                | \$131,069 received 29 March 2019   |
| Total Funds Received To Date | \$131,069  |
| Comment (if required)        | The total project value is \$1,667,000 when combined with Grant Project 10241. |



| Woodburn Public School - Covered Bus Shelter |  |
|--|--|
| Project ID                                   | 10295  |
| Funding Body                                 | Transport for NSW  |
| Funding Name                                 | Country Passenger Transport Infrastructure Grants Scheme |
| Government Level                             | State  |
| Project Value (exc GST)                      | \$131,350  |
| Grant Funding (exc GST)                      | \$ 98,522  |
| Council Funding (exc GST)                    | \$ 32,829  |
| Date Application Submitted                   | N/A  |
| Date Received                                | \$7,000 received 28 March 2019                           |
| Total Funds Received To Date                 | \$7,000  |
| Comment (if required)                        | N/A  |

| Regional Roads Block Grant 2018/2019 |                                      |
|--------------------------------------|--------------------------------------|
| Project ID                           | N/A                                  |
| Funding Body                         | Roads and Maritime Services          |
| Funding Name                         | Regional Roads Block Grant 2018/2019 |
| Government Level                     | State                                |
| Project Value (exc GST)              | \$901,815                            |
| Grant Funding (exc GST)              | \$901,815                            |
| Council Funding (exc GST)            | \$ 0                                 |
| Date Application Submitted           | N/A – Annual allocation              |
| Date Received                        | \$237,233 received 4 March 2019      |
| Total Funds Received To Date         | \$901,815                            |
| Comment (if required)                | N/A                                  |

| Roads to Recovery Program 2015-2019 |   |
|-------------------------------------|---|
| Project ID                          | N/A   |
| Funding Body                        | Department of Infrastructure and Regional Development |
| Funding Name                        | Roads to Recovery Program                             |
| Government Level                    | Federal   |
| Project Value (exc GST)             | \$6,420,841   |
| Grant Funding (exc GST)             | \$6,420,841   |
| Council Funding (exc GST)           | \$ 0  |
| Date Application Submitted          | N/A – annual allocation                               |

|                              |                                  |
|------------------------------|----------------------------------|
| Date Received                | \$635,705 received 15 March 2019 |
| Total Funds Received To Date | \$6,350,773                      |
| Comment (if required)        | N/A                              |

| Upgrade Kitchen Facilities at Broadwater Rileys Hill Community Centre |  |
|---|--|
| Project ID  | N/A  |
| Funding Body  | Department of Industry, Innovation and Science                                   |
| Funding Name  | Stronger Communities Programme – Round 4   |
| Government Level  | State  |
| Project Value (exc GST)   | \$5,133  |
| Grant Funding (exc GST)   | \$2,566  |
| Council/Other Funding (exc GST)                                       | \$2,567  |
| Date Application Submitted  | 18 January 2019  |
| Date Received   | \$2,566 received 8 March 2019  |
| Total Funds Received To Date  | \$2,566 (total funding received)   |
| Comment (if required)   | Grant applied for on behalf of the S355 committee operating under Council's ABN. |

### ***Unsuccessful Grant Applications***

| CCTV Program               |                                |
|----------------------------|--------------------------------|
| Project ID                 | 10296                          |
| Funding Body               | NSW Department of Justice      |
| Funding Name               | NSW Community Safety Fund 2018 |
| Government Level           | State                          |
| Project Value (exc GST)    | \$252,497                      |
| Grant Funding (exc GST)    | \$250,000                      |
| Council Funding (exc GST)  | \$ 2,497                       |
| Date Application Submitted | 24 July 2018                   |
| Date Advised Unsuccessful  | 4 March 2019                   |
| Comment (if required)      | N/A                            |

| Casino CCTV Community Safety Project |  |
|--------------------------------------|--|
| Project ID                           | 10302  |
| Funding Body                         | Department of Industry, Innovation and Science |
| Funding Name                         | Safer Communities Fund                         |
| Government Level                     | State  |
| Project Value (exc GST)              | \$606,302                                      |

|                            |                   |
|----------------------------|-------------------|
| Grant Funding (exc GST)    | \$606,302         |
| Council Funding (exc GST)  | \$ 0              |
| Date Application Submitted | 25 September 2018 |
| Date Advised Unsuccessful  | 25 February 2019  |
| Comment (if required)      | N/A               |

**Grant Applications Submitted**

| IT Guidance for Seniors    |  |
|----------------------------|--|
| Project ID                 | 10307  |
| Funding Body               | Good Things Foundation Australia – Get Connected Network |
| Funding Name               | Building Digital Skills - Round 6                        |
| Government Level           | Federal  |
| Project Value (exc GST)    | \$5,000  |
| Grant Funding (exc GST)    | \$5,000  |
| Council Funding (exc GST)  | \$ 0   |
| Date Application Submitted | 8 March 2019   |
| Comment (if required)      | N/A  |

| Environmental & Security Improvements for Operating Landfill and Transfer |                                     |
|---|-------------------------------------|
| Project ID  | 10308                               |
| Funding Body  | NSW Environmental Protection Agency |
| Funding Name  | Waste Less, Recycle More            |
| Government Level  | State                               |
| Project Value (exc GST)   | \$50,000                            |
| Grant Funding (exc GST)   | \$37,500                            |
| Council Funding (exc GST)   | \$12,500                            |
| Date Application Submitted  | 14 March 2019                       |
| Comment (if required)   | N/A                                 |

| Yorklea Fire Control Centre Facility Upgrades |   |
|---|---|
| Project ID                                    | 10309   |
| Funding Body                                  | NSW Government – Department of Industry - Lands |
| Funding Name                                  | Crown Reserves Improvement Fund Program         |
| Government Level                              | State   |
| Project Value (exc GST)                       | \$47,964  |

|                            |               |
|----------------------------|---------------|
| Grant Funding (exc GST)    | \$47,964      |
| Council Funding (exc GST)  | \$ 0          |
| Date Application Submitted | 22 March 2019 |
| Comment (if required)      | N/A           |

#### Memorial Park - Filtration System

|                            |   |
|----------------------------|---|
| Project ID                 | 10310   |
| Funding Body               | NSW Government – Department of Industry - Lands |
| Funding Name               | Crown Reserves Improvement Fund Program         |
| Government Level           | State   |
| Project Value (exc GST)    | \$594,916                                       |
| Grant Funding (exc GST)    | \$594,916                                       |
| Council Funding (exc GST)  | \$ 0  |
| Date Application Submitted | 22 March 2019                                   |
| Comment (if required)      | N/A   |

#### Coraki Caravan Park - Amenities Block

|                            |   |
|----------------------------|---|
| Project ID                 | 10311   |
| Funding Body               | NSW Government – Department of Industry - Lands |
| Funding Name               | Crown Reserves Improvement Fund Program         |
| Government Level           | State   |
| Project Value (exc GST)    | \$572,298                                       |
| Grant Funding (exc GST)    | \$549,571                                       |
| Council Funding (exc GST)  | \$ 22,727                                       |
| Date Application Submitted | 22 March 2019                                   |
| Comment (if required)      | N/A   |

#### Coronation Park - Facility Upgrades

|                         |   |
|-------------------------|---|
| Project ID              | 10312   |
| Funding Body            | NSW Government – Department of Industry - Lands |
| Funding Name            | Crown Reserves Improvement Fund Program         |
| Government Level        | State   |
| Project Value (exc GST) | \$500,229                                       |

|                            |               |
|----------------------------|---------------|
| Grant Funding (exc GST)    | \$472,956     |
| Council Funding (exc GST)  | \$ 27,273     |
| Date Application Submitted | 22 March 2019 |
| Comment (if required)      | N/A           |

**ATTACHMENT(S)****Nil**

### 18.3 DEVELOPMENT APPLICATIONS DETERMINED UNDER THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT FOR THE PERIOD 1 MARCH 2019 TO 31 MARCH 2019

**Author:** Kaela Barber, Managerial Assistant

#### RECOMMENDATION

That Council receive and note the development application report for the period 1 March 2019 to 31 March 2019.

#### REPORT

This report provides a summary of development activity on a monthly basis. All Development Applications determined in the month are outlined in this report, including Section 96 approvals, applications that are refused and withdrawn, and applications with no development value such as subdivisions.

Council receives a weekly summary of the status of applications (including all received). Council notifies all determinations of Development Applications in its community newsletter pursuant to Clause 101 of the *Environmental Planning and Assessment Act 1979* (as amended) on a monthly basis.

The total number of Development Applications and Complying Development Applications determined within the Local Government area for the period 1 March 2019 to 31 March 2019 (including one withdrawn) was 24, with a total value of \$7,831,015.00

In order to provide a better understanding of the value of Development Consents issued by Council over a 12-month period, a graph is set out in Figure 1 below.

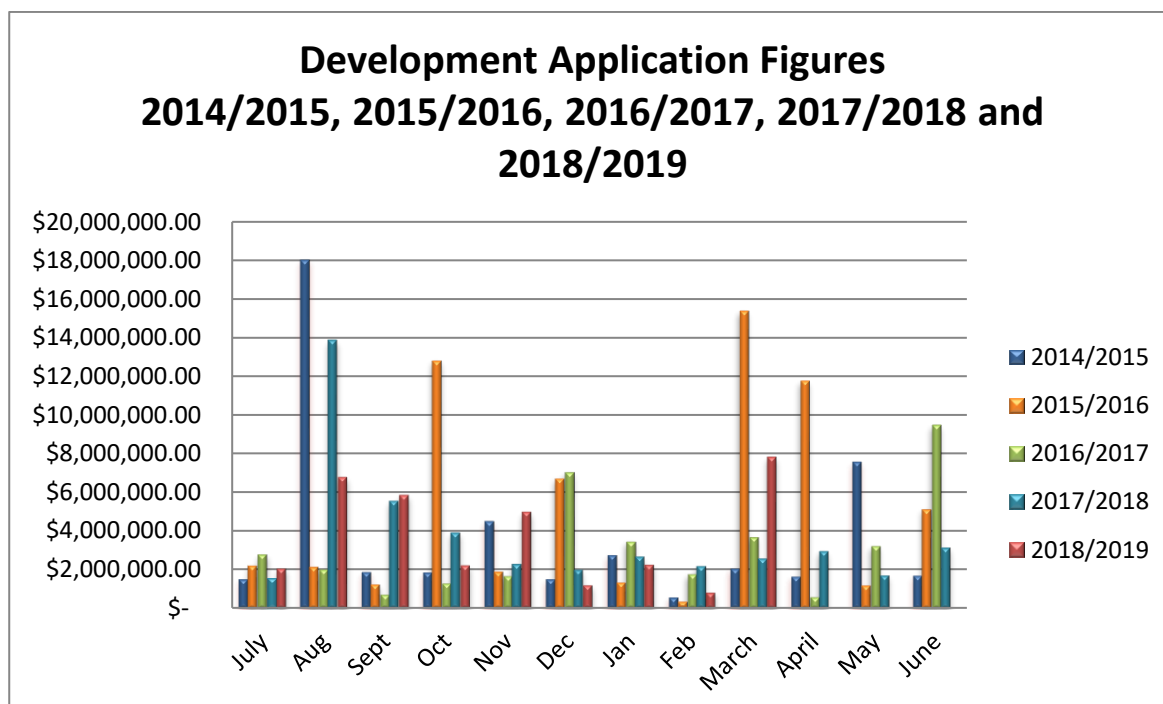


Figure 1: Monthly dollar value of development processed by Council over five financial years.

Figure 2 graph provides the annual value of Development Consents issued by Council over five financial years and Figure 3 graph provides a detailed review of the value for the reporting month of March 2019.

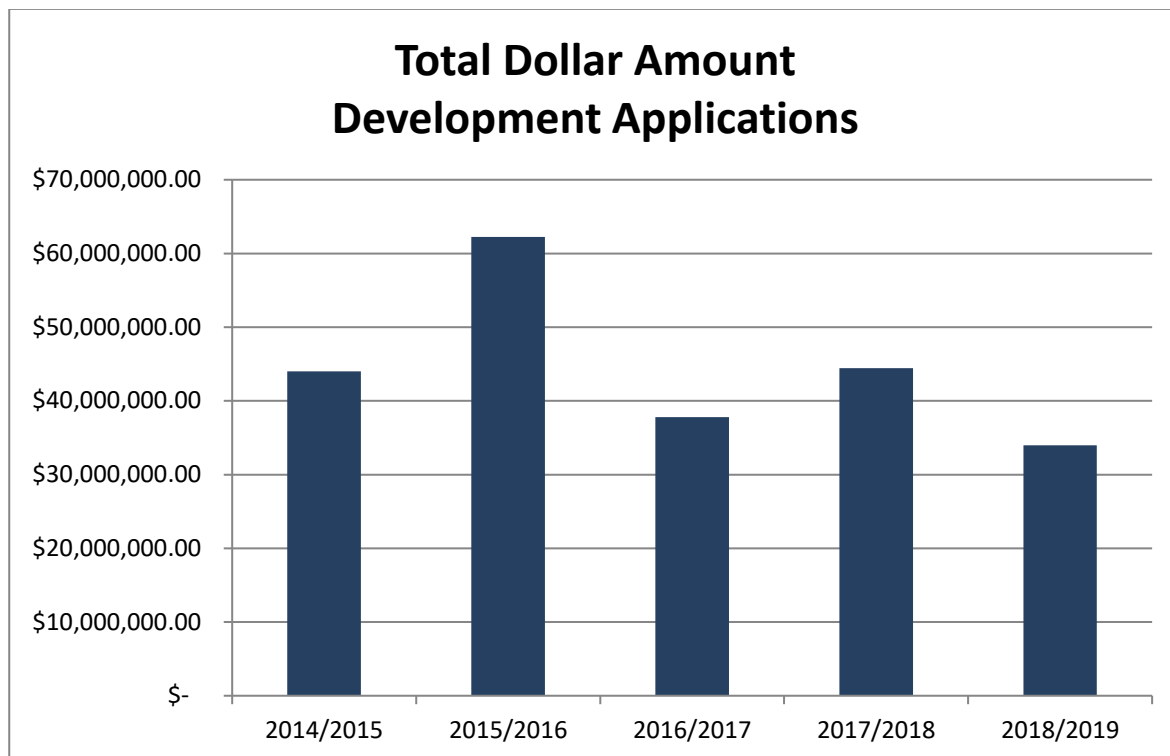


Figure 2: Annual value of development.

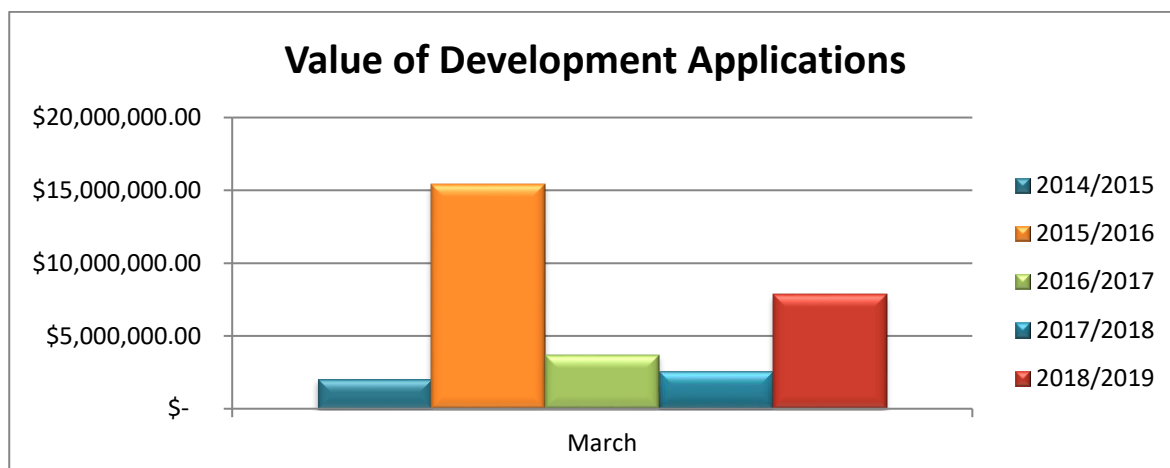


Figure 3: Value of development for the month of March.

#### **Number of Development Applications**

The number of applications received by Council does not necessarily reflect the value of developments as single large developments can be equivalent in value to a large number of more standard type developments such as sheds, dwellings and small commercial developments.

Figures 4 and 5 below detail the number of applications determined by Council.

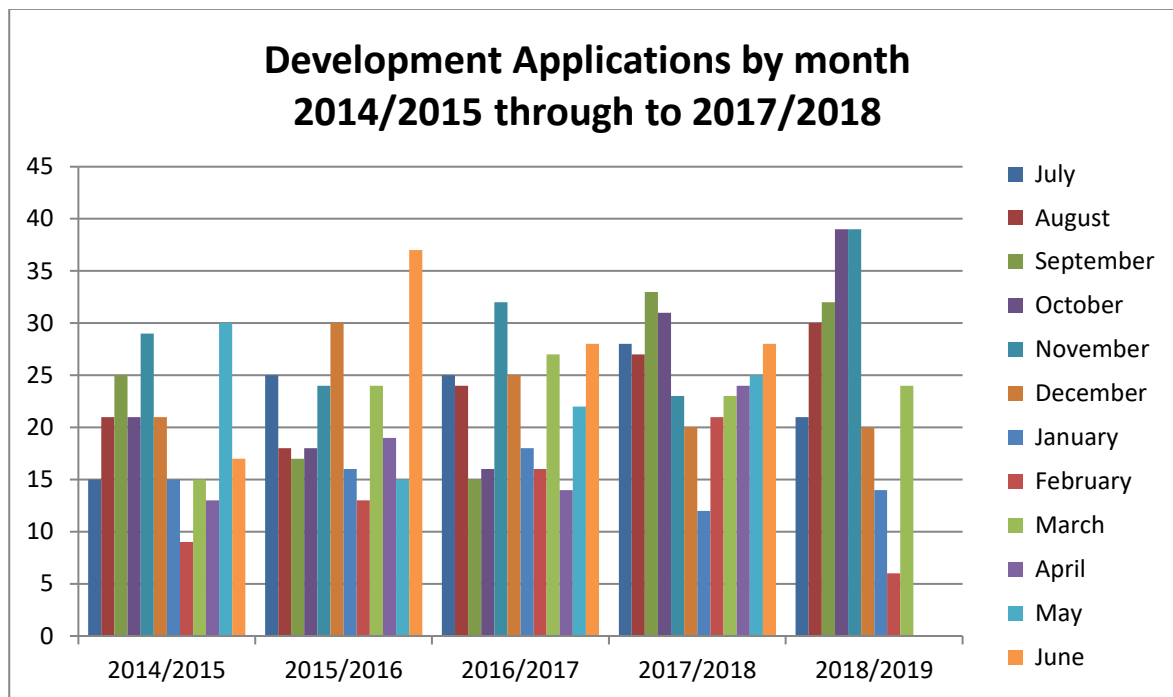


Figure 4: Number of Development Applications per month over five financial years.

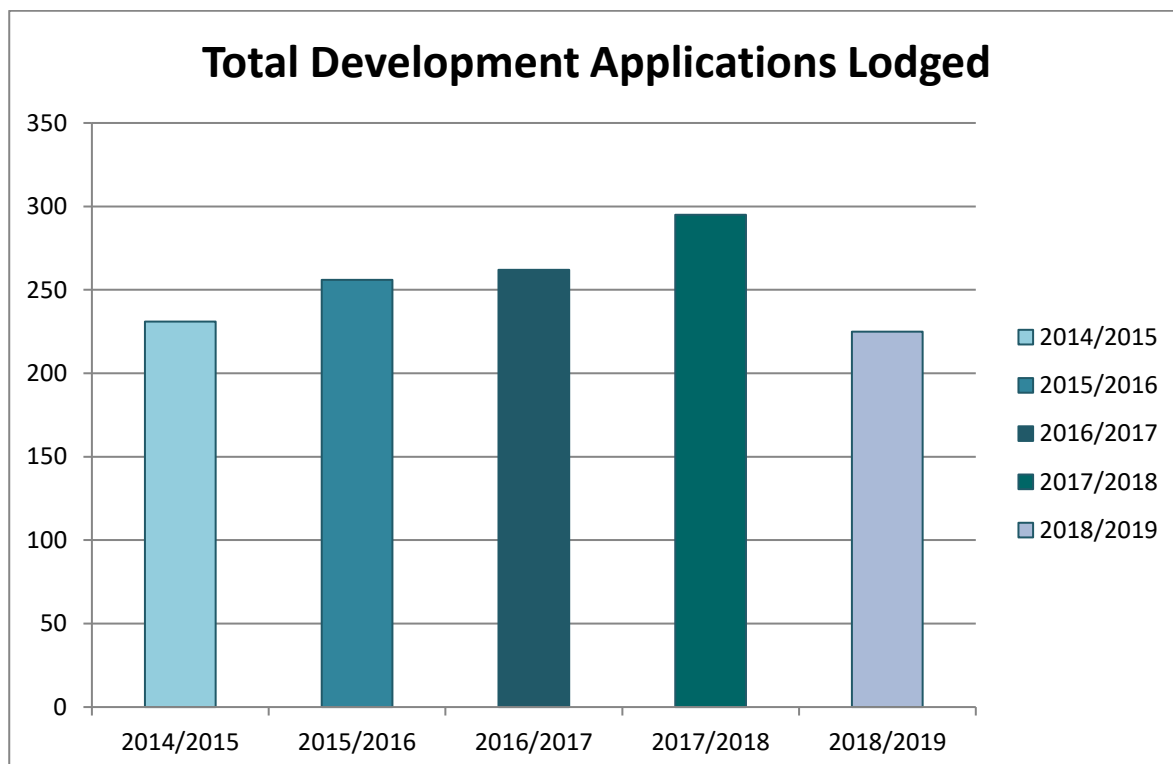


Figure 5: Number of development applications per year over five financial years.

**Activity for the month of March 2019**

|   |    |
|---|----|
| General Approvals (excluding Subdivisions, Section 96s) | 21 |
| Section 96 amendments to original consent               | 1  |
| Subdivision   |    |
| Refused   |    |
| Withdrawn   | 1  |



|  |           |
|--|-----------|
| Complying Development (Private Certifier Approved) | 1         |
| <b>TOTAL</b>                                       | <b>24</b> |

**DELIVERY PROGRAM LINKS**

Growing our Economy

EC1: Driving Economic Growth

EC1.6: Improved customer satisfaction with the DA process

**BUDGET IMPLICATIONS**

Nil.

| Summary of Development Applications <u>determined</u> under the Environmental Planning and Assessment Act<br>for the period 1 March 2019 to 31 March 2019 |                                   |  |   |   |             |                    |                 |
|---|-----------------------------------|--|---|---|-------------|--------------------|-----------------|
| Application ID  | Applicant                         | Owners                                       | Location                                  | Development   | Date Lodged | Determination Date | Estimated Cost  |
| DA2019/0053   | Ardill Payne & Partners           | DR, SL, DE McKenna, CC Robb                  | 400-410 Woodburn Evans Head Road, Doonbah | Detached dual occupancy (2 x Four (4) bedroom dwellings)  | 6/09/2018   | 7/03/2019          | \$ 500,000.00   |
| DA2019/0132   | Metricon Homes QLD Pty Ltd        | SM & FR Pignat                               | 470 Reardons Lane, Swan Bay               | Construction of second dwelling to create detached dual occupancy (existing dwelling and 1 x four (4) bedroom dwelling) | 26/11/2018  | 14/03/2019         | \$ 255,977.00   |
| DA2019/0139   | NA Taylor                         | NA Taylor                                    | 13 Forest Grove, Fairy Hill               | Farm shed and shade houses  | 4/12/2018   | 12/03/2019         | \$ 130,795.00   |
| DA2019/0147   | Newton Denny Chapelle             | Richmond Valley Council                      | 19 Woodburn Street, Evans Head            | Construction of a health services facility, demolition, carparking, and associated works.                               | 13/12/2018  | 14/03/2019         | \$ 4,991,984.00 |
| DA2019/0153   | PJ Kingston                       | TRT & PJ Kingston                            | 55 Kookami Road, West Coraki              | Dwelling extensions & "as built" deck   | 20/12/2018  | 14/03/2019         | \$ 30,800.00    |
| DA2019/0159   | CJ Norman                         | CJ Norman                                    | 64 Musgraves Road, North Casino           | Dwelling  | 15/01/2019  | 4/03/2019          | \$ 242,000.00   |
| DA2019/0164   | Smith & Smith Studios             | GJ & JM Yates                                | 71 North Street, Casino                   | Change of use to commercial premises  | 29/01/2019  | 14/03/2019         | \$ 8,521.00     |
| DA2019/0165   | Peter Lucena & Associates Pty Ltd | FN & R Vleggaar                              | 9 Ironbark Place, Naughtons Gap           | Swimming pool, deck & associated fencing  | 31/01/2019  | 7/03/2019          | \$ 55,000.00    |
| DA2019/0168   | DJ Gambley                        | MJ & DJ Gambley                              | 65 Heath Street, Evans Head               | Slated screen fence with "as built" fence posts and carport   | 4/02/2019   | 26/03/2019         | \$ 7,000.00     |
| DA2019/0169   | Gina Ghioni Architect             | United Protestant Association of NSW Limited | 65-67 Barker Street, Casino               | Garage  | 5/02/2019   | 6/03/2019          | \$ 10,000.00    |
| DA2019/0170   | PJ Alford                         | PJ & E M Alford                              | 385 Busbys Flat Road, Leeville            | Proposed change of use from shed to dwelling & as built ablution block  | 6/02/2019   | 26/03/2019         | \$ 5,000.00     |
| DA2019/0171   | Ardill Payne & Partners           | United Protestant Association of NSW Limited | 63 Barker Street, Casino                  | Demolition - dwelling, carport, shed and residential flat building  | 11/02/2019  | 8/03/2019          | \$ 60,000.00    |
| DA2019/0172   | MD & KL Watts                     | MD & KL Watts                                | 11 Heathwood Place, North Casino          | Garage  | 11/02/2019  | 8/03/2019          | \$ 18,830.00    |
| DA2019/0173   | MD Hancock                        | MD Hancock                                   | 15 Manifold Road, North Casino            | Inground fibreglass swimming pool   | 14/02/2019  | 4/03/2019          | \$ 36,600.00    |
| DA2019/0175   | AGS Commercial Pty Ltd            | MM Pursey                                    | 370 Myall Creek Road, Bora Ridge          | Shed  | 15/02/2019  | 14/03/2019         | \$ 38,760.00    |
| DA2019/0177   | Hayes Building Consultancy        | JM Powell                                    | Eucalypt Drive, Swan Bay                  | New single dwelling   | 15/02/2019  | 8/03/2019          | \$ 260,000.00   |
| DA2019/0178   | Dixonbuild Pty Ltd                | H Birch                                      | Casuarina Drive, Swan Bay                 | Dwelling  | 18/02/2019  | 11/03/2019         | \$ 294,000.00   |
| DA2019/0179   | Metricon Homes QLD Pty Ltd        | JSL & EL Bednall                             | 9 Wills Place, Casino                     | Dwelling  | 20/02/2019  | 25/03/2019         | \$ 344,943.00   |

| Application ID  | Applicant                  | Owners                         | Location                               | Development                                  | Date Lodged | Determination Date | Estimated Cost |
|---|----------------------------|--------------------------------|--|--|-------------|--------------------|----------------|
| DA2019/0180   | GW Jones                   | GW & KH Jones                  | 33 Dean Street, Casino                 | Demolition of shed and erection of shed      | 20/02/2019  | 13/03/2019         | \$ 11,400.00   |
| DA2018/0241.01  | SK Fitzgerald              | BC & SK Fitzgerald             | 10 Rosewood Place, Evans Head          | Modification to approved swimming pool       | 25/02/2019  | 8/03/2019          | \$ -           |
| DA2019/0182   | LA Newman                  | LA Newman                      | 75 Casuarina Drive, Swan Bay           | Swimming pool                                | 27/02/2019  | 13/03/2019         | \$ 33,700.00   |
| DA2019/0183   | Metricon Homes QLD Pty Ltd | W & CM Algie                   | 915 Swan Bay New Italy Road, New Italy | Dwelling                                     | 1/03/2019   | 28/03/2019         | \$ 377,638.00  |
| CDC2019/0016  | Modern Building Certifiers | Frank Whiddon Nominees Pty Ltd | 11 Gitana Street, Casino               | Solar panels                                 | 20/03/2019  | 14/03/2019         | \$ 118,067.00  |
|   |                            |                                |  |  |             |                    |                |
| Summary of Development Applications <u>withdrawn</u> under the Environmental Planning and Assessment Act for the period 1 March 2019 to 31 March 2019 |                            |                                |  |  |             |                    |                |
| Application ID  | Applicant                  | Owners                         | Location                               | Development                                  | Date Lodged | Determination Date | Estimated Cost |
| DA2015/0069.01  | NJ Newman                  | KA & NJ Newman                 | Bungawalbin Whiporie Road, Bungawalbin | Modification to extractive industry approval | 23/01/2019  | 6/03/2019          | \$ -           |

**ATTACHMENT(S)**

**Nil**

**18.4 TENDER RA315920RVC ELECTRICITY REVERSE AUCTION - CONTESTABLE SITES AND STREET LIGHTING (UNMETERED)**

**Author:** Daniel Parker, Coordinator Purchasing and Stores

**RECOMMENDATION**

That Council receive and note the report on the reverse auction results for Contestable Sites and Street Lighting and the contractual arrangement entered into with Origin Energy for both contracts.

**REPORT**

At the Ordinary Meeting on the 19 February 2019 Council resolved that:

- 1. Regional Procurement Conduct a reverse auction on behalf of Richmond Valley Council for the large contestable sites and street lighting to obtain the best price for Council. This Contract would run for 24 months commencing on 1 January 2020 ending on 31 December 2021.*
- 2. Council's General Manager is given delegation to sign and approve this contract with the most advantage cost to Council.*
- 3. Council authorise the General Manager to enter into and endorse relevant contracts, including affixing the seal of Council where appropriate, generally in accordance with the details contained within this report.*

Following this resolution, Regional Procurement in conjunction with Energy Action held a reverse auction at 11:00am on Friday 15 March 2019, specifically for Richmond Valley Council detailing the electricity supply of contestable sites and street lighting, in accordance with Clause 166(a) of the Local Government (General) Regulation 2005. Registrations closed 11.00am 15 March 2019 with reverse auctions occurring from 11:10am on the same day.

The Reverse Auction was advertised in the following media:

- Online TenderLink on 26 February 2019
- Newspaper Sydney Morning Herald on 26 February 2019

Two (2) reverse auctions in total were conducted for Contestable Metered sites (1 x 24 months term) and Street Lighting (1 x 24 months term).

Category 1: Contestable Sites metered 24 months (1 January 2020 – 31 December 2021)

Bids were received from 5 energy retailers:

- Origin Energy
- Simply Energy
- ERM Power
- Energy Australia
- AGL

Category 2: Street Lighting metered 24 months (1 January 2020 – 31 December 2021)

Bids were received from 5 energy retailers:

- Origin Energy
- Simply Energy
- ERM Power
- Energy Australia
- AGL

## Reverse Auction Evaluation

The reverse auction evaluation was conducted via teleconference on 15 March 2019 with the following Council staff participating:

- Daniel Parker – Coordinator Purchasing and Stores

Also participating

- Peter Salafia – Regional Procurement (facilitator)
- Lauren Pearce – EnergyAction (advisor)
- Mary Galea – EnergyAction (observer)

Conflict of Interest Declarations were signed by all participating evaluation panel members including the Regional Procurement facilitator. The declarations are available to be viewed if required.

## Evaluation Methodology:

### Price criteria

- The lowest bid amount (including SEC's or Statutory Environmental Charges – Federal and State) is divided by itself and then multiplied by the evaluation criteria weighting to obtain a score thus the lowest price is awarded the full Criteria %.
  - *Note:* SEC's are included in the figures being submitted as 'estimated' by each retailer. As it is possible that these charges could move over the life of the contract based on either federal or NSW state government policies, the evaluation outcome is determined by using the inclusive estimated SEC rates only.
- Each subsequent bid \$ value is then divided into the lowest total amount and multiplied by the evaluation criteria weighting to obtain a comparative score.

### Non-price criteria

- Quality Assurance was scored as a Pass/Fail by determining whether the tenderer conformed to the Electricity Retailer Supplier's Licence Conditions in the NSW Benchmark Participants Compliance Status report.
- Customer Service was scored using the following information:
  - Payment Terms
    - 30+ Days = 2
    - 14 – 29 Days = 1
    - <14 Days = 0
  - Rankings based on the complaints per 10,000 customers for complaints listed in the Energy & Water Ombudsman NSW report:
    - 0 complaints = 3
    - 1-50 complaints = 2
    - 51-100 complaints = 1
    - 101+ complaints = 0
  - Electronic Reporting as:
    - Customer access portal = 3 points
    - Provision of data in CSV format via email = 2 points
    - Provision of data in PDF via email = 1 points
    - No electronic reporting = 0 points
  - Billing Requirements was scored by determining whether the retailer could provide:
    - Direct Debit Facilities as Yes = 2 points or No = 0 points

**RA361920NAM Evaluation Results: Contestable Sites > 100MWh (metered)**

| CRITERIA  | %           |   |                  | ORIGIN ENERGY | SIMPLY ENERGY | ERM POWER    | ENERGY AUSTRALIA | AGL          | Bench-mark Cost |
|---|-------------|---|------------------|---------------|---------------|--------------|------------------|--------------|-----------------|
| Criteria  | Weighting   | Scoring   |                  | \$320,281     | \$322,379     | \$327,213    | \$331,945        | \$334,219    | \$427,131       |
| <b>Total Price offered (per annum)</b>  | <b>90</b>   |   |                  | 90.00         | 89.41         | 88.09        | 86.84            | 86.25        | 33.36%          |
| <b>Quality Assurance – Conform/Not Conform</b>  |             |   |                  |               |               |              |                  |              | \$106,850       |
| Retailer conforms to the Electricity Retail Suppliers License Conditions                                    | Pass/Fail   | Yes<br>No   | Pass<br>Fail     | Pass          | Pass          | Pass         | Pass             | Pass         |                 |
| <b>Customer Service</b>   |             |   |                  |               |               |              |                  |              |                 |
| Payment Terms   | 2%          | 30+days<br>14-29 days<br><14 days   | 2<br>1<br>0      |               | 2.00          |              |                  |              |                 |
| Number of complaints by retailer on a per 10,000 customer basis received according to the AER annual report | 3%          | 0<br>From 1 - 50<br>51-100<br>101 and greater   | 3<br>2<br>1<br>0 |               |               |              |                  |              |                 |
| Electronic reporting  | 3%          | Customer access portal with ability to self-generate custom reports (minimum requirements specified below) including a scheduling function for emailing of reports.<br>Provision of data reports (minimum requirements specified below) in CSV format via email<br>Electronic invoices only (e.g. pdf of bill)<br>No electronic reporting | 3<br>2<br>1<br>0 | 3.00          |               | 3.00         | 3.00             | 3.00         |                 |
| Retailer provides Direct Debit Payment Facilities   | 2%          | Yes<br>No   | 2<br>0           | 2.00          |               | 2.00         | 2.00             | 2.00         |                 |
| <b>Total</b>  | <b>100%</b> |   |                  | <b>98.00</b>  | <b>94.41</b>  | <b>96.09</b> | <b>94.84</b>     | <b>94.25</b> |                 |

**RA361920NAM Evaluation Results: Street Lighting (unmetered)**

| CRITERIA  | %           |   |                  | SIMPLY ENERGY | ORIGIN ENERGY | AGL          | ENERGY AUSTRALIA | ERM POWER    | Bench-mark Cost |
|---|-------------|---|------------------|---------------|---------------|--------------|------------------|--------------|-----------------|
| Criteria  | Weighting   | Scoring   |                  | \$122,977     | \$129,019     | \$141,730    | \$168,514        | \$182,856    | \$202,174       |
| <b>Total Price offered (per annum)</b>  | <b>90</b>   |   |                  | 90.00         | 85.79         | 78.09        | 65.68            | 60.53        | 36.18%          |
| <b>Quality Assurance – Conform/Not Conform</b>  |             |   |                  |               |               |              |                  |              | \$73,155        |
| Retailer conforms to the Electricity Retail Suppliers License Conditions                                    | Pass/Fail   | Yes<br>No   | Pass<br>Fail     | Pass          | Pass          | Pass         | Pass             | Pass         |                 |
| <b>Customer Service</b>   |             |   |                  |               |               |              |                  |              |                 |
| Payment Terms   | 2%          | 30+days<br>14-29 days<br><14 days   | 2<br>1<br>0      | 2.00          |               | 1.00         | 1.00             | 1.00         |                 |
| Number of complaints by retailer on a per 10,000 customer basis received according to the AER annual report | 3%          | 0<br>From 1 - 50<br>51-100<br>101 and greater   | 3<br>2<br>1<br>0 |               |               | 2.00         | 2.00             | 2.00         |                 |
| Electronic reporting  | 3%          | Customer access portal with ability to self-generate custom reports (minimum requirements specified below) including a scheduling function for emailing of reports.<br>Provision of data reports (minimum requirements specified below) in CSV format via email<br>Electronic invoices only (e.g. pdf of bill)<br>No electronic reporting | 3<br>2<br>1<br>0 |               | 3.00          | 3.00         | 3.00             | 3.00         |                 |
| Retailer provides Direct Debit Payment Facilities   | 2%          | Yes<br>No   | 2<br>0           |               | 2.00          | 2.00         | 2.00             | 2.00         |                 |
| <b>Total</b>  | <b>100%</b> |   |                  | <b>95.00</b>  | <b>93.79</b>  | <b>86.09</b> | <b>73.68</b>     | <b>68.53</b> |                 |

**BUDGET IMPLICATIONS**

A new contract commences 1 January 2020 for Contestable Sites and Street Lighting and will last for 24 months. The estimated annual saving of the new contract is \$90,002.50.

**CONSULTATION**

Consultation occurred with Richmond Valley Council, Regional Procurement and Energy Action throughout the auction process.

**CONCLUSION**

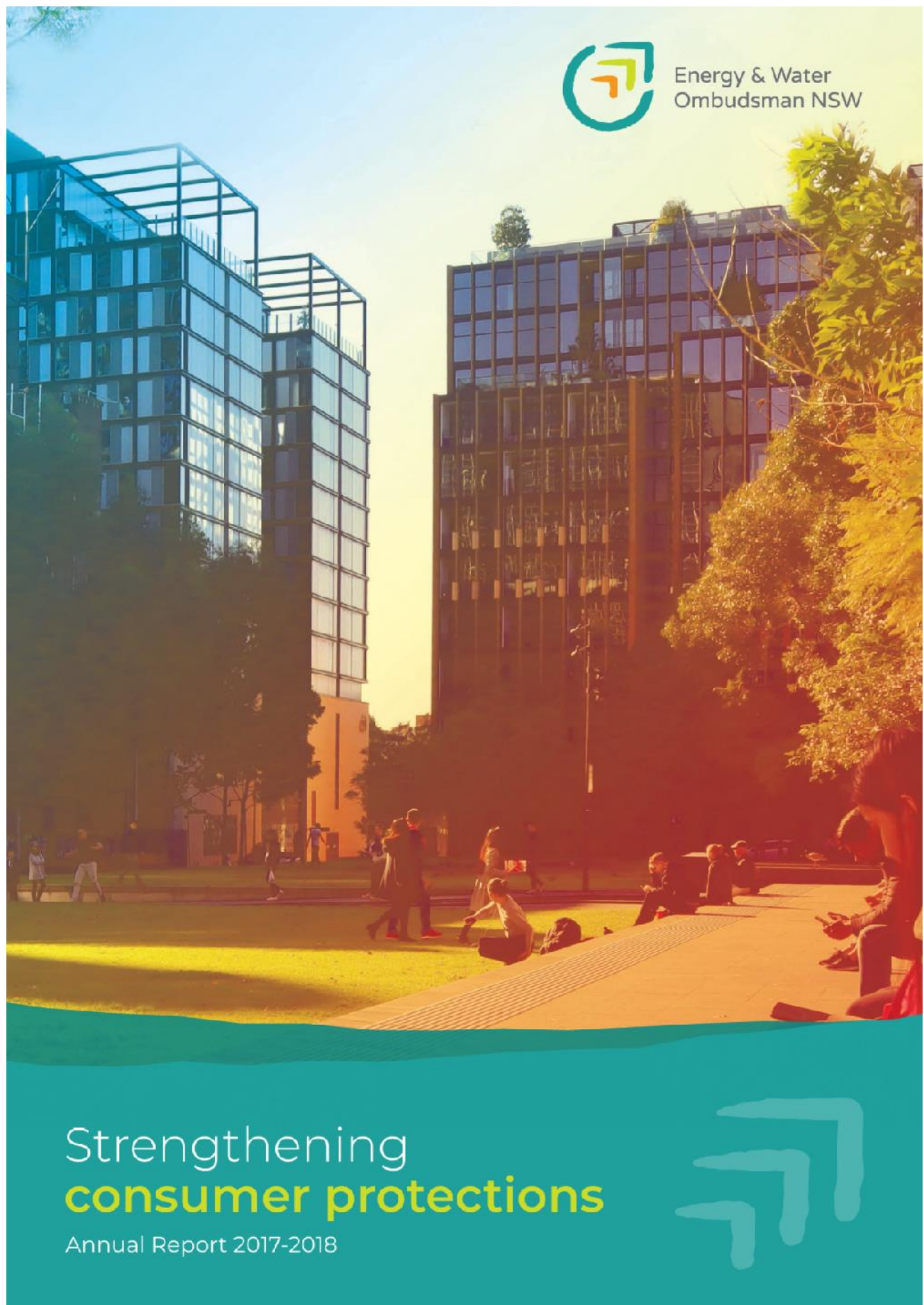
This report is provided for Council to receive and note the reverse auction results for Contestable Sites and Street Lighting and the contractual arrangement entered into with Origin Energy for both contracts. With both contracts assigned to Origin Energy, Council will be able to utilise the Customer Access Portal and establish direct debit arrangements. This will help reduce the administrative workload which could be incurred when using multiple contractors.

Origin Energy has less complaints on a 10,000 customer basis, according to the attached extract from the Energy & Water Ombudsman NSW report.

These factors supported the decision to enter contracts with Origin Energy which will provide projected annual savings of \$90,002.50.

**ATTACHMENT(S)****1. Strengthening Consumer Protections**







## About this report

This Annual Report is published in accordance with the Energy & Water Ombudsman NSW (EWCN) Charter and the Benchmarks for Industry-based Customer Dispute Resolution. The Benchmarks are Accessibility, Independence, Fairness, Accountability, Efficiency and Effectiveness.

### About our data

The data in this report is drawn from cases resolved by EWCN during the 2017/2018 financial year unless otherwise stated. EWCN's open case data varies in accordance with case progression and progress in the report reflect case status as at 01 July 2018.

### About our case studies

Personal information about our customers has been changed to protect their privacy.

### Overview

EWCN is an independent Ombudsman scheme which provides independent, free, and informal dispute resolution services to all NSW energy and water customers. We continue to achieve a fair and reasonable outcome for all complainants and all parties – we are not a consumer advocate, nor do we represent industry.

We investigate a broad spectrum of complaints about:

- disputed accounts
- high bills
- disconnection or restriction of supply
- payment difficulties
- reliability and quality of supply
- connection or transfer issues
- contract terms
- marketing practices
- digital metering
- customer service.

Our principal responsibilities as set out in the EWCN Charter are:

- to liaise with energy and water complainants independently, fairly, informally, expeditiously and free of charge to the consumer
- to promote EWCN to consumers and small business
- to encourage and provide advice to members on good complaint handling practices to assist in reducing and avoiding complaints.

While we receive, investigate and resolve customer complaints and disputes, we also work with energy and water providers to help improve their processes and deliver consistent, high quality customer service. We help raise industry standards and reduce complaints by contributing to the development of energy and water policy through analysis and reporting.

## Index

|   |    |
|---|----|
| Chair's report                              | 4  |
| Ombudsman's report                          | 5  |
| The big picture                             | 8  |
| About us                                    | 10 |
| EWCN Board                                  | 10 |
| EWCN Consultative Council                   | 11 |
| Our benchmarks                              | 11 |
| Our 2017/2018 strategic objectives          | 11 |
| Our values                                  | 12 |
| Our team                                    | 12 |
| Ombudsman engagement highlights             | 14 |
| Planning for the future                     | 15 |
| Enquiries and complaints                    | 16 |
| Strengthening consumer protections          | 18 |
| Complaints this year                        | 20 |
| Complaints by LGAs                          | 22 |
| Complaint issues                            | 24 |
| Resolutions and outcomes                    | 28 |
| Testing our accessibility and effectiveness | 30 |
| EWCN's response to consumer issues          | 32 |
| Access to external dispute resolution       | 33 |
| Systemic issues                             | 34 |
| Digital meter rollout and associated issues | 35 |
| Affordability                               | 36 |
| New technologies                            | 36 |
| Working with government and regulators      | 38 |
| Working with our peers                      | 39 |
| Working with our members                    | 40 |
| EWCN Consultative Council Meetings          | 42 |
| Complaints by industry                      | 43 |
| Electricity                                 | 44 |
| Gas   | 46 |
| Water                                       | 50 |
| Engaging across NSW                         | 54 |
| Engaging our people                         | 64 |
| Financials                                  | 66 |

This report is printed on ecoStar Forest Stewardship Council® (FSC) certified 100% recycled paper, using vegetable oil based inks and an alcohol-free ISO 9001 certified printing process.



# Electricity

Customer numbers key



Electricity providers with no complaints

- Apex Energy
- Enware Mascat
- Energy Group
- Locality Planning Energy
- Real Utilities
- Smart Energy
- Wfconnect

Electricity providers with fewer than 50 complaints

- Blue HRC
- Commander Power & Gas
- Elmwood Energy
- Energy Locals
- Enova Energy
- ERM Power Retail
- Flow Systems
- Jackgreen (Former Member)
- Lamp Energy
- Next Business Energy
- OC Energy
- People Energy
- Pooled Energy
- Sanctuary Energy
- TransGrid
- Urth Energy

(Information as at 30/7/17)

| Provider  | Electricity numbers per 10,000 customers | Cases closed 2017 | Cases closed 2016 | Variance | General enquiry | Complaint enquiry | RSL   | Investigation level |
|---|--|-------------------|-------------------|----------|-----------------|-------------------|-------|---------------------|
|   |  | 2017              | 2016              |          |                 |                   |       | 1 2 3               |
| <b>First tier retailer (200,001+ customers)</b>           |  |                   |                   |          |                 |                   |       |                     |
| AGL   | 50                                       | 3,359             | 3,003             | 356      | 11              | 1,213             | 1,616 | 974 103 42          |
| EnergyAustralia   | 50                                       | 4,945             | 3,913             | 1,032    | 15              | 1,484             | 2,054 | 1,374 199 99        |
| Origin Energy   | 46                                       | 5,277             | 4,566             | 411      | 16              | 1,551             | 2,477 | 898 192 34          |
| <b>Second tier retailer (100,001 - 200,000 customers)</b> |  |                   |                   |          |                 |                   |       |                     |
| 1st Energy  | 286                                      | 330               | 171               | 159      | 0               | 90                | 147   | 72 17 4             |
| Arrowfield  | 96                                       | 204               | 162               | 42       | 0               | 74                | 71    | 46 7 0              |
| Altria Energy   | 136                                      | 549               | 294               | 255      | 2               | 161               | 370   | 116 11 9            |
| anaphni Energy (includes out-lets)                        | 276                                      | 1,123             | 249               | 874      | 0               | 306               | 514   | 244 49 10           |
| Qewu  | 155                                      | 120               | 92                | 28       | 0               | 22                | 58    | 24 6 0              |
| Deco Power & Gas  | 42                                       | 144               | 104               | 40       | 1               | 54                | 55    | 24 6 4              |
| Maje Power  | 291                                      | 106               | 62                | 44       | 0               | 35                | 40    | 23 5 3              |
| Momentum Energy   | 56                                       | 86                | 81                | 5        | 1               | 41                | 31    | 10 2 1              |
| Spawdick  | 136                                      | 136               | 371               | -175     | 0               | 77                | 64    | 14 5 6              |
| PowerShop   | 58                                       | 149               | 121               | 28       | 2               | 82                | 86    | 18 6 5              |
| OF Energy   | 97                                       | 60                | 64                | -4       | 0               | 29                | 20    | 6 2 3               |
| Red Energy  | 50                                       | 926               | 746               | 180      | 5               | 282               | 425   | 183 25 9            |
| Simply Energy   | 34                                       | 320               | 344               | -19      | 2               | 105               | 128   | 75 9 2              |
| <b>Distributor</b>  |  |                   |                   |          |                 |                   |       |                     |
| Avagrid   | 2  | 369               | 264               | 105      | 0               | 170               | 64    | 78 20 10            |
| Endavour Energy   | 3  | 284               | 286               | -2       | 1               | 138               | 53    | 42 7 5              |
| Essential Energy  | 3  | 281               | 291               | -10      | 1               | 114               | 65    | 54 9 8              |

Only providers with over 50 complaints have been included in this table

\* Customer number data prepared by the AGM for retailers as at 31 December 2016 and for distributors as at 30 June 2017

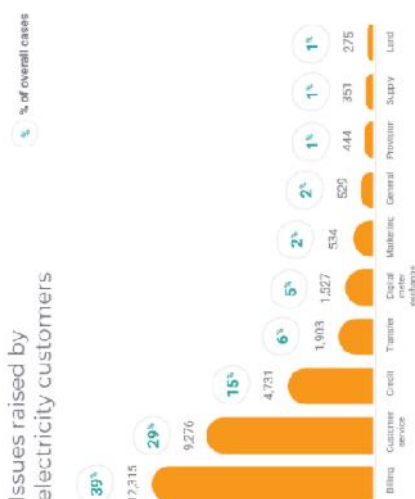
## Total electricity complaints

| Level                 | 2016/2017     | 2017/2018     | % change   |
|-----------------------|---------------|---------------|------------|
| General enquiry       | 242           | 104           | 57%        |
| Complaint enquiry     | 5,563         | 6,900         | 24%        |
| Refer to higher level | 7,565         | 8,557         | 13%        |
| Level 1               | 2,956         | 4,036         | 37%        |
| Level 2               | 690           | 686           | 1%         |
| Level 3               | 359           | 335           | 6%         |
| <b>Total</b>          | <b>17,375</b> | <b>20,619</b> | <b>19%</b> |

## Electricity trends from 2011/2012 - 2017/2018



## Issues raised by electricity customers



**20,619**

electricity complaints received in 2017/2018



**19,095**

residential



**1,437**

small business



**87**

other  
including educational institution, government, not-for-profit, primary schools and kindergartens and retirement villages



**109**

exempt retailer  
including residential, public operations, apartment buildings and retirement villages



**615**

non-provider specific or out of jurisdiction cases



**19%**

increase in electricity complaints from 2016/2017



**31,885**

complaint issues



**Contact**

|           |  |
|-----------|--|
| Free Call | 1800 246 545   |
| Free Fax  | 1800 821 291   |
| Web       | <a href="http://ewon.com.au">ewon.com.au</a>         |
| Email     | <a href="mailto:omb@ewon.com.au">omb@ewon.com.au</a> |
| ABN       | 21 079 718 915                                       |

**Keep in touch**

**18.5 CORRESPONDENCE SUBMITTED TO APRIL 2019 ORDINARY MEETING**

**Author:** Vaughan Macdonald, General Manager

**AUTHOR**

NSW EPA has provided the following response to Council's letter to the Minister for the Environment, The Hon Gabrielle Upton MP regarding the Save our Recycling campaign, following the below Mayoral Minute from Council's Ordinary meeting held 19 February 2019.

**5.1 MAYORAL MINUTE - LGNSW SAVE OUR RECYCLING****RESOLUTION 190219/2**

*Moved:* Cr Robert Mustow

*Seconded:* Cr Daniel Simpson

1. *That Council endorse Local Government NSW's campaign, Save Our Recycling, to realise the reinvestment of a 100% of the Waste Levy collected each year by the NSW Government in waste minimisation, recycling and resource recovery.*
2. *That Council make representation to the local State Member(s), Chris Gulaptis MP, in support of this campaign objective - for the NSW Government to commit to reinvest 100% of the Waste Levy in waste minimisation, recycling and resource recovery.*
3. *That Council write to the Premier, the Hon Gladys Berejiklian MP, the Opposition Leader, the Hon Michael Daley MP, the Minister for Local Government and the Minister for the Environment, the Hon Gabrielle Upton MP, and the Shadow Minister for the Environment and Heritage, Penny Sharpe MLC, seeking bipartisan support for the 100% reinvestment of the Waste Levy collected each year into waste minimisation, recycling and resource recovery.*
4. *That Council take a lead role in activating the Local Government NSW Save Our Recycling campaign locally.*
5. *That Council endorse the distribution and display of the Local Government NSW Save Our Recycling information on Council premises, as well as involvement in any actions arising from the initiative.*
6. *That Council formally advise Local Government NSW that Council has endorsed the Save Our Recycling advocacy initiative.*

**CARRIED**

**SUMMARY OF CORRESPONDENCE**

A copy of the correspondence received, regarding Save our Recycling campaign follows;

**ATTACHMENT(S)**

1. **Response Waste Levy**
2. **Breakdown of Funding**





MD19/1033

Mr Vaughan Macdonald  
General Manager  
Richmond Valley Council  
Locked Bag 10  
CASINO NSW 2470

Email: [council@richmondvalley.nsw.gov.au](mailto:council@richmondvalley.nsw.gov.au)

Dear Mr Macdonald

Thank you for your letter to the Minister for the Environment, the Hon Gabrielle Upton MP about the Save our Recycling campaign. Your correspondence was referred to the Environment Protection Authority (EPA) for response.

Working in partnership with local councils and industry to respond to the challenges in the sector is critically important. Together we can build a modern, smart recycling industry that is resilient to external shocks and delivers consistent, high quality customer service, that also protects NSW's strong history of recycling.

As part of this approach, the EPA is leading the development of a 20-year Waste Strategy for NSW that will create a vision and roadmap for reducing waste, driving sustainable recycling markets and improving the state and regional waste infrastructure network. The EPA is working closely with stakeholders, including local government, to ensure the strategy has a robust evidence base and addresses the key priorities for waste and resource recovery across NSW.

The EPA recognises the key role councils play in improving resource recovery and waste management across the state. Through the *Waste Less, Recycle More* initiative, over \$802 million has been invested in funding for business recycling, organics collections, market development, managing problem wastes, new waste infrastructure, local councils and programs to tackle illegal dumping and litter. It is the largest waste and recycling funding program in Australia.

The *Waste Less, Recycle More* 2017–21 Extension program includes \$337 million in funding. I have attached a breakdown of available funding, including programs council may be eligible for. There are also a range of non-contestable funding programs, such as the Better Waste and Recycling Fund, designed to support local government.

As your letter acknowledges through the initiative, funding has been provided that directly supports local waste services in the Richmond Valley Council area.

Phone 131 555  
Phone +61 2 9995 5555  
(from outside NSW)

Fax +61 2 9995 5999  
TTY 133 677  
ABN 43 692 285 758

PO Box A290  
Sydney South  
NSW 1232 Australia

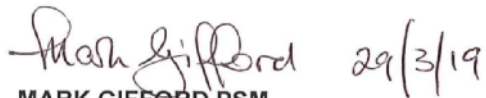
59-61 Goulburn St  
Sydney NSW  
2000 Australia

[info@epa.nsw.gov.au](mailto:info@epa.nsw.gov.au)  
[www.epa.nsw.gov.au](http://www.epa.nsw.gov.au)

Page 2

If council has any further questions about this issue, it can contact Sarah Sutton, Head Waste Information Unit, Waste and Resource Recovery, EPA on 9995 5729 or at [sarah.sutton@epa.nsw.gov.au](mailto:sarah.sutton@epa.nsw.gov.au).

Yours sincerely



**MARK GIFFORD PSM**  
**Acting Chair and CEO**  
**Environment Protection Authority**



## Waste Less, Recycle More 2017–21 Extension

A \$337 million grants and funding initiative

| Waste and Recycling Infrastructure Package \$168 million   |   |   |   |  |
|--|---|---|---|--|
| Local Government Waste & Resource Recovery Program   | Illegal Dumping Prevention and Enforcement Fund   | Organics Infrastructure Fund and Program                                | Waste and Recycling Infrastructure Fund                                   | Systems for household problem wastes   |
| <b>\$70 million</b>  | <b>\$65 million</b>   | <b>\$35.5 million</b>   | <b>\$48 million</b>   | <b>\$57 million</b>  |
| Better Waste and Recycling Fund<br><b>\$39 million</b>   | Illegal dumping, clean up, prevention and engagement programs<br><b>\$4 million</b>       | Organics Infrastructure (large and small) grants<br><b>\$14 million</b> | Resource recovery expansion and enhancements grants<br><b>\$8 million</b> | Community recycling centre receptacles and processing<br><b>\$37 million</b>               |
| Regional coordination and strategy for the Greater Sydney Region<br><b>\$4.5 million</b>         | Regional Illegal Dumping (RID) Squads and Programs<br><b>\$9 million</b>                  | Food waste avoidance grants and program<br><b>\$7 million</b>           | Major resource recovery infrastructure grants<br><b>\$25 million</b>      | Community recycling centre infrastructure grants<br><b>\$3 million</b>                     |
| Regional coordination and strategy for the Voluntary Regional Waste Groups<br><b>\$8 million</b> | Compliance Programs<br><b>\$52 million</b>  | Organics market development<br><b>\$4.5 million</b>                     | Audits, education and support programs<br><b>\$14.5 million</b>           | Household chemical collection events<br><b>\$9 million</b>                                 |
| Landfill consolidation and environmental improvements<br><b>\$5 million</b>                      | Litter Prevention and Enforcement Fund<br><b>\$30 million</b>                             | Local government organics collection grants<br><b>\$10 million</b>      | Weightbridges<br><b>\$0.5 million</b>                                     | Education training and support<br><b>\$8 million</b>                                       |
| Waste management in Aboriginal communities<br><b>\$4 million</b>                                 | Local government litter programs<br><b>\$4 million</b>                                    |   |   |  |
| Education campaign and support<br><b>\$9.5 million</b>   | Litter prevention programs, including the 'Hey Tosser!' campaign<br><b>\$24.5 million</b> |   |   |  |
|  | Community Litter Grants<br><b>\$1.5 million</b>   |   |   |  |
|  |   |   |   | Business Recycling Program<br><b>\$22.5 million</b>  |
|  |   |   |   | Infrastructure and research grants<br><b>\$5 million</b>                                   |
|  |   |   |   | Business advisory services and rebates, including Bin Trim grants<br><b>\$12.5 million</b> |
|  |   |   |   | Industrial ecology business support<br><b>\$5 million</b>                                  |
|  |   |   |   | Other business support initiatives<br><b>\$5 million</b>                                   |
|  |   |   |   | Heads of Asbestos Coordination Authorities programs<br><b>\$4 million</b>                  |

For more information on the initiative and how to apply for grants through the NSW Environment Protection Authority visit [www.epa.nsw.gov.au](http://www.epa.nsw.gov.au)

© Copyright State of NSW and Environment Protection Authority EPA 2016/0539 September 2016



**19 QUESTIONS ON NOTICE**

Nil

**20 QUESTIONS FOR NEXT MEETING (IN WRITING)**

**21 MATTERS REFERRED TO CLOSED COUNCIL****RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

**21.1 General Manager's Annual Performance Review for Period Ending February 2019**

This matter is considered to be confidential under Section 10A(2) - (a) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with personnel matters concerning particular individuals (other than councillors).

**22 RESOLUTIONS OF CLOSED COUNCIL**