



Coffs Harbour City Council

05 March 2013

ORDINARY MEETING

The above meeting will be held in the Council Chamber, Administration Building, corner Coff and Castle Streets, Coffs Harbour, on:

THURSDAY, 14 MARCH 2013

The meeting commences at **5.00pm** and your attendance is requested.

AGENDA

1. Opening of Ordinary Meeting
2. Acknowledgment of Country
3. Disclosure of Interest
4. Apologies
5. Public Addresses / Public Forum
6. Mayoral Minute
7. Mayoral Actions under Delegated Authority
8. [Confirmation of Minutes of Ordinary Meeting – 28 February 2013](#)
9. Notices of Motion
10. [General Manager's Reports](#)
11. [Consideration of Officers' Reports](#)
12. Requests for Leave of Absence
13. Matters of an Urgent Nature
14. Questions On Notice
15. Consideration of Confidential Items (if any)
16. Close of Ordinary Meeting.

Steve McGrath
General Manager



COFFS HARBOUR CITY COUNCIL
ORDINARY MEETING
COUNCIL CHAMBERS
COUNCIL ADMINISTRATION BUILDING
COFF AND CASTLE STREETS, COFFS HARBOUR
14 MARCH 2013

Contents

ITEM DESCRIPTION

RESCISSION MOTION

RM13/2 REVISED ORGANISATIONAL STRUCTURE - RESCISSION MOTION

GENERAL MANAGER'S REPORTS

GM13/6 2013 NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT - CALL FOR MOTIONS

GM13/7 MODEL CODE OF CONDUCT 2013 - COMMENCEMENT AND KEY RESOURCES

CONFIDENTIAL ITEM

The following item either in whole or in part may be considered in Closed Meeting for the reasons stated.

GM13/8 GOVERNANCE AND AUDIT COMMITTEE - APPOINTMENT OF INDEPENDENT MEMBERS

A portion of this report is confidential for the reason of Section 10A (2):

(a) personnel matters concerning particular individuals (other than Councillors).
and in accordance with Section 10A (1) the meeting may be closed to the public

CORPORATE BUSINESS DEPARTMENT REPORTS

- CB13/16 MONTHLY BUDGET REVIEW FOR JANUARY 2013
- CB13/17 EASEMENT TRANSFERS TO ESSENTIAL ENERGY - VARIOUS PROPERTIES
- CB13/18 DRAFT JETTY4SHORES CONCEPT PLANS FOR PUBLIC EXHIBITION

CITY SERVICES DEPARTMENT REPORTS

- CS13/15 LOAD LIMIT TO EAST BONVILLE ROAD BRIDGE, BONVILLE

CONFIDENTIAL ITEM

The following item either in whole or in part may be considered in Closed Meeting for the reasons stated.

- CS13/16 TENDER RFT-580-TO: SUPPLY & DELIVERY OF CHEMICAL DOSING UNIT FOR SAWTELL PUMP STATION

A portion of this report is confidential for the reason of Section 10A (2):

- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public.



COFFS HARBOUR CITY COUNCIL

ORDINARY MEETING

28 FEBRUARY 2013

Present: Councillors D Knight (Mayor), J Arkan, N Cowling, R Degens, G Innes, B Palmer, M Sultana and S Townley.

Staff: General Manager, Director Corporate Business, Director of City Services, Director Land Use, Health & Development and Executive Assistant

Leave of Absence: Councillor K Rhoades.

We respectfully acknowledge the Gumbayngirr Country and the Gumbayngirr Aboriginal peoples who are traditional custodians of the land on which we meet and their Elders both past and present.

The Mayor reminded the Chamber that the meeting was to be recorded, and that no other recordings of the meeting would be permitted.

The meeting commenced at 5.00pm with the Mayor, Cr D Knight in the chair.

DISCLOSURE OF INTEREST

31 **RESOLVED** (Arkan/Degens) that the following disclosure be received and noted as follows:

Councillor	Item	Type of Interest
Director of Corporate Business, C Milburn Cr Knight	CB13/14 0 2013/2014 Environmental Levy Projects Schedule	Non-Pecuniary - Less Than Significant Conflict.
Cr Palmer	CB13/15 - Coffs Harbour City Centre Master Plan 2031	Pecuniary.
Cr Innes	CB13/15 - Coffs Harbour City Centre Master Plan 2031	Pecuniary.

Councillors Knight, Palmer and Innes left the meeting time being 5.01pm.

Cr Arkan assumed chairmanship of the meeting.

PUBLIC ADDRESS

Time	Speaker	Item
5.00pm	Rod McKelvey	CB13/15 - Coffs Harbour City Centre Master Plan 2031

Councillors Knight, Innes and Palmer returned to the meeting, the time being 5.06pm.

The Mayor resumed chairmanship of the meeting.

CONFIRMATION OF MINUTES

- 32** **RESOLVED** (Cowling/Palmer) that the minutes of the Ordinary meeting held on 14 February 2013 be confirmed as a true and correct record of proceedings.

Councillors Knight, Innes and Palmer left meeting and took no part in the discussion or voting of the following item, the time 5.08pm.

Councillor Arkan assumed Chairmanship of the meeting.

CORPORATE BUSINESS DEPARTMENT REPORTS

CB13/15 COFFS HARBOUR CITY CENTRE MASTER PLAN 2031

To present Council with the Coffs Harbour City Centre Master Plan 2031 for adoption and make recommendations in relation to its implementation.

- 33** **RESOLVED** (Cowling/Townley):
1. That the Coffs Harbour City Centre Master Plan 2031 be adopted with the following clarifications;
 2. That Council make application to IPART for a continuation of the CBD Special Rate.

CB13/15 - Coffs Harbour City Centre Master Plan 2031 (Cont'd)

3. That Council adopt the Brelsford Park Master Plan with the skate park being deleted;
4. That Council shift the skate park to the northern side of Marina Drive just east of the roundabout and prepare detailed design works for an immediate commencement date;
5. That \$600,000 from the Brelsford Park fund be reallocated to the skate park at the Jetty Foreshores;
6. That detailed design works commence immediately for the remainder of the Brelsford Park projects with the balance of \$900,000, previously adopted, and work commence immediately;
7. That both the Lower City Hill site and the Gordon Street site remain as options for a future Entertainment Centre.
8. Excise the shade sails and lift from the Castle Street car park.
9. That the funds from 218 Harbour Drive be allocated to a multi-deck car park project within the CBD.
10. That Council review and update its City Centre Car Parking Section 94 Plan in line with the outcomes and implications of the Coffs Harbour City Centre Master Plan 2031.

Councillors Knight, Innes and Palmer returned to the Chamber, the time being 5.36pm.

Councillor Knight resumed Chairmanship of the meeting.

GENERAL MANAGER'S REPORTS

GM13/2 OPERATIONAL PLAN REPORTING FOR THE QUARTER ENDED 31 DECEMBER 2012

To report on the progress of implementation of Council's 2012/2013 Operational Plan.

34 RESOLVED (Townley/Degens) that Council:

1. Notes the operational status of Council Services for the quarter ended 31 December 2012, as outlined in the body of this report.
2. Continues to monitor its performance with a view to improving service delivery.

GM13/3 2012/2016 DELIVERY PROGRAM - SIX MONTHLY PROGRESS REPORT

To provide a progress report on the first six months of implementation of Council's 2012/2016 Delivery Program.

- 35 RESOLVED** (Innes/Degens) that Council adopt the Six Monthly Progress Report (for the period 1 July to 31 December 2012) on the Coffs Harbour City Council 2012/2016 Delivery Program.

GM13/4 BUSINESS IMPROVEMENT AND DEVELOPMENT STUDY TOUR

To discuss the opportunities identified during the Business Improvement and Development Study Tour to UK and Singapore of December 2012 and how it is proposed to pursue these in the context of Council's broader challenges around financially sustainable service provision.

- 36 RESOLVED** (Degens/Innes) that the Motion be put to Council.
- 37 RESOLVED** (Innes/Palmer) that Council defer consideration on the GM13/4 Business Improvement and Development Study Tour until the 27 March Council meeting pending additional briefings of the Council in relation to the principles of the project and the overall project design and direction.

GM13/5 REVISED ORGANISATIONAL STRUCTURE

To discuss barriers to effective service delivery arising from the current organisational structure and to recommend improvements that will enable Council to better utilise its existing resources to translate strategy into action, delivering more efficient and effective services to the community.

MOVED (Degens/Cowling)

1. That the present organisation structure, specifically the three Directorates be retained.
2. That a reorganisation of responsibilities of these three departments take place.
3. That this matter be returned to Council with any recommended restructuring of the organisation within the existing framework.

This resulted in a **TIED** vote. The Mayor used her casting vote and declared the motion **LOST**.

GM13/5 - Revised Organisational Structure (Cont'd)

38 RESOLVED (Palmer/Innes):

1. That in accordance with Section 333 of the Local Government Act 1993 Council adopt the proposed Organisation Structure as identified in the Attachment to this report; and
2. That it be noted that applications will be invited for the vacant Director Community Development role.

This resulted in a **TIED** vote. The Mayor used her casting vote and declared the motion **CARRIED**.

DIVISION

A division was duly demanded, and those member voting for an against the motion were recorded:

FOR

Palmer
Knight
Innes
Townley

AGAINST

Cowling
Arkan
Degens
Sultana

LAND USE HEALTH & DEVELOPMENT DEPARTMENT REPORT

L13/3 DEVELOPMENT APPLICATION 825/12 – SUBDIVISION (1 INTO 2 LOTS) – LOT 111, DP 730304, NO. 7 TASMAN STREET, CORINDI BEACH

This is a report on Development Application No. 825/12 which is for a two (2) lot subdivision of Lot 111 DP 730304, 7 Tasman Street, Corindi Beach.

As both proposed lots will be under the minimum area 40 hectares (ha) specified in Coffs Harbour City Council Local Environmental Plan (LEP) 2000, a variation to this development standard is required. It is recommended that the application be approved subject to conditions.

39 RESOLVED (Arkan/Townley):

1. That the written objection made pursuant to Clause 6 of *State Environmental Planning Policy No. 1 - Development Standards*, for the variation to the minimum allotment size under Clause 18(2) of *Coffs Harbour Local Environmental Plan 2000* be supported in this particular case.
2. That Development Application 825/12 for Subdivision (1 into 2 lots) involving Lot 111 DP 730304, 7 Tasman Street, Corindi Beach be approved subject to the conditions appended to this report (Attachment 3).

DIVISION

A division was duly demanded, and those member voting for an against the motion were recorded:

FOR

Cr Townley
Cr Palmer
Cr Innes
Cr Degens
Cr Arkan
Cr Sultana
Cr Cowling
Cr Knight

AGAINST

L13/4 WASTE MANAGEMENT - FUTURE DIRECTIONS

The purpose of this report is to provide an update on several matters of significance to Council's waste management and recycling operations. Matters raised within this report include the following:

- An update on the current position in relation to council resolutions seeking a report on the review of bulky goods and hard rubbish collection and potential sites for the operation of a goods reuse facility.
- The status of the Waste Resource Action Strategy and need to review and update this strategy.
- Key strategic challenges impacting Council's waste management service.
- Waste management organisational structural issues.
- Exploring opportunities for increased regional waste management collaboration.

40 RESOLVED (Innes/Palmer) that:

1. Council note the key strategic issues outlined in the body of this report.
2. Council, in response to Resolution 285, endorse that potential sites / options for establishment and operation of a goods reuse facility be incorporated for consideration with the investigation of sites / options required to meet Council's future landfill needs.
3. Council, in response to Resolution 286, endorse that the maximisation of recycling and reuse of bulky goods and hard rubbish be incorporated for consideration in the review and development of the new waste contract.
4. Council endorse the commencement of review and development of a new Waste Resource Action Strategy.
5. Council endorse the proposed functional changes seeking a realignment of existing staff resources and operational budgets within the Health Branch and Strategy and Sustainability Branch to create an Environmental Services Branch and a discrete Waste Management Branch.
6. Council endorse the engagement with neighbouring Councils to explore opportunities associated with regional collaboration.

L13/5 ORARA RIVER REHABILITATION STRATEGY

To seek endorsement of the *Orara River Rehabilitation Strategy 2013 - 2023*.

- 41 RESOLVED** (Palmer/Townley) that Council endorse the *Orara River Rehabilitation Strategy 2013 - 2023*.

CORPORATE BUSINESS DEPARTMENT REPORTS

CB13/10 BUDGET VARIATION FOR UPDATED SWIMMING POOL SUBSIDIES AND IMPROVEMENTS

To detail the review of subsidy payments to Council public swimming pool operations and to reallocate budget funds to meet an increase in subsidy payments following a review of operations at each pool.

- 42 RESOLVED** (Palmer/Townley):
1. That an additional, one off, ex gratia payment in the amount of 10% of the reported electricity costs for 2011/2012 by the lessees of the Coffs Memorial, Sawtell, Woolgoolga and Nana Glen swimming pools be extended to each operator in consideration for the increase in electricity tariffs in the current financial year such allowance to be paid in equal installments over the balance of subsidy payments remaining for the 2012/20123 operating year.
 2. That an allowance in the amount \$15,719 be paid to the lessee of the Woolgoolga Swimming pool as reimbursement of additional operating expenses incurred as a result of an ongoing water leak at the facility and that such reimbursement be paid in two equal installments.
 3. That Council, in adopting recommendations 1 and 2 above, authorise a \$19,307 deficit budget variation to the 2012/2013 operating budget.
 4. That Council note that an aquatics facility expert will be commissioned to assess the current plant at the Nana Glen Pool and to report on the most appropriate and cost effective approach to bridging the current plant deficiencies and the cost of implementing the recommendation(s).

CB13/11 BANK BALANCES AND INVESTMENTS FOR NOVEMBER AND DECEMBER 2012

To list Council's Bank Balances and Investments as at 30 November 2012 and 31 December 2012.

43 RESOLVED (Palmer/Townley):

1. That the bank balances and investments totaling (from loans, Section 94 and other avenues that form the restricted accounts and are committed for future works) one hundred and seventy six million, two hundred and thirteen thousand, one hundred and fifty nine dollars (\$176,213,159) as at 30 November 2012 be noted.
2. That the bank balances and investments totaling (from loans, Section 94 and other avenues that form the restricted accounts and are committed for future works) one hundred and seventy one million, eight hundred and eighteen thousand, eight hundred and thirty nine dollars (\$171,818,839) as at 31 December 2012 be noted.
3. That the general fund unrestricted cash and investments totaling one million, nine hundred and seven thousand, nine hundred and seventy eight dollars (\$1,907,978) as at 30 November 2012 and 31 December 2012 be noted.

CB13/12 ENVIRONMENTAL LEVY PROJECTS QUARTERLY REPORT TO 31 DECEMBER 2012

To provide Council with a quarterly status report to 31 December 2012 on the projects funded under the Environmental Levy (EL) Program.

44 RESOLVED (Townley/Degens):

1. That Council notes the status of the Environmental Levy Projects as at 31 December 2012 as outlined in the report.
2. That Council continues to monitor the Environmental Levy Program to ensure earliest completion of projects.

CB13/13 QUARTERLY BUDGET REVIEW STATEMENT FOR DECEMBER 2012

To provide the quarterly budget review statement and report on the estimated budget position as at 31 December 2012.

45 RESOLVED (Degens/Sultana):

1. The Quarterly Budget Review Statements be noted.
2. That the budget adjustments be approved and the current budget position be noted.

Estimated Budget Position as at 31 December 2012:

	General Account \$	Water Account \$	Sewer Account \$
Original Budget adopted 24 May 2012	308,365 (D)	4,397,830 (D)	3,542,337 (D)
Approved variations to September 2012	(6,129) (S)	Nil	Nil
Recommended variations for quarter ending 31 December 2012	(16,396) (S)	Nil	Nil
Estimated result 2012/13 as at 31 December 2012	<u>285,840 (D)</u>	<u>4,897,205 (D)</u>	<u>3,591,600 (D)</u>

CB13/14 2013/2014 ENVIRONMENTAL LEVY PROJECTS SCHEDULE

To provide Council with the recommended program of works for the 2013/2014 Environmental Levy Program for inclusion in the 2013/2014 Draft Delivery Program.

46 RESOLVED (Townley/Degens) that the following projects are recommended for inclusion in the 2013/14 Delivery Program and Operational Plan;

1. It is recommended that \$201,571 be allocated from the 2013/2014 Environmental Levy Program for Bushland Regeneration.
2. It is recommended that \$103,000 be allocated from the 2013/2014 Environmental Levy Program for Environmental Weeds Program.
3. It is recommended that \$209,000 be allocated from the 2013/2014 Environmental Levy Program for Conservation and Sustainable Management of Biodiversity.
4. It is recommended that \$64,247 be allocated from the 2013/2014 Environmental Levy Program for Environmental Levy Coordination.
5. It is recommended that \$164,848 be allocated from the 2013/2014 Environmental Levy Program for Supporting Community Action in the Coffs Harbour LGA.
6. It is recommended that \$215,500 be allocated from the 2013/2014 Environmental Levy Program for Orara River Rehabilitation Project. This includes an amount of \$50,000 from Coffs Coast Water, which is available subject to works receiving prior approval from Executive Manager, Operations – Coffs Coast Water.
7. It is recommended that \$19,900 be allocated from the 2013/2014 Environmental Levy Program for Darrunda Wajaarr Repair to Country High Priority Sites.
8. It is recommended that \$19,664 be allocated from the 2013/2014 Environmental Levy Program for Yarrowarra Giriin Team – Bush Regeneration.
9. It is recommended that \$5,260 be allocated from the 2013/2014 Environmental Levy Program for Koala / Wildlife Corridor Bakker Drive Reserve Bonville – stage 1.
10. It is recommended that \$19,992 be allocated from the 2013/2014 Environmental Levy Program for Coffs Jetty Foreshore Reserve Follow-up Chemical Weeding.
11. It is recommended that \$2,000 be allocated from the 2013/2014 Environmental Levy Program for Impacts on Fresh Water Systems.
12. It is recommended that \$19,992 be allocated from the 2013/2014 Environmental Levy Program for Boambee Beach Bush Regeneration – North of Deep Sea Release Pipeline.
13. It is recommended that \$4,391 be allocated from the 2013/2014 Environmental Levy Program for Shorebirds of the Coffs Coast – Signage & Brochure.

CB13/14 - 2013/2014 Environmental Levy Projects Schedule (Cont'd)

14. It is recommended that \$9,982 be allocated from the 2013/2014 Environmental Levy Program for Coffs Harbour Community Seedbank Network.
15. It is recommended that \$6,370 be allocated from the 2013/2014 Environmental Levy Program for Woody Weed Control at Lowanna.
16. It is recommended that \$50,000 be allocated from the 2013/2014 Environmental Levy Program for Darkum Headland Access Rehabilitation.
17. It is recommended that \$16,000 be allocated from the 2013/2014 Environmental Levy Program for Botanic Garden Education Program.
18. It is recommended that \$29,500 be allocated from the 2013/2014 Environmental Levy Program for Green Schools Sustainability Fund.
19. It is recommended that \$20,000 be allocated from the 2013/2014 Environmental Levy Program for Implementation of Coffs Harbour Koala Plan of Management 2014.
20. It is recommended that \$43,509 be allocated from the 2013/2014 Environmental Levy Program for Coffs Ambassadors Interpretive Tours.
21. It is recommended that \$23,121 be allocated from the 2013/2014 Environmental Levy Program for Matching Grants Fund.
22. It is recommended that \$24,000 be allocated from the 2013/2013 Environmental Levy Program for The Restoration of the Grey-headed Flying Fox maternity Camps in the LGA.
23. It is recommended that \$29,000 be allocated from the 2013/2013 Environmental Levy Program for Our Living Coast Sustainable Living Festival.
24. It is recommended that \$39,000 be allocated from the 2013/2013 Environmental Levy Program for Supporting Voluntary Friends of Parks Groups to Undertake Environmental Works in 8 Priority Council-managed Parks and Reserves.
25. It is recommended that \$40,000 be allocated from the 2013/2013 Environmental Levy Program for Strategic Planning – Biodiversity.
26. It is recommended that \$14,000 be allocated from the 2013/2013 Environmental Levy Program for Coffs Harbour Vertebrate Pest Management Strategy Implementation.

Councillors Palmer and Innes declared an interest in the above matter and took no part in the voting thereof.

CITY SERVICES DEPARTMENT REPORTS

CS13/11 COMMUNITY FACILITIES MANAGEMENT, ADVISORY COMMITTEES AND COMMUNITY DEVELOPMENT INITIATIVES UPDATE FOR 2012

To provide a report on the current operational status of Council's community facility management, advisory committees and community development initiatives.

- 47 **RESOLVED** (Innes/Arkan) that Council note the valuable assistance, advice and good management of Council's community facilities and advisory committees by volunteer members and present at Council a recognition of community service plaque to each committee as follows:

- Ayrshire Park
- Bayldon Community Centre
- Coramba Community Hall
- Eastern Dorrigo Showground & Community Hall
- Lowanna Community Hall
- Lower Bucca Community Hall
- Nana Glen Sport, Recreation & Equestrian Centre
- Sportz Central
- Woolgoolga Community Village
- Access Advisory
- Multicultural Reference Group
- Yandaarra Aboriginal Consultative

CS13/12 COMMITTEE MEMBERSHIP - BAYLDON AND SPORTZ CENTRAL

To recommend to Council appointment of community members to facility management committees.

- 48 **RESOLVED** (Arkan/Townley) that the following committee members nominations be appointed to the relevant committees:

- Bayldon Community Centre Management Committee
Mr Peter Langley
- Sportz Central Management Committee
Mr Justin Baldwin

**CS13/13 COFFS HARBOUR CULTURAL POLICY AND CULTURAL PLAN
2013-2016**

This report provides information and recommendations to Council regarding the Cultural Policy and Cultural Plan 2013-2016 following public exhibition period.

49 RESOLVED (Arkan/Innes):

1. That Council adopt the attached Cultural Policy and Cultural Plan 2013-2016 with amended page 5 as provided to Councillors.
2. That Council consider allocating an additional \$21,000 for the financial year 2013/14 to complete all projects identified for this financial year.

**CS13/14 TENDER: RFT-575-TO - GRAVITY SEWER PIPELINE
CONSTRUCTION - SAWTELL STP**

To report on tenders received for Contract RFT-575-TO, construction of gravity sewer trunk mains at Sawtell Sewage Treatment Plant and to gain Council approval to accept a tender.

50 RESOLVED (Arkan/Townley):

1. That Council, conditional on approval for Stage 3 Funding from the NSW Office of Water, accepts the tender of Ledonne Constructions Pty Ltd, ABN 68 003 117 717, for the Lump Sum of \$1,182,947 inclusive of GST on the basis that:
 - 1.1 The tender is the most advantageous tender following the application of Council's Tender Value Selection System.
 - 1.2 The Tenderer has the necessary experience in similar works and its ability and performance are satisfactory.
2. That the contract documents be executed under Seal of Council.

REQUESTS FOR LEAVE OF ABSENCE

No requests for leave of absence.

MATTERS OF AN URGENT NATURE

MUN13/2 Storm Damage Clean Up

Councillor Arkan questioned whether there was a plan of action in relation to the removal of debris from the recent storm as there is an enormous amount of rubbish and a lot of people who are unable to deliver it to the drop off sites.

The General Manager advised that there is a plan of action, and recognises that some residents may have difficulty, he was hoping that neighbours would help, however the matter will be reviewed after the drop off dates had passed.

QUESTIONS ON NOTICE

No questions on notice.

This concluded the business and the meeting closed at 6.41 pm.

Confirmed: 14 March 2013.

.....
Denise Knight
Mayor

REVISED ORGANISATIONAL STRUCTURE - RESCISSION MOTION

Purpose:

Councillors Arkan, Cowling and Degens have given notice of their intention to move:

That resolution 38 of Ordinary meeting held on 28 February 2013 regarding item GM 13/5 - Revised Organisational Structure, and reading as follows, **be rescinded**:

RESOLVED (Palmer/Innes):

1. That in accordance with Section 333 of the Local Government Act 1993 Council adopt the proposed Organisation Structure as identified in the Attachment to this report; and
2. That it be noted that applications will be invited for the vacant Director Community Development role.

If the above resolution is rescinded, we intend to move the following (as two separate motions):

1. That the 4th Director's position be not facilitated.
2. That a re-organisation of responsibilities held by these three departments may take place.
3. That this matter be returned to Council with any recommended restructuring of the organisation with the existing framework.

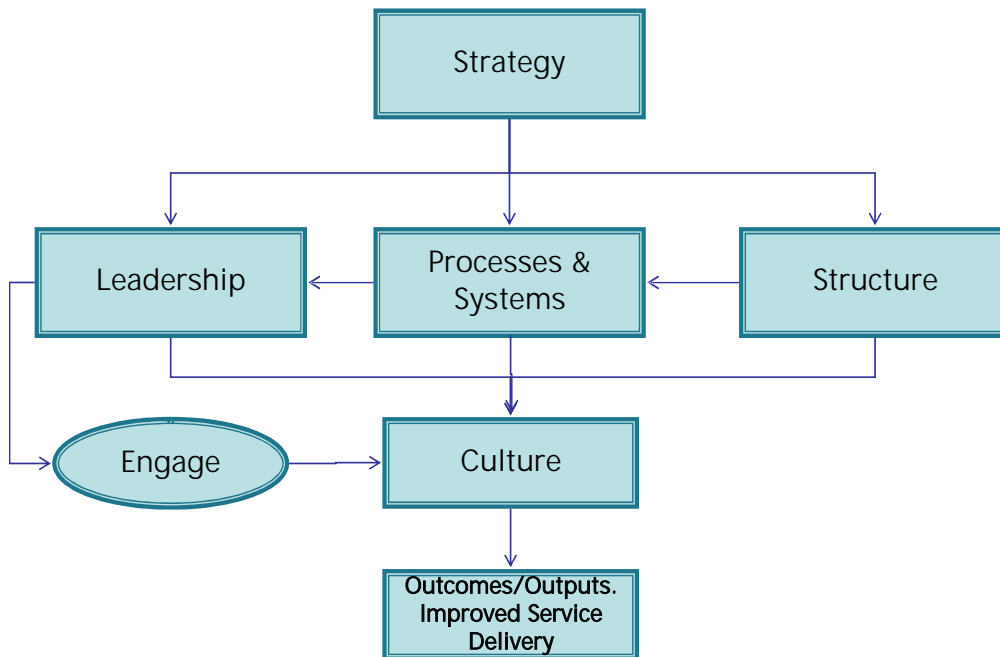
REVISED ORGANISATIONAL STRUCTURE

Purpose:

To discuss barriers to effective service delivery arising from the current organisational structure and to recommend improvements that will enable Council to better utilise its existing resources to translate strategy into action, delivering more efficient and effective services to the community.

Description of Item:

Upon commencement with Council in late 2010, I indicated that it was my intention to utilise a guiding model to facilitate the strategic review of the organisation. The simple model is as follows:



Initially, it was quite important to review the strategic drivers, such as Coffs Harbour 2030; the State Government's Regional Plans etc, to ensure that the alignment to Leadership; Processes and Systems; and Structure were appropriate. Strategy informs these three critical organisational functions and if the strategy is not appropriate, or poorly integrated then it is quite likely that the subsequent results will be less than adequate.

The Executive and the Leadership Team have then committed substantial efforts in reviewing "Leadership" and "Processes/Systems" with the knowledge that "Structure" would need to be reviewed at some point however, the outcomes of the "Leadership" and "Processes/Systems" reviews would assist greatly as inputs into the review of our organisation's structure.

Once all of these elements are aligned appropriately, through a process of engagement across the organisation, cultural awareness improvement will occur where necessary. All of this should provide improved service delivery outcomes.

Whilst not intended to be an exhaustive list, the following organisational improvement initiatives have assisted in reviewing "Strategy", "Leadership" and "Processes and Systems":

- Building awareness of Coffs Harbour 2030
- Development of indicators/measures for Coffs Harbour 2030
- Review and update resourcing strategies (Asset Management Plans, Long Term Financial Plan and Workforce Resourcing Strategy).
- Leadership (self awareness/personality profiling, 360 degree feedback)
- Risk Management Framework
- Promoting Better Practice Review
- Service Review Project (a critical component).

In undertaking all of these reviews/projects, and others, the critical outcome here is that the Executive and Leadership Teams have been listening to the feedback, both external and internal. Having listened, we now need to respond. Importantly, to enable Council to meet its strategic obligations and deliver services more effectively and efficiently into the future, we believe that the structural changes outlined in this report are necessary to ensure appropriate cultural change.

In adopting an organisational structure, Council needs to be mindful of two things: the need to group similar functions and the need to have an appropriate span of control.

Grouping similar functions creates economies of scale, as well as facilitating stronger communication by avoiding "silos" and duplication.

An appropriate span of control means achieving a balance between minimising the number of managers and ensuring that staff are effectively led and managed; optimising the productivity of staff.

The Service Review project undertaken in the latter part of 2011 defined 26 external services delivered by Council as they are seen by the community. What was apparent was that the current organisational structure does not group similar functions and consequently lacks economies of scale and suffers from 'silos'.

In discussing alternatives to better align Council's service delivery functions it became clear that a fourth directorate would deliver the best return for the community. Calculations suggest that the structure discussed in this report and recommended to Council for adoption can be contained to an increase in staff costs of \$25,000, however the benefits of this investment, which amounts to less than 0.1% of Council's annual expenditure on wages and salaries, will be more than recouped by significantly improved performance arising from economies of scale and more appropriate span of control.

Sustainability Assessment:

- **Environment**

The proposed structure will deliver better environmental outcomes, particularly via the integration of the Biodiversity unit (currently part of Strategy and Sustainability) into the Sustainable Planning function. This will ensure that biodiversity values and supporting environmental attributes better inform Council policy regarding land use planning instruments.

A stronger focus on regulatory enforcement will increase Council's effectiveness and efficiency in enforcing its adopted environmental protection regulations.

- **Social**

The establishment of the Community Development directorate that groups similar functions all focused on social outcomes and community capacity building that are currently in different directorates will result in a substantially increased focus on Council's role in achieving social and capacity building outcomes in collaboration with the community.

- **Civic Leadership**

Council's leadership in the community is founded on the development of a Community Strategic Plan that describes the vision of Coffs Harbour in 2030 and sets out how Council and the community can work together to achieve this. As Councillors are aware Council must adopt a new Plan by 30 June 2013.

It is essential that both Council staff and the community have ownership of their part in translating strategy into action and achieving the vision of Coffs Harbour 2030. It is also critical that there is an ongoing environment of collaboration – that Council and the community see it as a journey, not a one-off effort to develop a strategy.

Interestingly, Council adopted Coffs Harbour 2030 in late 2009 and as pointed out elsewhere in this report Council's Organisation structure has not been formally reviewed post the adoption of Coffs Harbour 2030. As well as addressing the economies of scale and span of control issues highlighted in this report, the proposed amendments to Council's Organisation Structure also provides a much stronger alignment of the structure to Coffs Harbour 2030. From a civic leadership perspective, this should ensure improved ability to address the goals and aspirations identified in Coffs Harbour 2030.

In the proposed structure, the Director Community Development ideally would provide a leadership focus for this project (fostering ownership) and on into the future (the continuing collaboration between Council and the community).

Following on from this, the improvements being developed as outcomes of the Service Review project and other organisational improvement initiatives will ensure that Council is well placed to deliver its part in achieving the vision of Coffs Harbour 2030. Critical to this though, is the grouping of functions as proposed under the recommended structure and the appropriate span of control to ensure an optimum level of productivity from staff resources.

- **Economic**

Broader Economic Implications

The recommended structure is critical to achieving the following:

- creating clear alignment between priorities identified in strategic plans and objectives of staff;
- realigning Council structure to improve coordination between related functions and also generate economies of scale;

and therefore improving economic outcomes for the community.

Delivery Program/Operational Plan Implications

The small (less than 0.1%) increase in staff costs associated with the recommended structure will be far outweighed by the improvements in performance realised by the improvements in economies of scale and span of control under the proposed structure. Thus, with around \$25,000 investment, Council will achieve significantly larger improvements in achieving objectives set out in the Delivery Program / Operational Plan.

Consultation:

Essentially, consultation on elements of the structure review have been undertaken since mid 2011 in a range of forums within Council.

In a more formal sense, consultation regarding proposed changes to Council's organisational structure commenced with a briefing for Councillors of the then Council on Wednesday 16 May 2012. The proposed changes were developed based on significant discussions between the Executive and a number of organisational improvement initiatives resulting in consensus on 99% of issues.

Since that Councillor briefing, comprehensive consultation occurred with staff in a number of forums as well as with the respective unions and the consultative committee. Overwhelmingly, staff feedback on the proposed structure was positive and a number of suggestions have been adopted with the proposal that will further improve outcomes.

As is to be expected, there was some negative feedback regarding the proposed changes however in considering these submissions it became clear that these are a result of different philosophical views, and possibly a reluctance to change.

Having regard to the intensive induction program provided for the newly elected Council since late September 2012, two briefing sessions have been held with the newly elected Council (30 January and 6 February 2013).

Related Policy and / or Precedents:

Previous reviews of Council's organisational structure have been undertaken most recently in July 2006 and November 2002.

Statutory Requirements:

Under the Local Government Act, Council must review its organisational structure within 12 months of an ordinary election, and may review this from time to time as required. (Sections 332 and 333 of the Local Government Act 1993).

Issues:

As noted in recent discussions with Councillors around the challenges facing Council with regards to financially sustainable service provision, Council has a number of options to explore to address this issue, including: increase rates, cut services and/or improve productivity. There is no one solution to the challenge.

While there is a small increase in costs, the proposed structure effectively involves better utilising existing resources – “doing more with less/same”. As such, it is far more preferable to Council's other options (increasing rates or cutting services) as a major initiative to assist in addressing the challenge of financial sustainability.

Grouping similar functions creates economies of scale, as well as facilitating stronger communication by avoiding "silos".

An appropriate span of control means achieving a balance between minimising the number of managers and ensuring that staff are effectively led and managed, optimising the productivity of staff.

As noted above, it was apparent from the Service Review project and other organisational improvement initiatives that the current organisational structure does not group similar functions efficiently and effectively and consequently lacks economies of scale and suffers from 'silos'.

In discussing alternatives to better align Council's service delivery functions it became clear that a fourth directorate would deliver the best return for the community. This will achieve economies of scale while also ensuring an appropriate span of control.

In broad terms, the proposed structure can be summarised as follows:

- **Corporate Business**, focused on enabling other departments to deliver effective and efficient services to the community and maximising the efficiency, effectiveness and profitability of Council's business units.
- **City Infrastructure Services**, focused on providing infrastructure that meets the needs of the community at minimum cost and risk to Council.
- **City Planning**, focused on the sustainable use and management of land but also more broadly on the associated social and economic issues.
- **Community Development**, focused on building the capacity of the community across social and economic spheres particularly, but also delivering services to support these objectives.

The proposed structure is provided in Attachment 1, and details of the current and proposed functions within Council is provided in Attachment 2.

This four-directorate structure strongly aligns similar functions so as to maximise economies of scale and avoid the 'silos' created when complementary functions are located across departments. Two key examples are the "community-focused" functions and the "infrastructure-focused" functions.

Under the existing structure:

- Community and Cultural Development and EDU report to City Services;
- Tourism and Sport report to Corporate Business; and
- Responsibility for the Community Strategic Plan – Coffs Harbour 2030 – sits with Land Use Health and Development.

Under the proposed structure, all of these "community-focused" functions would report to Community Development. Economies of scale will be created and the current 'silos' that exist as a result of their being dispersed across the organisation will be removed.

Under the existing structure:

- Most infrastructure is managed through the City Services department.
- Property (dealing with similar issues and needing similar processes) reports to Corporate Business.

- Waste (the largest, most complex contracts managed by Council) reports to Land Use Health and Development (who are otherwise focused on regulatory, environmental and planning issues).

Under the proposed structure, all these “infrastructure-focused” functions would report to City Infrastructure Services. Substantial economies of scale will be created resulting in more effective planning and delivery of infrastructure – arguably one of Council’s biggest challenges in the future. Council’s exposure to risk as a result of contract management expertise being dispersed throughout Council will also be significantly reduced.

As noted above, span of control (balancing the number of managers against the ability to provide effective leadership and management by not having too many people reporting direct to one manager) is a real issue in terms of effective, efficient delivery of services.

It is acknowledged that on first impression there may be concerns that the proposed structure results in the creation of a new Director’s position and therefore substantial cost, however it is proposed to fund the majority of this role from the position of Executive Manager Community and Cultural Development (which would become redundant).

Costs associated with this role together with a number of other initiatives to reallocate tasks within existing resources means that the net cost of the proposed structural changes is minimal, and will be far outweighed by an increased return for the community in terms of improved effectiveness and efficiency of service delivery, and over time, productivity gains.

While initial concerns of a new directorate are acknowledged, any alternative structure with only three directorates would simply not secure the same productivity gain potential, and therefore fail to aid Council’s efforts to address its financial sustainability challenges.

A three department structure could not group all “community-focused” and “infrastructure-focused” functions without creating problems with an excessive span of control. What this means is that while a Director could certainly provide oversight of an increased number of managers, the ability of the Director to effectively lead and manage that number of staff will be significantly reduced, meaning that the level of productivity that Council receives from staff is reduced.

Or, if these “community-focused” and “infrastructure-focused” functions are dispersed across the departments (as they are now), then the economies of scale that arise from grouping them, and removal of ‘silos’ that result from co-location in one department, is not achieved.

Under the NSW Local Government Act, 1993 the General Manager is responsible for utilising the resources allocated by Council effectively and efficiently and for ensuring the implementation, without undue delay, of decisions of Council.

The proposed restructure is not about additional staff resources, it is about realignment of functions and redesign of roles.

Effectively, the recommended structure seeks to reorganise Council’s existing resources. While it is acknowledged that there is a small increase in staff costs, the gains for the organisation from this investment in terms of efficiency and effectiveness (productivity) will be substantial.

Implementation Date / Priority:

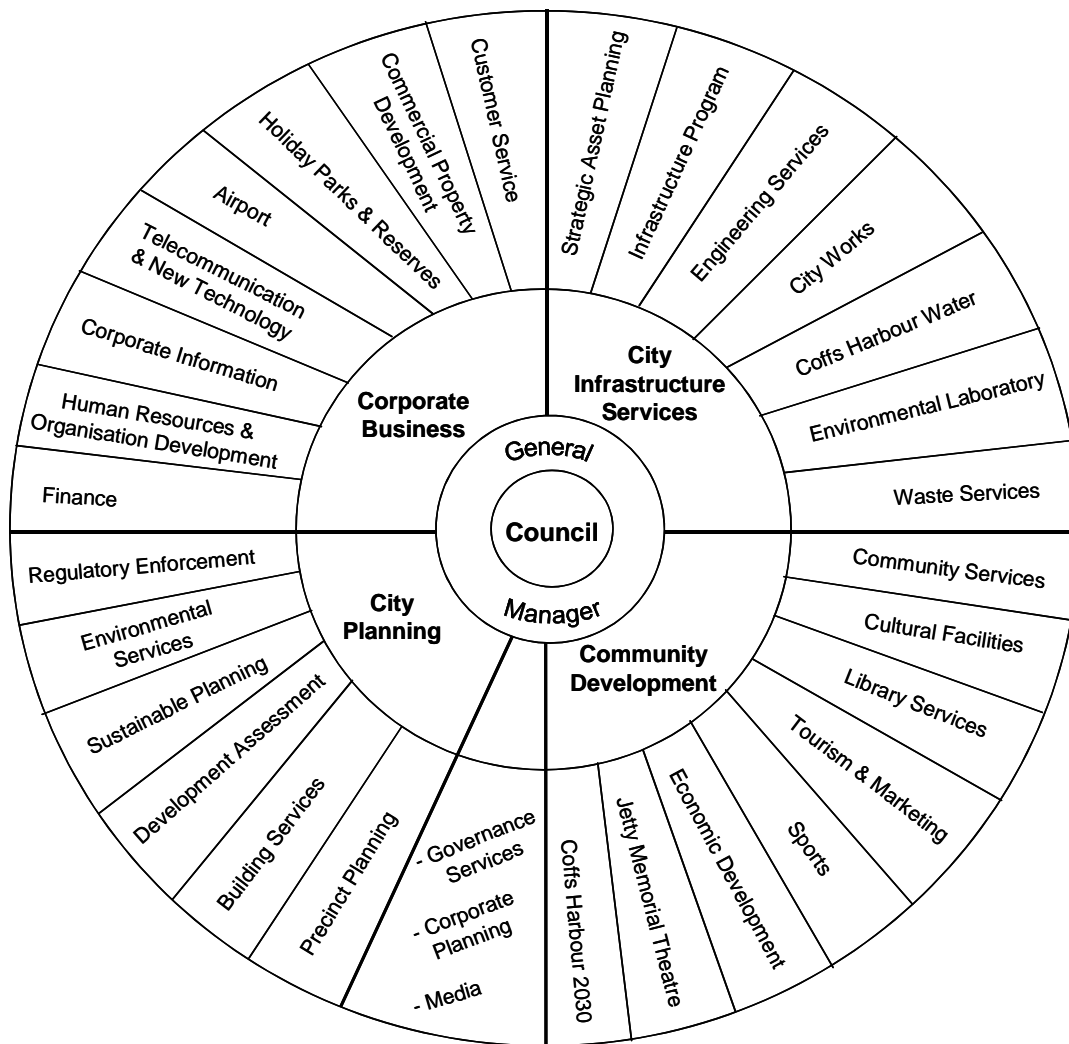
The commencement date for implementation of the structure, if approved by Council, is proposed to be immediate, subject to implementation processes to be resolved.

The vacant Director's position recruitment process would commence at the earliest opportunity to enable the new Director to commence in the role as soon as possible. In the interim, an acting Director will be appointed.

Recommendation:

1. That in accordance with Section 333 of the Local Government Act 1993 Council adopt the proposed Organisation Structure as identified in the Attachment to this report; and
2. That it be noted that applications will be invited for the vacant Director Community Development role.

Proposed Organisational Structure



Details of the Locations of Current and Proposed Functions within the Organisational Structure

The following tables provide more detail of the transition that is proposed in the draft structure:

Currently

City Services

Community & Cultural Development
Economic Development

Corporate Business

Sports Unit
Tourism and Marketing

Property Asset Management

Land Use Health & Development

Waste Services

Currently

Corporate Business

Finance
Human Resources & Organisation Development
Corporate Information
Telecommunications & New Technology
Business Units – Airports
Business Units – Holiday Parks & Reserves
Commercial Property

Currently

Land Use Health & Development

Strategy & Sustainability
Health
Land Use Planning
Land Use Assessment
Land Use Management

Currently

City Services

Engineering Services
Asset Systems
Engineering Special Projects
City Works
Coffs Harbour Water
Environmental Laboratory

Proposed

Transfer

To Community Development
To Community Development

To Community Development
To Community Development

To City Infrastructure Services

To City Infrastructure Services

Proposed

Corporate Business

Finance
Human Resources & Organisation Development
Corporate Information
Telecommunications & New Technology
Airports
Holiday Parks & Reserves
Commercial Property Development
Customer Service

Proposed

City Planning

Environmental Services
Sustainable Planning
Development Assessment
Building Services
Regulatory Enforcement
Precinct Planning

Proposed

City Infrastructure Services

Engineering Services
Strategic Asset Planning
Infrastructure Program
City Works
Coffs Harbour Water
Environmental Laboratory
Waste Services

Proposed

Community Development

Community Services
Cultural Facilities
Library Services
Tourism and Marketing
Sports
Economic Development
Jetty Memorial Theatre
Coffs Harbour 2030

Currently

Reporting Direct to General Manager

Governance Services
Corporate Planning
Media (including website Admin)

Proposed

Reporting Direct to General Manager

Governance Services
Corporate Planning
Media (including website admin)

2013 NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT - CALL FOR MOTIONS

Purpose:

Report advising that conference motions to be considered at the next National General Assembly of Local Government are to be matters of policy significance to local government nationally.

Description of Item:

The 2013 National General Assembly (NGA) of Local Government will be held at the National Convention Centre in Canberra between 16 and 19 June.

As the major event on the annual local government events calendar, the National General Assembly (NGA) typically attracts more than 700 mayors, councilors and senior officers from Councils across Australia. The National General Assembly (NGA) is an opportunity for Council to contribute to the development of national local government policy and receive updates on the top policy issues facing local government nationally.

The Australian Local Government Association (ALGA) Board is calling for motions for the 2013 National General Assembly (NGA) under this year's theme "Foundations for the Future – Twenty 13". This reflects the important opportunities an election year offers.

To be eligible for inclusion in the National General Assembly (NGA) Business Papers motions must follow the principles as listed below:

1. Fall under the National General Assembly (NGA) theme;
2. Be relevant to the work of local government nationally; and
3. Complement or build on the policy objectives of state and territory associations.

To assist Councils in preparing motions, a Discussion Paper has been prepared and is provided as an attachment to this report.

The Australian Local Government Association (ALGA) seeks all conference motions no later than close of business Friday 26 April 2013.

Sustainability Assessment:

- **Environment**

Issues dealing with the environment are a regular feature on the agenda of the conference. The annual conference debates changes to policy and strategy.

- **Social**

Social issues are also debated and policy and strategy adopted. Councillors attending are able to network socially with their colleagues from councils across the state and interchange ideas and best practice.

- **Economic**

Broader Economic Implications

There are no economic implications associated with this report.

Delivery Program/Operational Plan Implications

There are no Delivery Program or Operational Plan implications.

Consultation:

Council has submitted motions to previous conferences.

Related Policy and / or Precedents:

Council considers conference motions each year.

Statutory Requirements:

There are no statutory requirements associated with this report.

Issues:

Council representatives have in the past attended the National General Assembly Conference.

As conference motions are due on 26 April 2013, Councillors should give consideration to any matters they wish to raise with a view to submitting any proposed NGA Motions as a Notice of Motion for Council's consideration at its meeting of 11 April 2013 at the latest. This means that any Notices of Motion in respect of this matter will need to be with the General Manager by close of business on Thursday, 28 March 2013.

For further information please refer to the attached Guidelines and Background Information.

Recommendation:

1. **That Councillors submit any motions in line with the Australian Local Government Association Discussion Paper to the General Manager by Thursday, 28 March 2013.**
2. **That a separate report of any motions received be submitted for Council Meeting of 11 April 2013.**

Call for Motions Guidelines and Background Information

The theme for this year's National General Assembly of Local Government (NGA) is *'Foundations for the Future - Twenty 13'*. The NGA theme reflects current issues being debated nationally and priority issues facing local government.

The NGA is your opportunity to contribute to the development of national local government policy and currently the ALGA Board is calling for motions for the 2013 NGA.

To assist Councils in preparing motions, a Discussion Paper has been prepared and is available at www.alga.asn.au.

To be eligible for inclusion in the NGA Business Papers motions must follow the following principles:

1. Fall under the NGA theme;
2. Be relevant to the work of local government nationally; and
3. Complement or build on the policy objectives of state and territory associations.

Motions submitted will be reviewed by the National General Assembly Committee as well as by State and Territory Local Government Associations to determine their eligibility for inclusion in the NGA Business Papers. When reviewing motions, the Committee considers the importance and relevance of the issue to local government. Please note that motions should not be prescriptive in directing how the matter should be pursued. Any motion deemed to be primarily concerned with local or state issues will be referred to the relevant state/territory local government association, and will not be included in the Business Papers.

Through the review process, minor edits may be made to motions to ensure they can be included in the Business Papers. These edits will change the motion to call for action, for example to 'call on the Australian Government' to do something, to ensure relevance to local government nationally by removing state specific references, or to ensure the wording is consistent with current conventions such as referring to the Australian Government instead of the Federal Government.

To assist in facilitating efficient and effective debate, motions that cover similar matters will appear grouped together in the Business Papers and the matter will be debated only once with the lead or strategic motion being that which is debated.

Motions that are agreed to at the National General Assembly become Resolutions. These Resolutions are then considered by the ALGA Board when setting national local government policy, when the Board is making representations to the Federal Government at Ministerial Councils, during meetings and in ALGA publications. The ALGA Board is not bound by any Resolution passed at the NGA.

Motions are to be submitted online at www.alga.asn.au and should be received by **ALGA no later than 26 April 2013**.

The following information will be required when you submit a motion using the online form.

Motion

- Text of the Motion

National Objective

- Why is this a national issue and why should this be debated at the NGA?
- Maximum 100 words

Summary of Key Arguments

- Background information
- Supporting arguments
- Maximum of 300 words (additional information should be provided as speaking notes to the council representative who will move the motion at the NGA)

Declaration

You will need to declare that the motion has been endorsed by your Council.

For further information please contact Clare Hogan, Director National Events, on (02) 6122 9400 or clare.hogan@alga.asn.au



**AUSTRALIAN LOCAL
GOVERNMENT ASSOCIATION**

**National General Assembly of Local
Government**

16 - 19 June 2013

Call for Motions

Discussion Paper

The Process

The issues presented in this paper are designed to stimulate ideas that may form the basis of 'motions' to be considered at the National General Assembly (NGA). You are encouraged to read all of the sections of the Discussion Paper, but are not expected to respond to every question contained in them. Your motion/s can address one or all of the issues identified in the discussion paper. All that the Australian Local Government Association (ALGA) asks is that your motion is nationally relevant, directly related to the work of local government nationally and proposes a clear action and outcome.

To be eligible for inclusion in the NGA Business Papers motions must follow the following principles:

1. Fall under the NGA theme;
2. Be relevant to the work of local government nationally; and
3. Complement or build on the policy objectives of state and territory associations.

Motions submitted will be reviewed by the National General Assembly Committee as well as by State and Territory Local Government Associations to determine their eligibility for inclusion in the NGA Business Papers. When reviewing motions, the Committee considers the importance and relevance of the issue to local government. Please note that motions should not be prescriptive in directing how the matter should be pursued. Any motion deemed to be primarily concerned with local or state issues will be referred to the relevant state/territory local government association, and will not be included in the Business Papers.

If your council would like to put forward a motion(s), you may lodge it electronically at www.alga.asn.au using the online form. Motions should be received by ALGA no later than Friday 26 April 2013.

For more information, please contact ALGA's Director National Events, Clare Hogan, on (02) 6122 9400.

Overview

This Discussion Paper aims to assist councils to develop motions for consideration at the upcoming NGA.

NGA motions are an important mechanism to assist councils across Australia to influence the national policy agenda.

Local government plays an important role in Australia's democratic system of government. Its role is to represent its community and have a critical role in planning, coordinating, facilitating and providing services, infrastructure and programs that meet community and regional needs.

While councils can do a lot themselves, many local governments are constrained by lack of resources, expertise and adequate support from other levels of government (and the private sector) to meet all of their community's needs.

It is important to recognise that at the national level, the roles and functions of councils differ across jurisdictions and that local government is established under state laws. All state and territory governments have a variety of programs, grants and arrangements that are relevant to their respective state or territory and that are important to their councils. For this reason it is important that local governments, through their state and territory local government associations, maintain a close working relationship with state governments.

This year, on 14 September, there will be a federal election. The federal election is an important opportunity to seek commitments from all federal political parties about the way in which they will work with and support councils in meeting community needs. ALGA actively advocates on behalf of the sector in the lead up to every election. ALGA does this by engaging directly with all the major political parties, documenting local government initiatives and communicating these to all politicians as well as through events such as the NGA in facilitating conversations between federal politicians and local government representatives and drawing on initiatives contained in the NGA Resolutions.

The NGA provides an opportunity for councils to influence the national policy agenda by:

- a) identifying national priorities that ALGA might be able to pursue at the national level; and
- b) identifying priorities that are shared by all councils regardless of state differences that relate to federal matters.

It is anticipated that motions for the 2013 NGA will propose credible ideas and policy initiatives which will strengthen local government's capacity to respond to the social, economic and environmental changes facing Australia today and into the future.

Introduction

Local government is a richly diverse, highly responsive, accountable and dynamic level of government. There are now 559 councils in Australia. Over recent years the sector has experienced considerable change including structural reforms such as amalgamation of councils.

Some of local government's recent national achievements include:

- developing and advocating a clear set of principles for constitutional reform;
- the conduct of a successful campaign for the renewal of the Roads to Recovery program (R2R) which has been extended to 2019;
- advocacy for a broad review of the Financial Assistance Grants (with a review, albeit limited in scope, is currently underway);
- comprehensive studies into the financial sustainability of councils nationally (2006 PWC Report);
- actively pursuing internal reforms to improve the efficiency and effectiveness of local government with a focus on improved asset management; and
- successful delivery of over 3,500 community infrastructure projects worth more than \$1 billion on time and within budget as part of the Australian Government's response to the Global Financial Crisis (GFC) to create jobs and economic stimulus throughout the nation.

Local government's national significance is underlined by the fact that it employs around 195,000 Australians (just over 10 per cent of the total public sector work force), owns and manages non-financial assets estimated at \$245 billion (2007–08), raises around 3.5 per cent of Australia's total taxation revenue per annum and has an annual expenditure of around \$29 billion (2010–11)—just under 6 per cent of total public sector spending.

Most of local government's expenditure is directed towards the provision of local services, which include: housing and community amenities; transport and communications; recreation and culture; and social security and welfare.

At an aggregate level local government undertakes its work while being 90 per cent self-funded. However, many rural and regional communities have limited financial capacity which means those councils are much more reliant on external funding sources. Higher grant levels are absolutely critical to these councils to equalise services and infrastructure availability across the communities. Considerable local government funds are spent on vital additional work that relates to broad national issues.

As the level of government closest to Australians, local government is aware of and understands the myriad challenges faced by local and regional communities as they live, work and interact in an increasingly complex domestic and global environment. Local and regional communities require support to respond and adapt to factors they cannot control, such as climate change, drought, natural disasters and economic upheavals.

Financing Local Government

In 2006 ALGA commissioned PricewaterhouseCoopers (PWC) to undertake a national study into the Financial Sustainability of Local Government (the report can be found at <http://alga.asn.au/?ID=76&Menu=44,61,75>). This study built upon a number of studies that were conducted or being conducted by state and territory local government associations. The PWC Report was a vital body of research that underpinned a rigorous assessment of the financial sustainability of councils across Australia. The Report found that up to 30 per cent of councils were facing financial sustainability challenges and recommended a twin track approach to addressing some of these problems. It suggested:

- internal reforms by some councils to improve their efficiency and effectiveness; and
- changes to intergovernmental funding for improved financial sustainability to primarily assist those councils with sustainability challenges.

Recommendations from the Report include:

Improving efficiency, effectiveness and scale

- To further realise the gains from greater economies of scale and reduce unit costs via approaches such as regional or shared service provision, outsourcing, use of state-wide purchasing agreements etc.

Expanding own-source revenue

- To work with state governments to remove or relax legislative impediments and improve the capacity of local government to raise revenue from its own sources.

Setting clear and appropriate priorities

- To establish a robust long-term service plan which defines what council will provide and how services will be undertaken.
- To exercise caution prior to stepping in to attempt to resolve regional, state or national issues without a sound funding plan.
- To secure long-term funding (not just capital grants) prior to new services and infrastructure.

Deepening asset management and financial capacity

- Work with other spheres of government to facilitate improved asset management and financial skills through government-funding programs (eg the Size, Shape and Sustainability Review in Queensland and the MAV Step Program), to lift the skills in all councils to a reasonable base level.
- Use total asset management plans and systems to better manage asset renewals and replacement, and integrate into broader long-term council objectives.
- Undertake more regular asset condition reporting for key infrastructure.
- Develop nationally consistent local government financial and asset management data. There is a need for a new national program to improve the consistency and quality of council data to enable more robust and accurate analysis and planning and to produce a uniform national approach to measuring viability and financial sustainability. Ideally this would be supported by the Australian Government.

Suggested reforms to inter-government transfers

PwC sees significant merit in some reforms to intergovernmental transfers, but these need to be targeted to primarily assist the types of councils with sustainability challenges. The specific suggested reforms to intergovernmental transfers are:

- Establish a new Local Community Infrastructure Renewals Fund (LCIRF): this fund would support councils in the more timely funding of renewals work across a range of community infrastructure assets including community centres, aged care facilities, libraries, health clinics, sport and recreation facilities. The fund could be distributed based on relative need and use the R2R or FAGs distribution methods, or perhaps through a new or hybrid approach. The size of LCIRF could be set so as to provide a similar level of renewals support as provided by R2R, which is around \$200-250 million per annum.
- Revise the escalation methodology for FAGs from a mix of population growth and CPI, to a new escalation formula tailored more to local government cost movements (eg a combination of the ABS Wage Cost Index and Construction Cost Index coupled with population growth).
- Make funding for the Roads to Recovery Program permanent: this program has delivered substantial benefits and there would be significant merit in extending its duration and further augmenting funding levels (including escalating the program size by the ABS Construction Cost Index).

State governments to provide funding support to encourage the local council efficiency and asset management reforms: a significant proportion of councils have inadequate in-house skills to improve efficiency and to establish robust asset management and financial plans. There would be significant benefit in state governments providing partial funding to aid the development of tailored state-based reform programs. This program might be along the lines of the support provided by the Queensland Government (\$25 million over five years) in the Size, Shape and Sustainability Program, and the Step Program developed by MAV.

QUESTIONS?

Are there any specific proposals your council has to follow-up on the recommendations contained in the PWC Report?

In particular:

Are there things that the Commonwealth could do to assist local government nationally to improve its efficiency, effectiveness and scale?

Are there things that the Commonwealth could do to assist local government to expand own-source revenues?

Are there things that need to happen to help set clear and appropriate priorities, including long term funding?

Are there things that the Commonwealth can do to assist or deepen local government's asset management and capacity for financial management?

What further changes are required to Commonwealth local government financial transfers?

Financial Assistance Grants

On 9 December 2012 the Commonwealth Treasurer provided Terms of Reference to the Commonwealth Grants Commission for a Review on Improving the Impact of the Financial Assistance Grants on Local Government Financial Sustainability. The Terms of Reference require the Commission to provide a report to the Australian Government by 31 December 2013 on the following issues:

- 1 The review is 'to identify tangible measures for improving the impact of the Local Government FAGs on the effectiveness of local governments and their ability to provide services to their residents within the current funding envelope'.
- 2 Specifically we are asked to examine the impacts of FAGs on local governments and its appropriateness by:
 - examining in the intrastate context whether the National Principles that guide the allocation of the general purpose grants remain valid and are conceptually consistent with each other;
 - evaluating the economic and financial benefits of untied vs tied funding for enhancing the effectiveness of local governments and their ability to ensure effective services for their residents;
 - identifying the impact of the Minimum Grant principle on the intrastate distribution of FAGs; and
 - assessing the relative need of local governments in each State and Territory with a particular focus on those that service regional and remote communities.
- 3 In responding we will report our findings relating to each point and, where appropriate, identify changes to the FAGs distribution process which would enhance the effectiveness of local governments and their ability to provide services.

This is an important review, but it needs to be noted that the Terms of Reference do not include an examination of the quantum of the Financial Assistance Grants.

Questions

Are there any specific proposals from your council on any of the Terms of Reference for the Review of the Financial Assistance Grants?

Are there any proposals from your council regarding the Financial Assistance Grants more broadly?

Expenditure Priorities

Over the past 30 years the roles and functions of local government have changed significantly.

In 2001 the Commonwealth Grants Commission (CGC), in a *Review of the Operation of the Local government (Financial Assistance) Act 1995*, observed that the composition of services provided by local government has changed markedly over the last 30 to 35 years.¹ The CGC noted there had been substantial changes including:

- a move away from property-based services to human services;
- a decline in the relative importance of road expenditure (although it remains the largest function, its level of importance has declined from about half of total expenditure in the 1960s to a little more than a quarter in the 1990s);
- an increase in the relative importance of Recreation and Culture, and Housing and Community Amenities (these are now large areas of local government expenditure, each approaching 20 per cent of total); and
- an expansion of Education, Health, Welfare and Public Safety services (this has increased from 4 per cent of total expenditure in 1961-62 to about 12 per cent in 1997-98).

These trends reflect changes in local communities, growing demand and councils' willingness to meet the emerging challenges of their local municipality. The trend was also encouraged by the Commonwealth and State Governments who, over the period, increasingly offered programs to local communities e.g. aged care and children's services, on the condition of matched funds or limited growth funds. As a consequence, by accepting additional responsibilities without significant new funding for these services, councils were required to change existing priorities and shift funding between existing programs. This trend was confirmed by the CGC who concluded in their review that '... *Local government is increasingly providing human services at the expense of tradition property - based services (particularly roads)*. The trend was also confirmed by the state local government associations who also report that the costs of increased service provision have been met by delaying maintenance and replacement infrastructure activities.

Examination of the most recent ABS data 2010-11 shows that local government spends \$29.323 billion per annum, which is an increase from \$27.891 billion in 2009-10. Expenditure on Transport and Communications (2010-11), mainly roads and transport, is \$6.64 billion or 23 per cent of total local government expenditure. Spending on Recreation and Culture is approximately \$4.359 billion, and spending on Housing and Community Amenities is \$6.451 billion (this includes water and sewerage in a number of states where this is a local government function).

¹ Commonwealth Grants Commission commentary on Figure 5.2 Composition
Commonwealth Grants Commission – Review of the Operation of the Local government (Financial Assistance) Act 1995, June 2001.

**GENERAL LOCAL GOVERNMENT EXPENSES BY PURPOSE
2009-10 and 2010-11**

	2009 \$m	2010-11 \$m
General public services	5231	5611
Public order and safety	585	769
Education	150	144
Health	298	332
Social security and welfare	1 573	1684
Housing and community amenities	6812	6451
Recreation and culture	4071	4359
Fuel and energy	13	15
Agriculture, forestry and fishing	27	29
Mining, manufacturing and construction	301	356
Transport and communications	6129	6640
Other economic affairs	1230	1016
Public debt transactions	449	578
Other	1230	1336
Total	27891	29323

Source ABS Cat 5512 - Government Finance Statistics, Australia 2009 - 10 and 2010 - 11

QUESTIONS?

Are there any specific proposals your council has to regarding local government's expenditure priorities?

Are there proposals which would improve Commonwealth assistance to local government to help ensure traditional infrastructure service, such as roads, are maintained and renewed in a timely manner?

Are there proposals which would improve Commonwealth assistance to local government to help support council provided 'human services', such as aged care and children's services?

How could cost shifting from the Commonwealth and states be better addressed?

Constitutional Recognition of Local Government

Since the appointment of a Joint Select Committee on the Constitutional Recognition of Local Government in November 2012, the pace of developments has increased dramatically. ALGA lodged a detailed submission with the committee in December 2012 and a supplementary submission on 31 January 2013 in response to issues raised at a parliamentary committee hearing on 16 January 2013.

The ALGA Board is meeting regularly to determine and drive the agenda. ALGA welcomed the Parliamentary Committee's preliminary report on 24 January 2013 which recommended that the Commonwealth begin all necessary preparatory activities to ensure a successful referendum in 2013. ALGA has indicated strong support for constitutional change as soon as possible to secure continued direct funding. However, we have reiterated our concern about the lack of progress on the preconditions identified for a successful referendum and the short timeframe available for a campaign.

ALGA wants to make sure that the referendum proceeds when the chances for success are at their best, although we stand ready once the government announces a referendum. The Committee's final report is due in March 2013 and the Government has indicated that it will wait until that time before giving its response on the referendum. ALGA is concerned that the delays and moving timeframes have hampered efforts to finalise arrangements for a referendum and ALGA has redoubled its efforts to seek commitments from both the Government and the Opposition to support the referendum.

Constitutional Recognition remains a priority for the ALGA Board. Given the pace of developments and an expected announcement of the Government's intentions in March/April 2012, we are not seeking council motions on constitutional recognition for this year's NGA. A comprehensive update will be given to delegates at the NGA, based on the responses of the Government, the Opposition and State Premiers to the Committee's final report.

MODEL CODE OF CONDUCT 2013 - COMMENCEMENT AND KEY RESOURCES

Purpose:

The purpose of this report is to inform councils of the new Model Code of Conduct Framework which commenced on 1 March 2013; to promote the Model Code Summary as a simple guide to the standards of behaviour required by council officials; and to inform councils of the availability of the Division of Local Government's Model Code of Conduct 2013 webpage, featuring key resources to support implementation of the new code.

Description of Item:

The new Model Code of Conduct Framework commenced on 1 March 2013.

To assist councils with the implementation of the new code the Division has developed a series of resources that are available on the Division's website. These resources include:

- Frequently asked questions on the implementation of the new framework.
- The Model Code of Conduct, Model Code Summary and Model Code Procedures.
- Standalone versions of the Model Code targeted at different types of council officials containing only those standards relevant to those officials.
- Guides to Model Code procedures for General Managers, Mayors and complaints coordinators, containing easy to understand summaries of their roles in the complaints management process.
- Guide to Model Code procedures for complainants and people the subject of investigation. The prescribed procedures require that persons being investigated be provided with information about the investigation process.

Additional resources and information will be added to the webpage over time.

The Model Code of Conduct 2013 webpage may be accessed from the Division's website at www.dlq.nsw.gov.au

A copy of the Model Code summary is attached to this Circular. Council's officials are encouraged to familiarise themselves with this and the new Model Code.

Sustainability Assessment:

- **Environment**

There are no environmental impacts associated with this report.

- **Social**

There are no social issues associated with this report.

- **Economic**

Broader Economic Implications

There are no economic implications associated with this report.

Delivery Program/Operational Plan Implications

There are no Delivery Program or Operational Plan implications.

Consultation:

Consultation is required with all council officials to familiarise themselves with the new Model Code of Conduct framework and the Division of Local Government's webpage featuring key resources.

Statutory Requirements:

The Model Code of Conduct 2013 framework is a requirement of the NSW Department of Premier and Cabinet, Division of Local Government for all council officials.

Issues:

Council adopted the new Model Code of Conduct at its meeting held on 14 February 2013. This additional information has been provided by the NSW Division of Local Government as a resource for councillors and other council officials.

Implementation Date / Priority:

The implementation date of the new Model Code of Conduct 2013 Framework is 1 March 2013.

Recommendation:

That the information in this report be noted.



Circular to Councils

Circular No. 13-06
 Date 1 March 2013
 Doc ID. A313805

Contact Council Governance Team
 (02) 4428 4100

MODEL CODE OF CONDUCT 2013 – COMMENCEMENT AND KEY RESOURCES

Purpose

The purpose of this Circular is to:

- remind councils that the new Model Code Framework commences on 1 March 2013;
- promote the Model Code Summary as a simple guide to the standards of behaviour required by council officials; and
- inform councils of the availability of the Division of Local Government's Model Code of Conduct 2013 webpage, featuring key resources to support implementation of the new code.

Issue

- The new Model Code of Conduct framework commences on 1 March 2013.
- To assist councils with the implementation of the new code the Division has developed a series of resources that are available on the Division's web site. These resources include:
 - FAQs on the implementation of the new framework
 - The Model Code of Conduct, Model Code summary and Model Code Procedures
 - Standalone versions of the Model Code targeted at different types of council officials containing only those standards relevant to those officials
 - Guides to Model Code procedures for general managers, Mayors and complaints coordinators, containing easy to understand summaries of their roles in the complaints management process
 - Guides to Model Code procedures for complainants and people the subject of investigation. The prescribed procedures require that persons being investigated be provided with information about the investigation process.
- Additional resources and information will be added to the webpage over time.
- The Model Code of Conduct 2013 webpage may be accessed from the Division's website at www.dlg.nsw.gov.au .

Division of Local Government
 5 O'Keefe Avenue NOWRA NSW 2541
 Locked Bag 3015 NOWRA NSW 2541
 T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
 E dlg@dlg.nsw.gov.au W www.dlg.nsw.gov.au ABN 99 567 863 195

2

- A copy of the Model Code summary is attached to this Circular (Attachment A). Councils officials are encouraged to familiarise themselves with this and the new Model Code.

Action

General Managers should ensure that a copy of this Circular is tabled at the next council meeting, including the Model Code Summary. The assistance of General Managers in promoting the Model Code 2013 webpage and its resources to all council officials would be appreciated.



Ross Woodward

Chief Executive, Local Government

A Division of the Department of Premier and Cabinet



Premier & Cabinet
Division of Local Government

STANDARDS OF CONDUCT FOR COUNCIL OFFICIALS

Council officials play a vital role in serving local communities
To do this effectively, you will want to uphold the highest standards of behaviour to ensure communities have trust and confidence in local government.

What are the expected standards of behaviour?

The standards of behaviour are described in detail in the Model Code of Conduct. The Code is a legal document that all officials are obliged to understand and follow. The Model Code forms the basis of each council's code of conduct. Highlighted below are the expected standards of behaviour for all council officials.

You must:

- conduct yourself in a manner that will not bring council into disrepute
- act lawfully and honestly, and exercise due care
- treat others with respect and not harass or discriminate against them, or support others who do so
- consider issues consistently, promptly and fairly
- ensure development decisions are properly made and deal fairly with all parties involved
- disclose and appropriately manage conflicts of interests including, in the case of councillors, from reportable political donations
- use and secure information appropriately and not disclose confidential information
- use council resources ethically, effectively and efficiently.

You must not:

- accept money or gifts of value and avoid situations that may appear to secure favourable treatment
- make complaints improperly, take detrimental action in response to complaints, or disclose information about code of conduct matters.

In addition, councillors must not:

- direct or influence council staff in the exercise of their role
- participate in binding caucus votes, except for nominations.

In addition, staff must ensure the efficient and effective operation of council's organisation and implement decisions of council without delay.



What happens if the standards are not met?

The small number of cases where a council official fails to follow the Code will be dealt with in accordance with the Model Code Procedures.

Breaches of these standards may be reported to the general manager or, in the case of a breach by the general manager, to the Mayor. Serious complaints that cannot be resolved informally may be investigated by an independent conduct reviewer.

Councillors	Breaches by councillors may result in: <ul style="list-style-type: none"> • censure • requirement for training • counselling • requirement to apologise • findings of inappropriate conduct being made public • referral to the Division of Local Government for disciplinary action, including suspension for up to three months • referral by the Division to the Pecuniary Interest and Disciplinary Tribunal for suspension for up to six months or disqualification from holding civic office.
--------------------	--

General managers	Breaches by general managers may result in: <ul style="list-style-type: none"> • requirement for training • counselling • requirement to apologise • findings of inappropriate conduct being made public • other actions specified under the general manager’s contract.
-------------------------	---

Council staff	Breaches by council staff may result in disciplinary action, termination or, in the case of non-senior staff, other penalties permitted under the relevant industrial award.
----------------------	--

Delegates or council committee members	Breaches by delegates or council committee members may result in: <ul style="list-style-type: none"> • censure • requirement to apologise • prosecution • removal or restriction of delegations.
---	--



GOVERNANCE AND AUDIT COMMITTEE – APPOINTMENT OF INDEPENDENT MEMBERS

Purpose:

This report is to inform Council of the appointment to the Governance and Audit Committee the three new independent members.

Description of Item:

The Governance and Audit committee plays a pivotal role in the governance framework to provide council with independent oversight and monitoring of the council's audit processes, including Council's internal control activities.

Expressions of interest for independent members to the Governance and Audit Committee were called for in December 2012. There were five applications received from highly qualified community members. These candidates have now been assessed by the Council appointed panel. This panel was made up of the General Manager, Cr representative, Cr John Arkan and a representative from the External Auditors. The panel assessed all candidates and three candidates were agreed upon. Their appointment is referred to Council for information.

The successful candidates are:

- Mr Barry Ford
- Mr Christopher Jones
- Mr Paul Tipper

Each of the three independent members brings different skills and experiences to the committee. (See confidential attachment).

Sustainability Assessment:

- **Environment**

There are no environmental impacts as a result of this report.

- **Social**

The inclusion of independent members on the Governance and Audit Committee increases Council's transparency assists it to meet its responsibilities to the community.

- **Civic Leadership**

The Governance and Audit Committee assists Council to ensure transparency and accountability in local government. The implementation enables Council to identify and respond to the community. This is consistent with the *Coffs Harbour 2030 Community Strategic Plan strategy LC2.2.1: Enable and support all levels of government to serve the local community.*

- **Economic**

Broader Economic Implications

The appointment of independent members to the Governance and Audit Committee will have a positive effect on Council's governance mechanisms and will demonstrate to other levels of government Council's willingness to apply best practice in its operations.

Delivery Program/Operational Plan Implications

The sitting fee of \$500.00 per meeting is accommodated within the annual budget. The future costs will be accommodated within Council's budget structure. This expenditure is monitored through Council's monthly and quarterly budget reviews.

Related Policy and / or Precedents:

Coffs Harbour City Council adopted Governance & Audit Committee Charter.
Division of Local Government Internal Audit Guidelines.

Statutory Requirements:

The Governance and Audit Committee charter was adopted by Council in December 2012. Within that charter it states the voting membership of the Governance and Audit Committee to be:

- A nominated Councillor (Cr Arkan for the term of 2012-2016)
- Three Independent external members.

Implementation Date / Priority:

The Governance and Audit Committee will commence meeting as soon as the successful candidates have been advised of their appointment and received their initial induction.

Recommendation:

That Council note the information provided in this report.

MONTHLY BUDGET REVIEW FOR JANUARY 2013

Purpose:

To report on the estimated budget position as at 31 January 2013.

Description of Item:

Estimated Budget Position as at 31 January 2013:

	General Account \$	Water Account \$	Sewer Account \$
Original Budget adopted 24 May 2012	308,365 (D)	4,397,830 (D)	3,542,337 (D)
Approved Variations to 31 December 2012	(22,525) (S)	Nil	Nil
Recommended variations for January 2013	(616) (S)	(554,150) (S)	(686,556) (S)
Estimated result as at 31 January 2013	<u>285,224 (D)</u>	<u>3,843,680 (D)</u>	<u>2,855,781 (D)</u>

General Account

Deficit/(Surplus)

Reallocation of Waste Management staff resources to Land Use Assessment and Management Branch	(29,521) (S)
Staff costs removed from Waste Management reserve	29,521 (D)
Reallocation of staff resources to Land Use Assessment and Management from Waste Management branch	29,521 (D)
Staff reallocation absorbed by current Land Use Assessment and Management salary surplus due to vacant position	(29,521) (S)
2012 Election savings	(37,590) (S)
Increase in Meter Reading bank charges due to NAB credit card payment channels replacing Australia Post facilities	27,980 (D)
Reduction in Meter Reading Agency costs as Australia Post payment channels replaced with online NAB credit card systems	(45,410) (S)
Additional Meter Reading postage expenses due to increased number of water accounts	6,682 (D)
Meter reading contribution from water	10,748 (D)
Sponsorship of 2013 BCU Coffs Triathlon	12,000 (D)
Funding of triathlon sponsorship from Business Development Reserve	(12,000) (S)
General rates income increased due to property growth	(11,926) (S)
General rates pensioner subsidy increased due to additional assessments	(11,000) (S)
Additional postponed interest charges due to change in interest rate	4,000 (D)
Replacement and additional garbage bins at Jetty Foreshore (per Ordinary Meeting 14/2/13 – NOM13/1).	14,400 (D)

Nightrider Service Northern Beaches (per Ordinary Meeting 14/2/13 - NOM13/4)	(10,000) (D)
Increase building certification fees budget in line with revised projections	(56,000) (S)
Increase domestic sewage supervision expenses in line with expected service level from fees charged	49,000 (D)
Increase beach bathing expenses into line with Council resolution for Park Beach permanent 12 month service	48,500 (D)
Savings in museum operating costs	(10,000) (S)
Total	(616) (S)

Water Account

Contribution to meter reading costs	(10,748) (S)
Water strategy project not to occur until next financial year	(150,000) (S)
Reduction in anticipated costs for drinking water management plan	(110,000) (S)
Reduction in anticipated costs for pumping stations	(91,900) (S)
Increase in anticipated costs for nana glen water supply	49,700 (D)
Increase in anticipated costs for water treatment	203,100 (D)
Increase in anticipated costs for mains maintenance	221,900 (D)
Reduction in anticipated costs for Nymboida fish ladder	(24,400) (S)
Reduction in anticipated costs for Nymboida infrastructure	(71,100) (S)
Reduction in anticipated costs for water efficiency	(249,600) (S)
Reduction in anticipated costs for raw water purchases	(106,100) (S)
Reduction in anticipated costs for regional water supply operations	(218,119) (S)
Increase in anticipated costs for standpipe water	10,000 (D)
Increase in anticipated costs for pressure testing	5,600 (D)
Increase in anticipated income for pressure fees	(2,483) (S)
Increase in anticipated income for standpipe water sales	(10,000) (S)
Total	<u>(554,150) (S)</u>

Sewer Account

Sewer strategy project not to occur until next financial year	(200,000) (S)
Increase in anticipated costs for treatment plants	344,100 (D)
Increase in anticipated costs for sullage collection	2,400 (D)
Increase in anticipated costs for pumping stations	200,000 (D)
Reduction in anticipated costs for reuse management operations	(33,045) (S)
Removal of biosolids disposal costs (part of treatment plant)	(1,016,011) (S)
Increase in anticipated costs for Morgans Road Farm	16,000 (D)
Total	<u>(686,556) (S)</u>

Sustainability Assessment:

- **Environment**

There are no perceived short or long-term environmental impacts.

- **Social**

There are no perceived short or long term social impacts.

- **Civic Leadership**

Council strives to reach a balanced budget position by June 30 each year in conjunction with meeting its short term priorities.

- **Economic**

Broader Economic Implications

When dealing with increased community demands Council has to focus on the balance of providing services with the limited funds available. Council must also ensure that a healthy financial position is maintained to ensure ongoing viability of the organisation.

Delivery Program/Operational Plan Implications

The Original budget for the General Account adopted on the 24 May 2012 provided for a deficit of \$308,365.

For substantial budget adjustments the associated council reports have addressed the triple bottom line factors independently in 2012/13.

Consultation:

Managers and their relevant staff have been provided with electronic budget reports for each program on a monthly basis. Requested variations and variations adopted by Council have been included in the report.

Related Policy and / or Precedents:

The Director of Corporate Business has provided guidelines to staff regarding their responsibilities relating to effective and transparent budget review and assessment processes. This framework provides guidance in achieving the objective of a year end balanced budget in the General Fund.

Statutory Requirements:

Under local government regulations Council is required to submit a quarterly budget review to Council. Therefore Council is under no obligation to provide monthly reviews but has recommended they be completed as part of prudent financial management.

The Responsible Accounting Officer believes this report indicates the financial position of the Council is satisfactory, having regard to the original estimate of Income and Expenditure.

Issues:

Currently any major budget issues are collated and addressed on a monthly basis via a separate report to the Corporate Development Team.

Implementation Date / Priority:

Management will continue to monitor the organisation's performance with a view to improving service delivery.

Recommendation:

That the budget adjustments be approved and the current budget position be noted.

Estimated Budget Position as at 31 January 2013:

	General Account \$	Water Account \$	Sewer Account \$
Original Budget adopted 24 May 2012	308,365 (D)	4,397,830 (D)	3,542,337 (D)
Approved Variations to 31 December 2012	(22,525) (S)	Nil	Nil
Recommended variations for January 2013	(616) (S)	(554,150) (S)	(686,556) (S)
Estimated result as at 31 January 2013	<u>285,224 (D)</u>	<u>3,843,680 (D)</u>	<u>2,855,781 (D)</u>

EASEMENT TRANSFERS TO ESSENTIAL ENERGY – VARIOUS PROPERTIES

Purpose:

The purpose of the report is to obtain approval for the transfer of power line easements to Essential Energy.

Description of Item:

Council was approached in 2012 by Essential Energy who are proposing to upgrade their infrastructure within various locations at Toormina, Sawtell and Coffs Harbour.

The upgrade will improve electricity supply and security of supply to a number of Council sewer infrastructure assets and will benefit Council. The proposed works will also provide a more reliable electricity supply to the wider community.

The investment by Essential Energy will be major and as a result have requested that Council provide easements over the works on the basis of nil compensation being required.

The easements proposed are shown on Attachments 1, 2 and 3 to this report and the easement locations are highlighted in yellow on these plans.

The easements are described as:

1. Easement for underground power lines 2 wide and variable width within Lot 2 DP 1093437, Lot 2 DP 879883, Lot 53 DP 245407 and Lot 117 DP 248292 situated at Werambie Street, Toormina (see Attachment 1).
2. Easement for underground power lines 2 wide and variable width within Lot 6 DP 755536 and Lot 48 DP 1032150 situated at Hulberts Lane, Sawtell (See Attachment 2).
3. Easement for underground power lines 2 wide within Lot 2 DP 1067836, Lot 1 DP 999000 and Lots 6 and 7 DP 90246 situated at Christmas Bells Road, Coffs Harbour (see Attachment 3).

Essential Energy has submitted to Council transfers and a Deed requiring execution which sets out the terms of the transfer. The Deed also allows for minor modifications to be made to the location of the easements should it be required once the physical works of installing the underground power lines are completed in the near future.

Sustainability Assessment:

- **Environment**

There are no issues related to the easements being transferred.

- **Social**

There are no major issues related to the easement transfers. There is a benefit to the City's community through improved infrastructure.

- **Civic Leadership**

The Coffs Harbour 2030 Plan supports improving the infrastructure of the city.

- **Economic**

Broader Economic Implications

There will be little, if any impact on the broader economy. The transfer of the easements will not impact upon the local economy.

Delivery Program/Operational Plan Implications

There are no costs to Council associated with the easement transfers and the loss of value to Council's property holdings is considered minimal. The benefits to Council are considered to outweigh any negative impact the easements will have on the land parcels affected.

Consultation:

Consultation has been undertaken with the City Services Department of Council who are responsible for the sewer infrastructure that will be affected and support the transfer of the easements as proposed.

Related Policy and / or Precedents:

Council has previously disposed of property interests such as easements.

Statutory Requirements:

Some of the land affected is public reserve and has a community classification under the Local Government Act 1993. Sections 45 and 46 of the Local Government Act 1993 permit Council to grant an estate in this type of land such as the easements for the proposed purpose.

Issues:

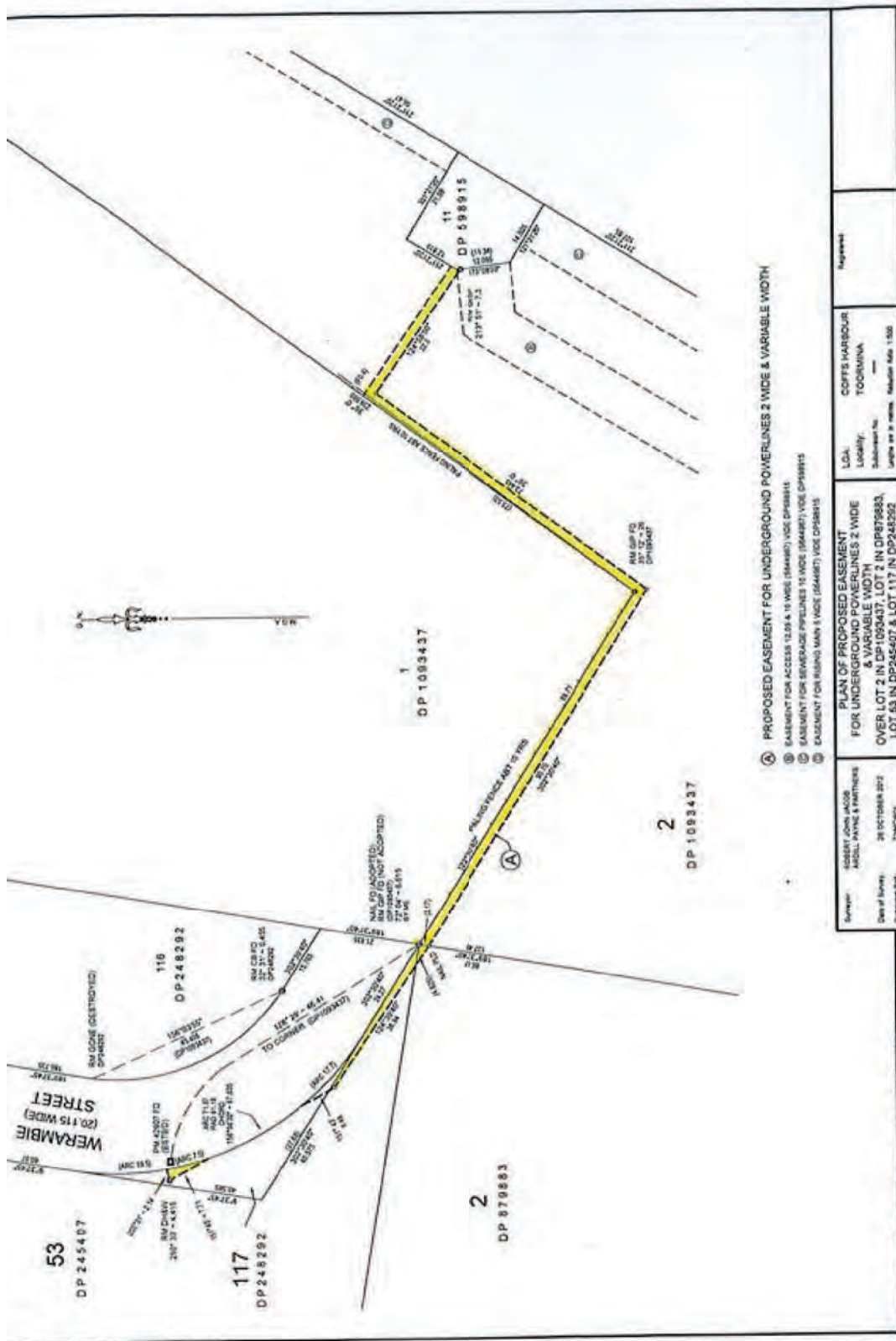
There are no significant issues.

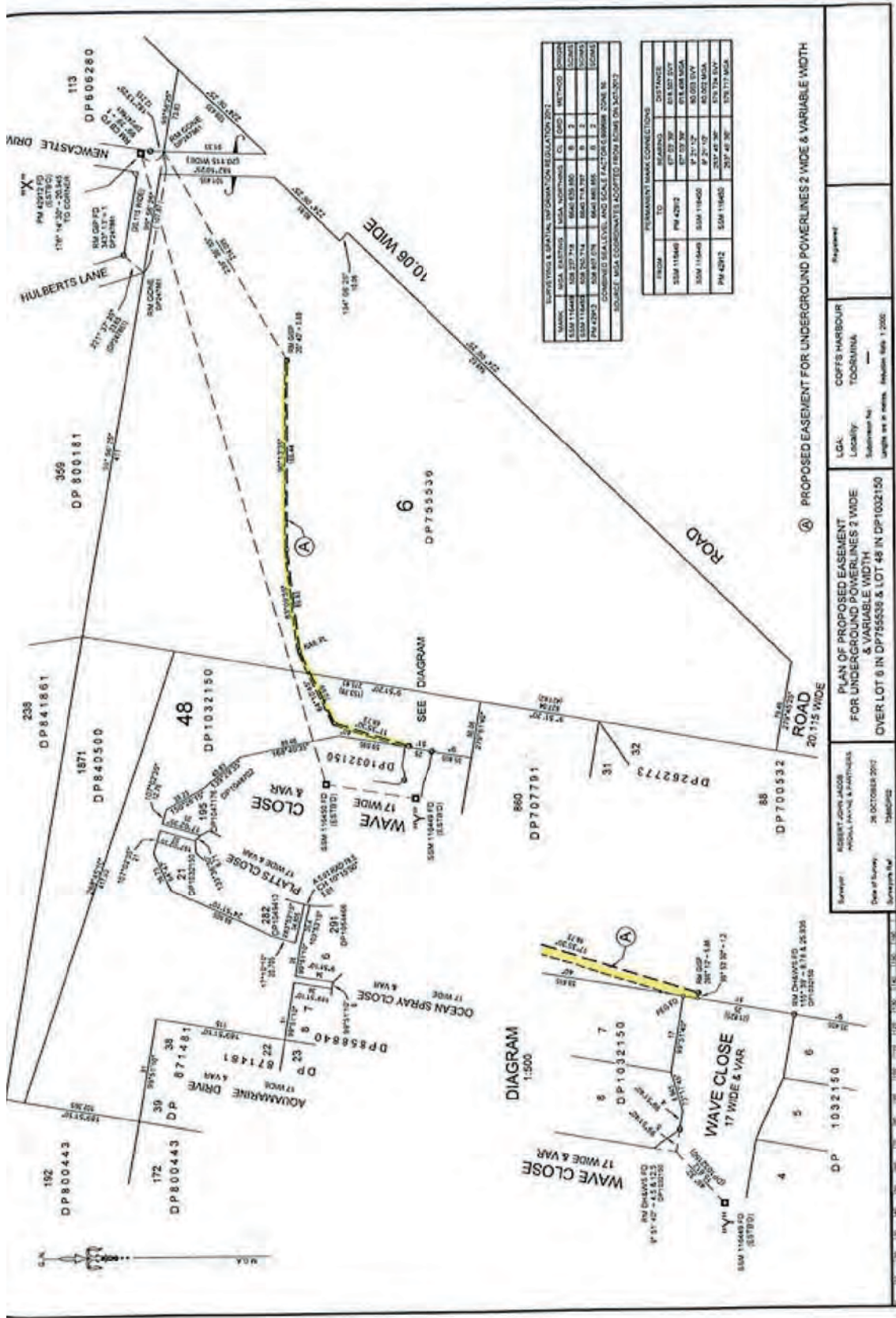
Implementation Date / Priority:

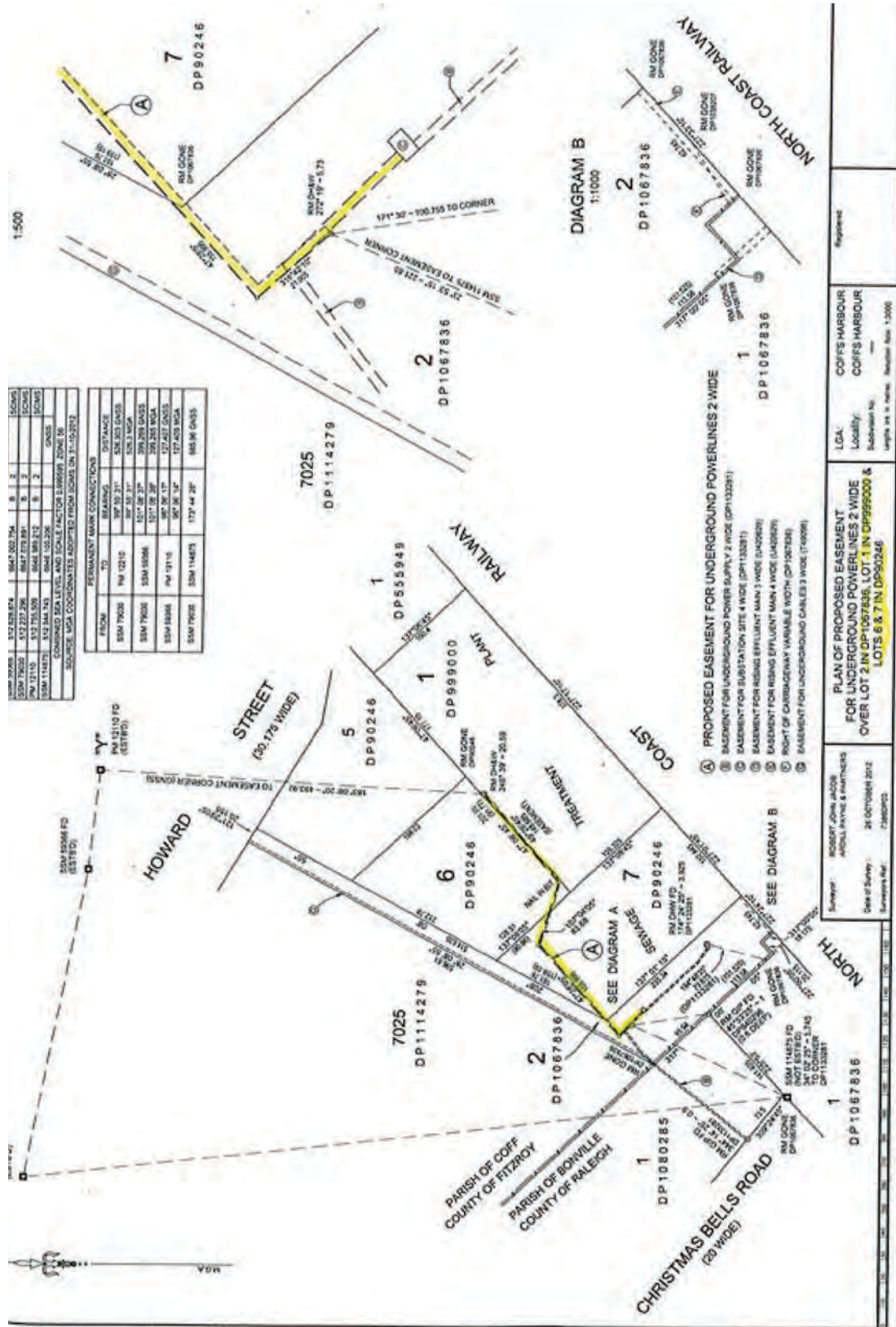
The matter will be actioned immediately.

Recommendation:

- 1. That Council dispose of the easements described below for nil compensation on the terms contained within this report.**
 - 1.1 Easement for underground power lines 2 wide and variable width within Lot 2 DP 1093437, Lot 2 DP 879883, Lot 53 DP 245407 and Lot 117 DP 248292 situated at Werambie Street, Toormina (see Attachment 1).**
 - 1.2 Easement for underground power lines 2 wide and variable width within Lot 6 DP 755536 and Lot 48 DP 1032150 situated at Hulberts Lane, Sawtell (See Attachment 2).**
 - 1.3 Easement for underground power lines 2 wide within Lot 2 DP 1067836, Lot 1 DP 999000 and Lots 6 and 7 DP 90246 situated at Christmas Bells Road, Coffs Harbour (see Attachment 3).**
- 2. That all necessary documents associated with the disposal of the easements be executed under the common seal of Council.**







DRAFT JETTY4SHORES CONCEPT PLANS FOR PUBLIC EXHIBITION

Purpose:

Approval to place the Draft Concept Plans for the Jetty4Shores Project on public exhibition for a period of 28 days.

Description of Item:

At the Council meeting of 25 October 2012, Council noted the Jetty4Shores Project Plan and endorsed the overall direction of that plan. One key aspect of that plan was the development of a stakeholder reference group made up of 15 community organisations. The Project Plan also set out the following project goals:

- To develop a detailed concept plan for the project area which will
 - Serve to enhance recreational experience and landscape amenity including appropriate vegetation management.
 - Redefine the TS Vendetta site to achieve community use and commercial activity
 - Examine alternative use of the Yacht club site
 - Examine other community / commercial opportunities
- Engage with stakeholders and community in the formation of the concept plan;
- Prepare a works and staging program to deliver on ground works within 12 months.

Since October, Council has been working with the Project Team, internal Working Group, the Jetty4Shores Project Reference Group and the broader community to develop up the Draft Concept Plans.

The Jetty4Shores Reference Group had its first meeting on 22 November 2012 and an externally facilitated workshop with the Project Team held on 19 December to develop up draft concept plans. The Reference Group met again on 17 January to distil the feedback from the workshop and further update the plans.

On 17 February a market stall was held at the Harbourside Markets. At this time, approximately 1,500 people viewed the Draft Concept Plans. On the day, a number of the Jetty4Shore Project Reference Group assisted in staffing the display from the hours of 8.00am to 2.00pm. In excess of 300 written comments were received from that session. A copy of the feedback is available on Council's website as well as an analysis of that feedback.

On 19 February an additional meeting was held with the Jetty4Shores Reference Group and a broader stakeholders group. This again provided further refining of the Draft Concept Plans. On 1 March the Jetty4Shores Reference Group and the Jetty4Shores Project Team met to distil information from the Harbourside Markets' stall and the Key Stakeholders Workshop to develop the plans that are attached to this report.

It is now proposed that these Draft Concept Plans be placed on formal public exhibition for a period of 28 days. This is in line with the Project Plan that was tabled at Council's meeting in October 2012.

Sustainability Assessment:

- **Environment**

The proposed process of community consultation and engagement for the development of the plans will be in line with the existing Plan of Management for the Foreshores, the LEP, DCP and all relevant environmental legislation. The development of an appropriate public space will have positive environmental outcomes.

- **Social**

The development of a community area in the proposed precinct will enhance social opportunities for the community.

- **Civic Leadership**

The LEP framework enables Council to identify and respond to community aspirations and coordinate the provision of appropriate works and services to help achieve the city's strategic objectives. This is consistent with the Coffs Harbour 2030 Community Strategic Plan, Strategy LC2.2.1, "Enable and support all levels of government to serve the local community".

- **Economic**

Broader Economic Implications

The appropriate development of the public aspects of the Foreshore should assist in developing and attracting visitors and appropriate commercial enterprises to appropriate areas within the overall Jetty Foreshores precinct. This will assist broader economic development of the local economy.

Delivery Program/Operational Plan Implications

Council has revoted money for the undertaking of a public participation process for the Jetty Foreshores area, therefore the budget for the planning stage of the work is covered.

Consultation:

As can be seen from above, there has already been extensive consultation through the use of the Project Reference Group, the Harbourside Markets' stall and the Key Stakeholders workshop. Council has also established specific web pages for this project with a large banner on its home page directing people to the Jetty4Shores' web pages. Contained on this web page is all the feedback to date from the Key Stakeholder meetings, the Harbourside Markets stall etc, and all the concept plan panels that have been utilised to date. The community is also able to click on an email link to continue to provide feedback to Council in relation to the plans.

It is proposed during the public exhibition phase that:

- a display be at the Harbourside Markets and a Thursday Farmers' Markets,
- a permanent display be set up in Council's foyer,
- an on-line survey be developed,
- there be relevant media and
- for Council to explore the possibility of a display either manned or partly manned in the CBD or at the Foreshores for a period of approximately one week during the exhibition period. Resourcing would need to be considered for this element.

In addition to this, there will be requests for presentations to school groups, service clubs, community organisations etc, which will continue to be accepted by staff.

Consultation has also been made with the NSW Police Crime Prevention Unit in Coffs Harbour. Presentations have been provided to a range of community organisations such as Rotary clubs and requests from school groups. The councillors have also received a briefing on the Jetty Foreshores from the Project Team on 19 February 2013.

Related Policy and / or Precedents:

Council has a responsibility under its care, control and management of the land that is being investigated as part of this project as the Corporate Manager of Coffs Coast State Park Reserve Trust. The Reserve Trust is obliged to undertake the planning for the Foreshores and an essential part of this obligation is the requirement to place any plans on public exhibition.

Statutory Requirements:

As Corporate Manager of the Reserve Trust, Council is obliged to follow the Coffs Harbour Jetty Foreshores Management Plan June 2008. This plan requires Council as the Reserve Trust to “continue to manage the operational planning and service delivery functions to manage the Crown lands reserved for public recreation...” Part of the Plan of Management requires the “Development of an integrated Recreation, Landscaping and Vegetation management Plan”. The Draft Concept Plans to be placed on public exhibition are part of this process. Council as the Reserve Trust Manager is required to undertake community consultation as part of this process.

Issues:

The major issue to be addressed in this project is to ensure adequate community consultation. As can be seen from the report, there has already been extensive community involvement in the development of these Draft Concept Plans. This significant community involvement has provided a great deal of comment and suggestions that have been integrated into the current plans. The information provided under the “Consultation” section of this report outlines the steps that will be taken over the exhibition period to ensure ongoing community engagement.

Detailed analysis and consideration of this feedback will be undertaken by the Project Team and the Project Reference Group. This will result in final concept plans being developed and presented to Council in May. During the exhibition period Councillors will also be briefed by the Project Team in relation to the status of the project and how the exhibition is unfolding.

Recommendation:

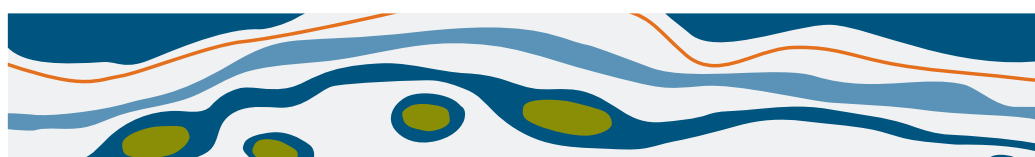
1. **That Council, as Corporate Manager of the Coffs Coast State Park Trust, place on public exhibition the Draft Jetty4Shores Concept Plans, attached to this report, for a period of 28 days.**
2. **That a further report be submitted to Council on the completion of that exhibition period providing updated plans and overall works program and associated budgets.**

Study Area



The study area contains high use public areas and is on the entrance to our main tourist urban beach.

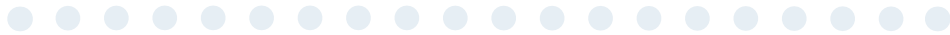
The unformed pedestrian link from the Jetty railway to the Jetty Pier is included and re-establishes the historic timber transport routes.





Project Process

CURRENT JETTY4SHORES PROJECT



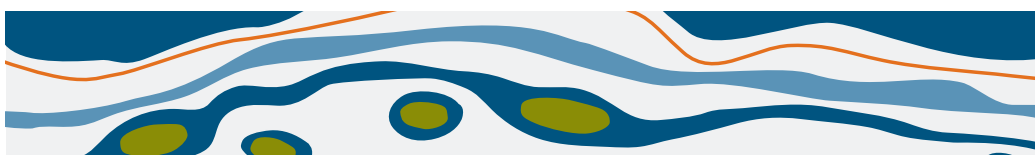
Report to Council	October 2012
Convene and meet with Project Reference Group	November 2012
Workshop with Project Reference Group	December 2012
Prepare Initial Project Draft Plan	January 2012

**Consultation with Key Stakeholders
Consultation with Community**

**February
2013**

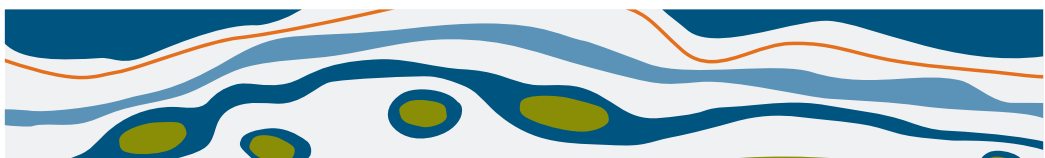
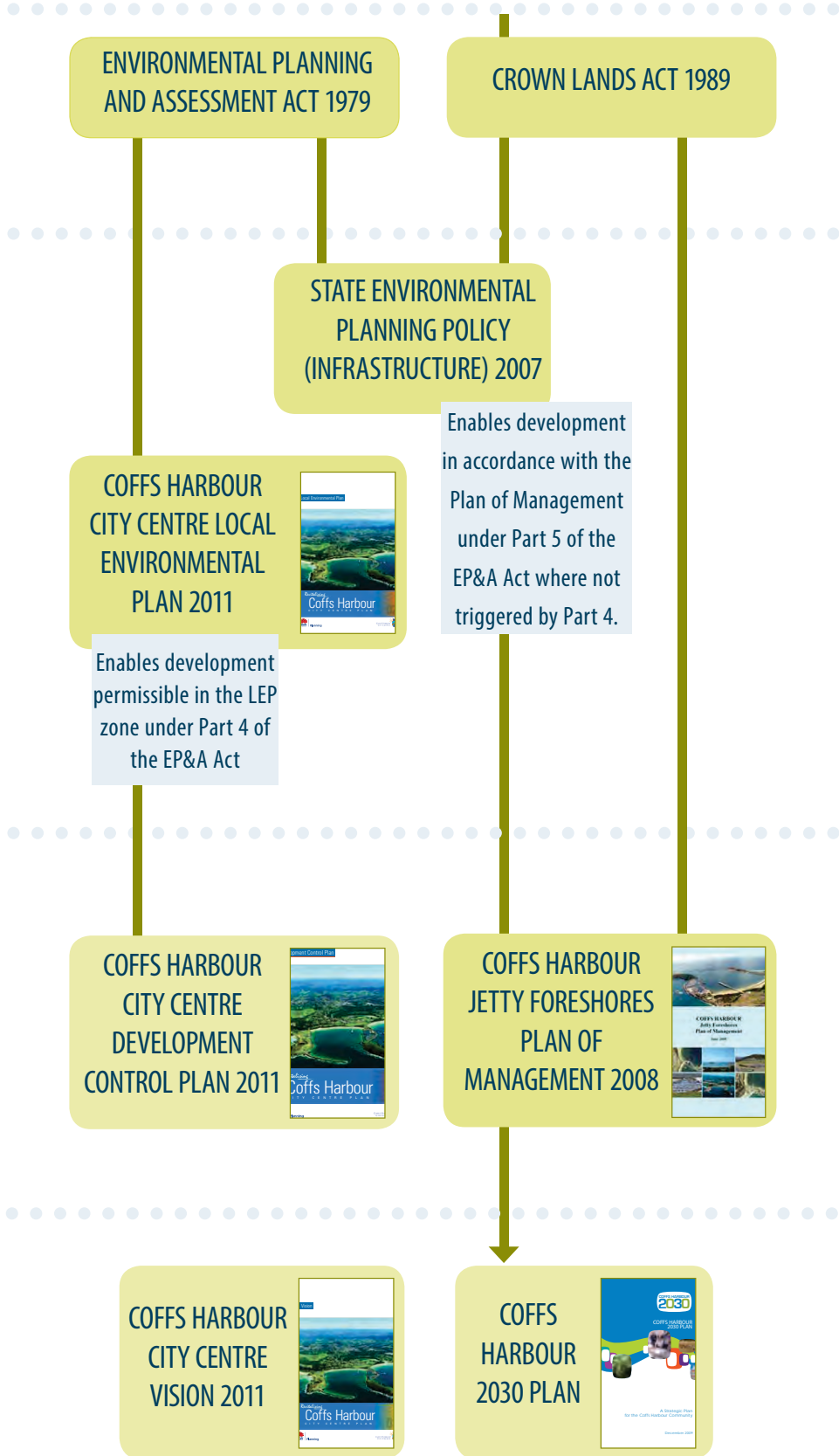
**WE ARE
HERE**

Develop results of consultation into draft Jetty4Shores Project Plan	March 2013
Report to Council	March 2013
Exhibition of Project Plan and Implementation Plan	March-April 2013
Final Phase 1 Project Plan adopted	May 2013
Source grant funding	
Commence works	By end 2013





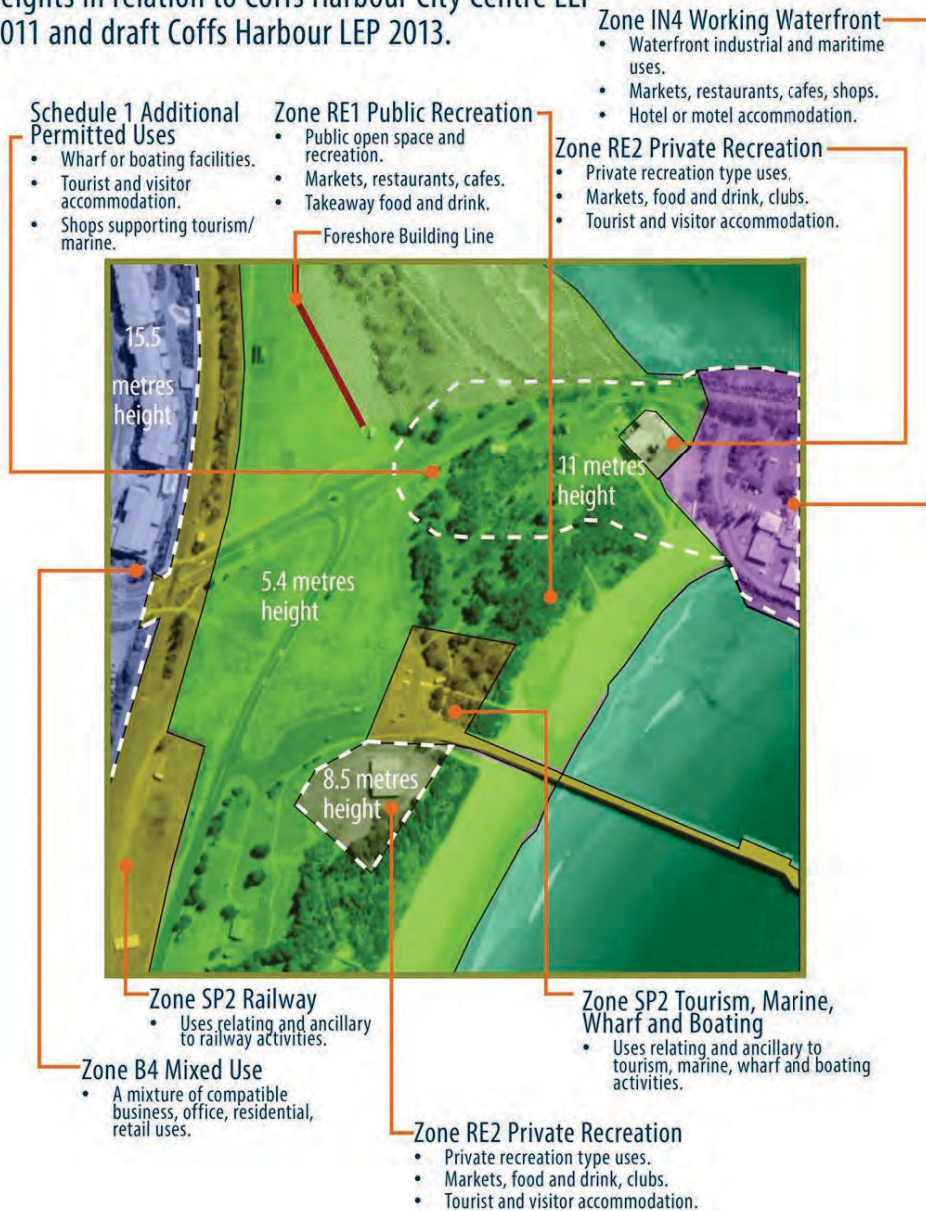
Planning Hierarchy



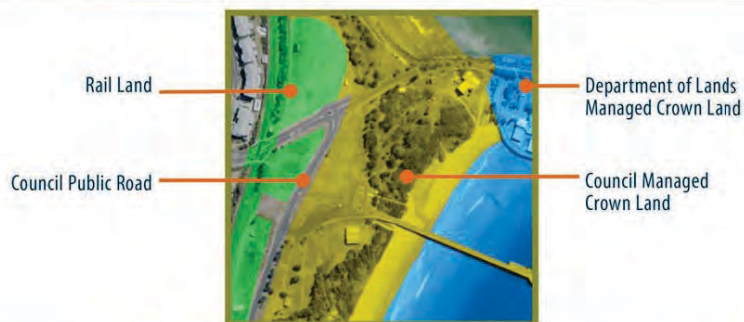
LEP



Land use zones, key permissible uses and building heights in relation to Coffs Harbour City Centre LEP 2011 and draft Coffs Harbour LEP 2013.



Land ownership / management overview



Plan of Management

Planning and Design Principles contained within the Coffs Harbour Jetty Foreshores Plan of Management 2008.

Public Domain Hub / Recreation Link

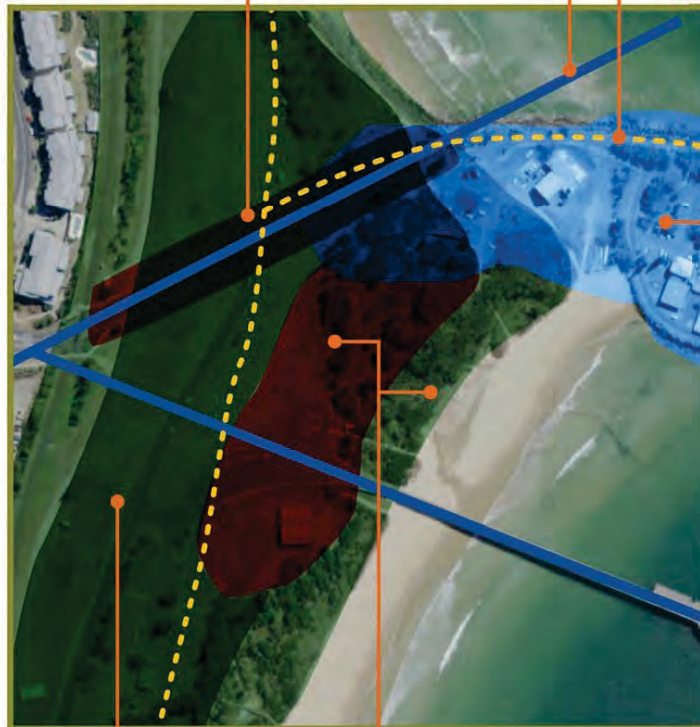
- Public recreation, tourist activities.
- Restaurant, gallery, public art.
- Public entertainment, events.
- Maritime history and Aboriginal dreaming themes

Marina / Tourist Hub

- Contemporary expanded marina.
- Retail, commercial (maritime purposes, tourist facilities and services), restaurants.
- Tourist and visitor accommodation.
- Marine and maritime/industrial themes.
- Three storey height limit.

Major Visual / Physical Corridors

Pedestrian Movements



Recreational Lands

- Events, fairs, markets.
- Family oriented tourist attractions.

Jetty Foreshore

- Public recreation and amenities.
- Public entertainment / community events.
- Community based commercial at TS Vendetta site.
- Boardwalk and viewing platforms.
- Environmental management.

Key Principles

- A detailed landscape and development plan, including further public consultation, should precede all landscape and recreation developments. Any vegetation clearance to provide improved beach access and vista should be subject to further detailed planning and consultation.
- Pedestrian access to the beach to be located and designed to retain the visual and ecological values of the rehabilitated dunal system.
- Boardwalk and viewing platforms to be introduced and integrated with pedestrian access through the dune.
- All built form within the Marine Park (MP) is to be sympathetic to the foredune vegetation view line west from Jetty Beach.
- Building height must be set with regard to impacts on views to and from the Muttonbird Island Nature Reserve.
- A maximum building height of three storeys shall prevail within the MP. All development proposals should include an assessment of impact on visual quality to ensure the desired future character is attained
- Urban design of the hub is to be inspired by themes of maritime history, Aboriginal stories and connections between the land and the ocean. Water and Dreaming are considered highly suitable themes. Elements may include interactive water features and community art.



Coastal Zone Management Plan



Development within the coastal zone

Council adopted the Coastal Zone Management Plan at the meeting of 14 February 2013. The Coastal Erosion and Inundation Risk Maps in the Coffs Harbour Coastal Zone Management Plan provide adequate detail to highlight the existing and future Coastal Hazards which will need to be considered in detail design of planned infrastructure.

The Coastal Zone Management Plan is a risk assessment tool providing guidance on the levels of risk associated with existing and future coastal processes and suggested methods of managing that risk.

Options for managing future and existing development within the coastal zone under the Coastal Zone Management Plan are directly related to reducing or eliminating intolerable risks.

It is expected that within the anticipated life of the infrastructure proposed in this draft Jetty4Shores project, such as boardwalks, footpaths and picnic shelters, there would not be any unusual impact. The construction of the boardwalk facility will be modular and allow for relocation if necessary. Development of new built form would have construction to allow for relocation if necessary. Future options would include relocations, engineering protection works, habitat modification or rebuilding/rehabilitation.

The Coastal Zone Management Plan does not prescribe areas suitable or not suitable for development but rather identifies the short and long term coastal process risks and management options in the Coastal Zone.

For future development, the management approaches are:

- Avoid the risk by not permitting vulnerable developments within high-risk areas (considered over the full design life of the development). This is particularly important for private developments where the 'risk' of a development could be on-sold.
- Accommodate the risk by including provisions that reduce the consequence of impacts (e.g. minimum floor levels, engineered foundations, relocatable buildings etc.)
- Accept and manage the risk over the design life of the development. This particularly applies to public sector development where the risk remains with a public authority.

Existing development is much harder to manage as infrastructure is already in place.

For existing development, management options include:

- Protect existing coastal development (private or public) from erosion and recession and / or wave overtopping. Protection may be in the form of hard structures (e.g. seawalls, groynes, offshore breakwaters or reefs, artificial headlands) or soft measures (e.g. beach nourishment). Some protection works can cause impacts to adjacent areas ('offsite impacts'), and therefore, the decision to implement a 'protect' option must consider all potential impacts.
- Retreat development, by relocating or sacrificing infrastructure, public assets or private property, if and when impacts occur (e.g. rebuilding a new surf club further landward, when impacts are imminent to the existing club). This will preserve beach amenity by allowing natural retreat due to coastal processes, particularly in response to future sea level rise; and

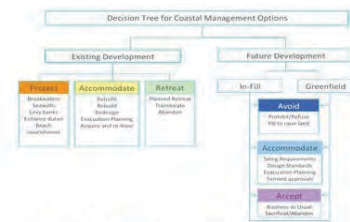
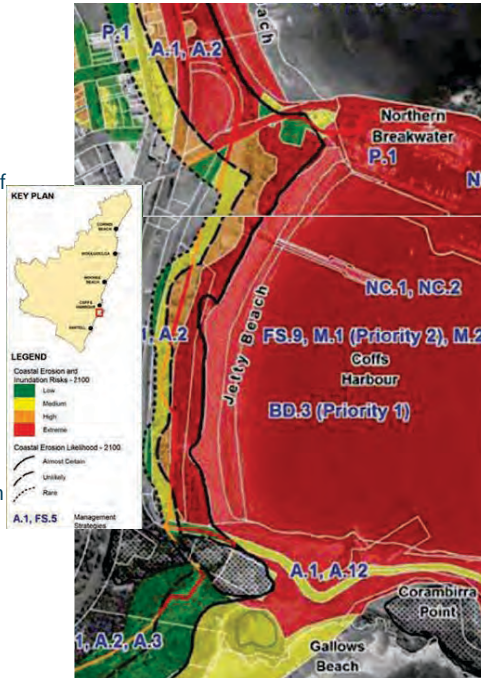
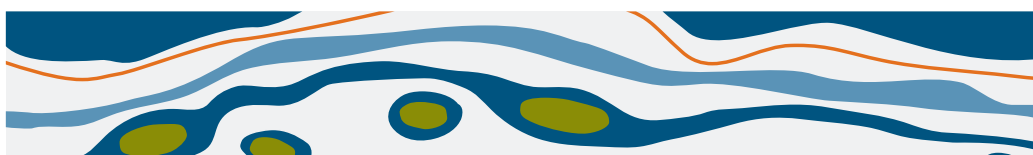
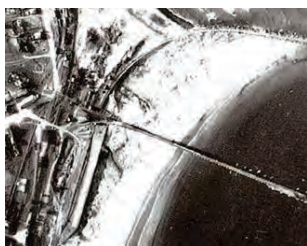


Figure 14 - Conceptual Framework for Application of Coastal Management Options

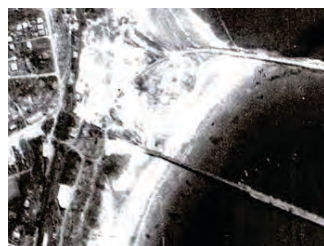
- Accommodate the risk, through retrofit (or redevelopment) of existing infrastructure, public assets and private property in a manner that minimises or avoids losses from potential impacts through careful design (e.g. stronger foundations, relocatable structures).
- therefore, the decision to implement a 'protect' option must consider all potential impacts.
- Retreat development, by relocating or sacrificing infrastructure, public assets or private property, if and when impacts occur (e.g. rebuilding a new surf club further landward, when impacts are imminent to the existing club). This will preserve beach amenity by allowing natural retreat due to coastal processes, particularly in response to future sea level rise; and
- Accommodate the risk, through retrofit (or redevelopment) of existing infrastructure, public assets and private property in a manner that minimises or avoids losses from potential impacts through careful design (e.g. stronger foundations, relocatable structures).



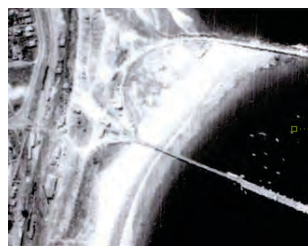
A Changing Landscape



1942



1954



1964



1973



1984



1994

Beginnings...



1905



1925



1930



1979



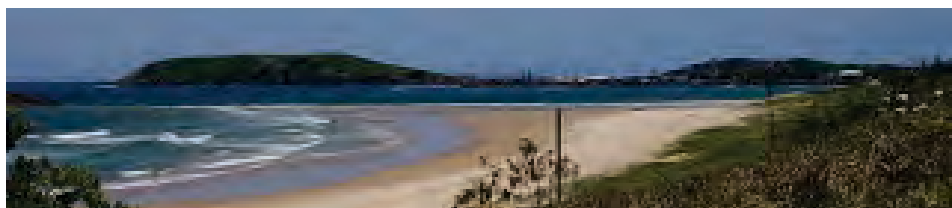
1979



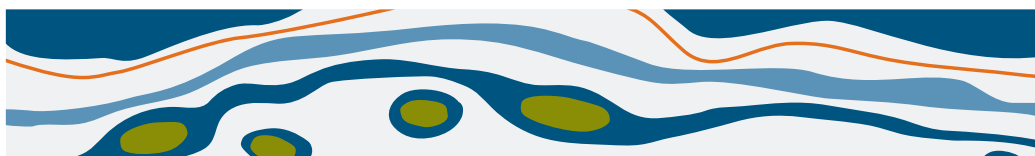
2012



1926



2012



Site Analysis



- Primary Views
- Prevailing Winds
- 9am South
- 3pm North

Views



- Pedestrian Access
- Pedestrian Desire Lines
- Public Access

Access



Stage 1 Works Completed



Site Analysis

Beach Activities



Markets and Events



Narrow Paths



Poor Drainage



Worn Event Spaces



Aged Infrastructure



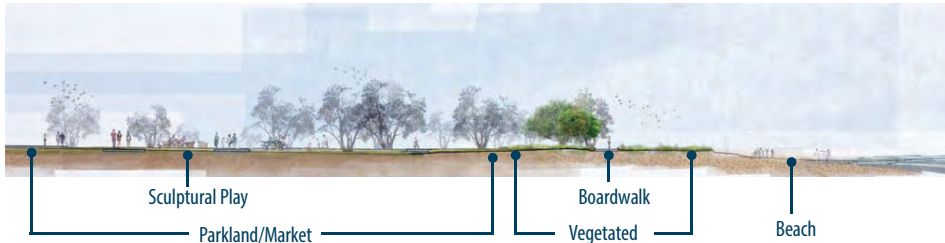
Eroded/Aged Beach Access



Site Plan

draft concept

Artistic Section Through Site



Five Main Character Zones

A. Market/Picnic Area

B. Kiosk/Urban Design Investigation Area

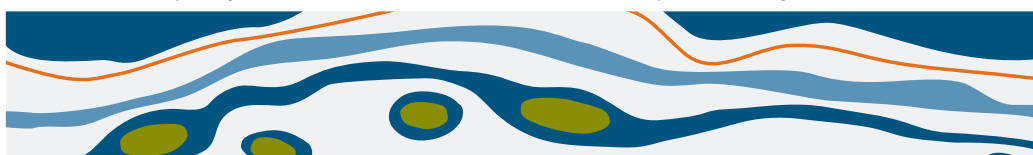
C. Boardwalk

D. Jetty Pier Precinct

E. Jetty Walkway

Design Principles

- Views to ocean and harbour promoted
- New car parking located to edges with close proximity to use areas
- Linked walkways with equal access
- Safer by design principles including lighting, surveillance
- Location of built form with combined uses in key areas
- High quality urban design
- Maritime history, Aboriginal stories and coastal environmental themes included in interpretation and design



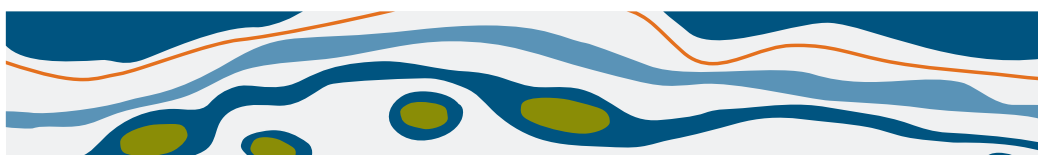
A. Markets/Picnic Area

draft concept

Artistic Impression of Markets



- Shell inspired three metre wide walkways
- Picnic facilities and 'play art' (note: main playground located in jetty parklands)
- Retain Tuckeroo and Norfolk Island pine trees in higher section
- Improve drainage by filling site installing sub soil drainage
- Remove aged trees and replant with super advance native trees
- New tree planting and wind protection screens
- New lighting and underground power outlets
- Vendor access for set up for markets and community events.
- Dual sided stage for performances - possible removable sides
- Reconfigured smaller carpark, possible loop/drop off zone
- Other carparking located within walking distance

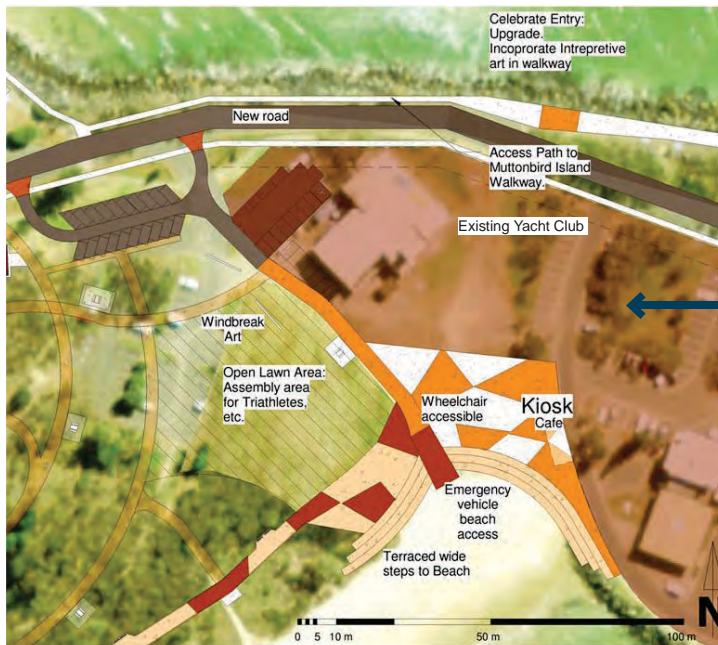


B.Kiosk/Urban Design Investigation Area

draft concept



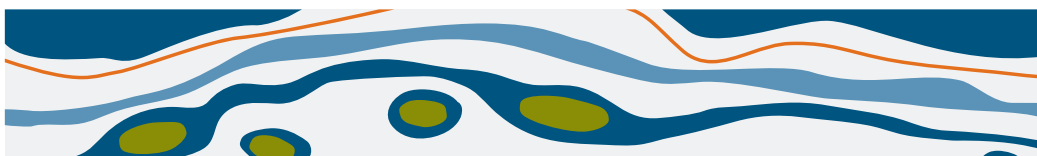
Artistic Impression of Kiosk



Urban Design Investigation Area

- Reconfigure slip and boat hardstand area
- Possible tourist/visitor accommodation
- 11 metre maximum height maximum permissible
- 0.8:1 floor space ration
- Active frontage on street level
- Pedestrian connections
- High quality urban design
- Minimum 10 metre setback for pedestrian access on Northern side of precinct

- New section of road on northern side and new fencing/bollards
- Provide new pedestrian access to Muttonbird Island and marina
- Entrance statement for start of Breakwall / Muttonbird Island walk - possible low stone seating walls and indigenous interpretation
- Urban Design Investigation area - Possible tourist/visitor accommodation with active frontages and pedestrian connections
- Low key outdoor kiosk with outdoor dining on decorative concrete forecourt area
- Wide terraced steps to Jetty Beach



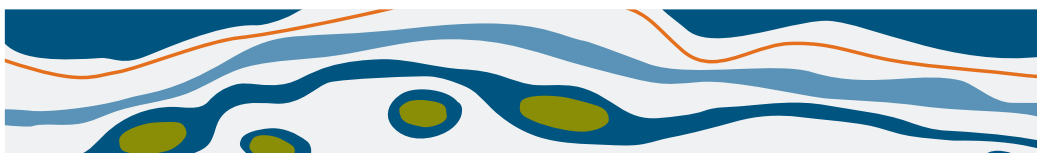
C. Boardwalk

draft concept

Artistic Impression of Boardwalk

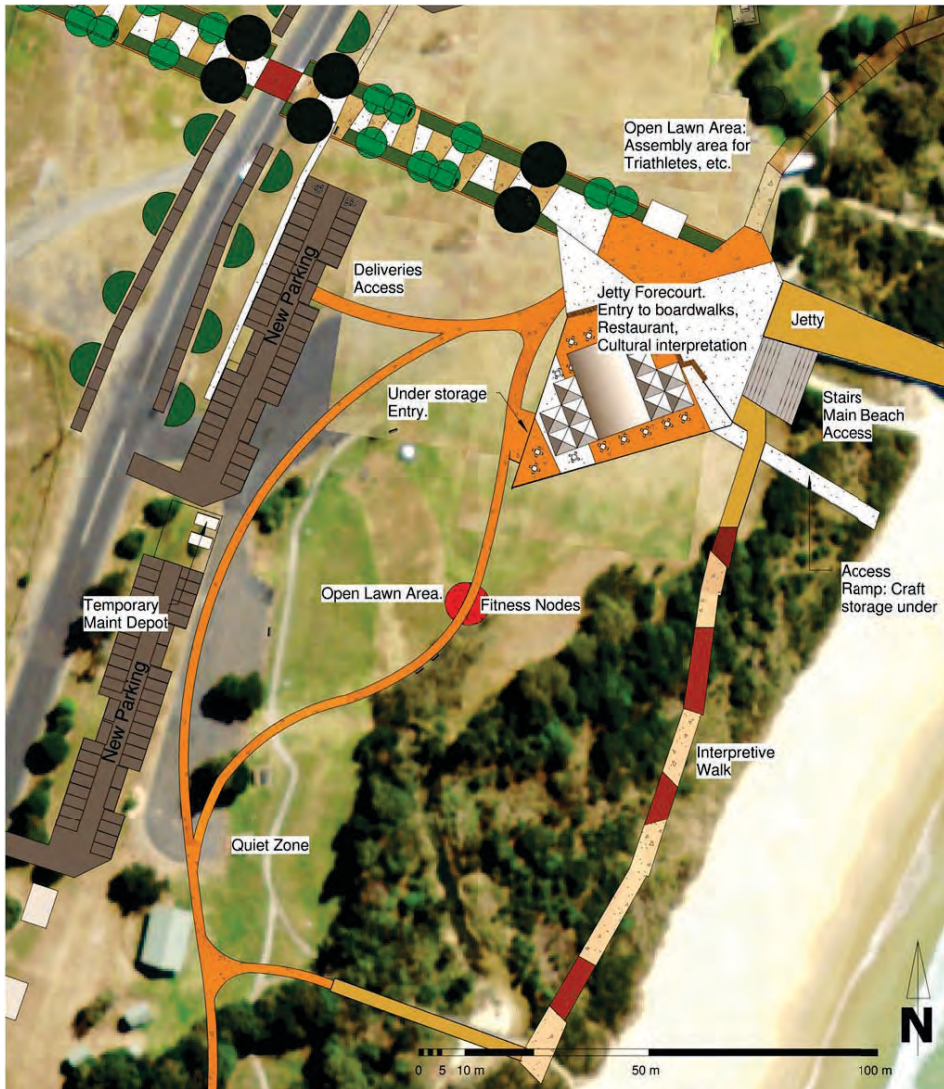


- Wide terraced steps to Jetty Beach and decorative concrete at start of boardwalk
- Open lawn area adjacent for community events etc.
- Piered boardwalk above dune connects to Jetty structure constructed on concrete piers to allow water and fauna movement underneath
- Set back to allow for natural dune activity
- Banksia, Three Veined Laurel, Tuckeroo and Pandanus trees retained in dune
- Deadwood and selective branch lifting to improve surveillance views
- Aged horse hair casuarina trees selectively removed
- Wheelchair, recreational bikes and pram access
- Seating and lighting provided
- Combination of decorative concrete and hardwood timbe
- Views to beach and water

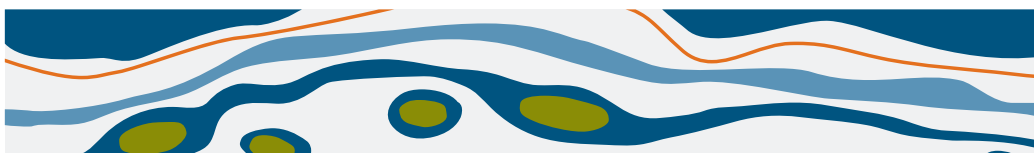


D. Jetty Pier Precinct

draft concept



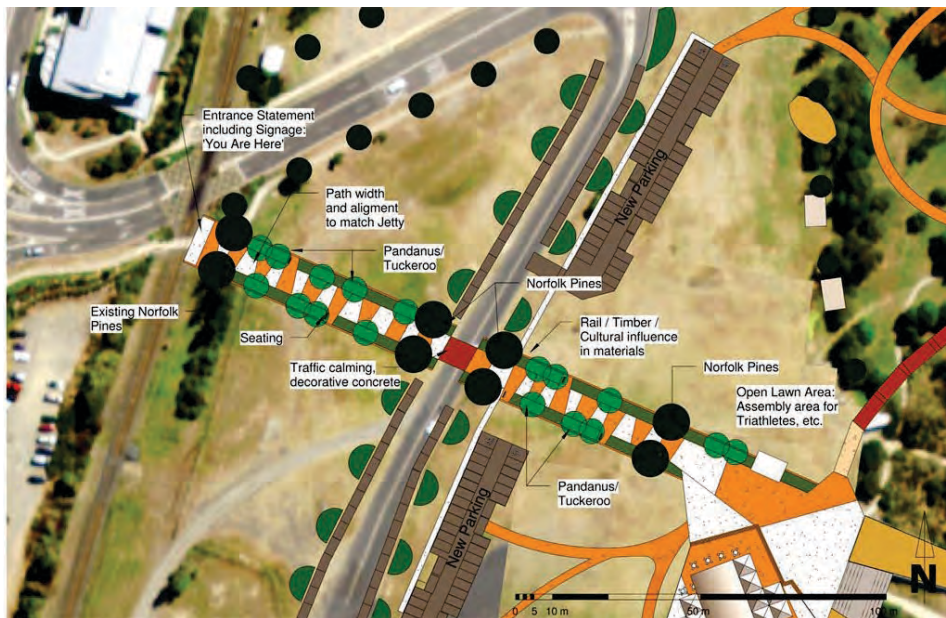
- Celebrate our Jetty historic asset
- Reclaim pedestrian space - relocate parking to Jordon Esplanade
- Iconic Architectural restaurant/café with community storage of surf craft on lower level
- Possible stand alone tourist information and marine heritage in foyer (lighthouse light etc)
- Surf craft has direct access to beach
- Possible bike hire on park side - links to path network
- Includes public amenities and commuter bike storage
- Outdoor dining with views
- Generous public spaces and feature public art and seating



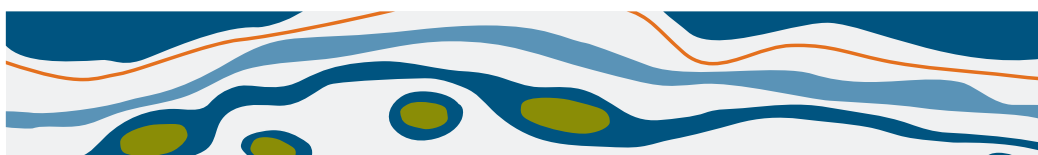
E. Jetty Walkway

draft concept

Artistic Impression of Walkway



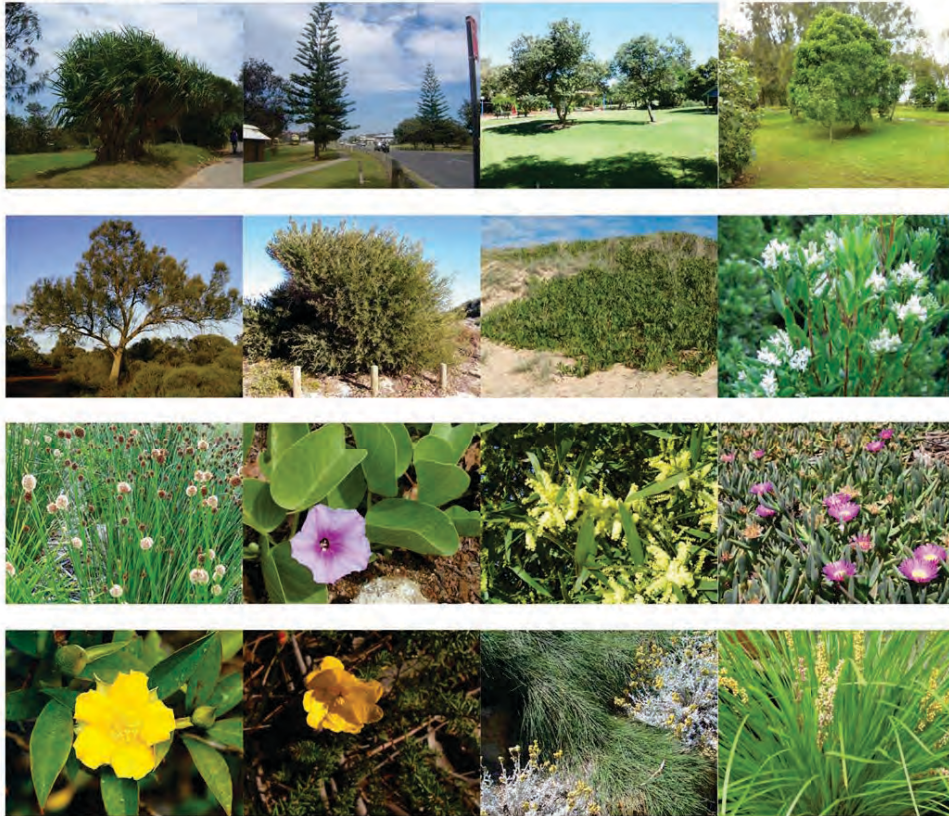
- Safe and attractive walkway link to the Jetty
- Provides access for the local community including Jetty High School children
- Tourist walk from Jetty restaurant precinct
- Double sided welcome entrance sign including way finding information
- Lighting, rest seating and avenue tree planting
- Includes large format public art with cultural, historical and environmental themes
- Traffic calming concrete threshold treatment across Jordan Esplanade
- Historical link from timber getting era



Landscaping



Plant Palette



Indicative Materials Palette



Infrastructure



Design Elements



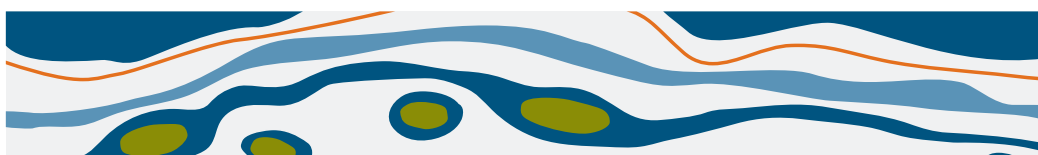
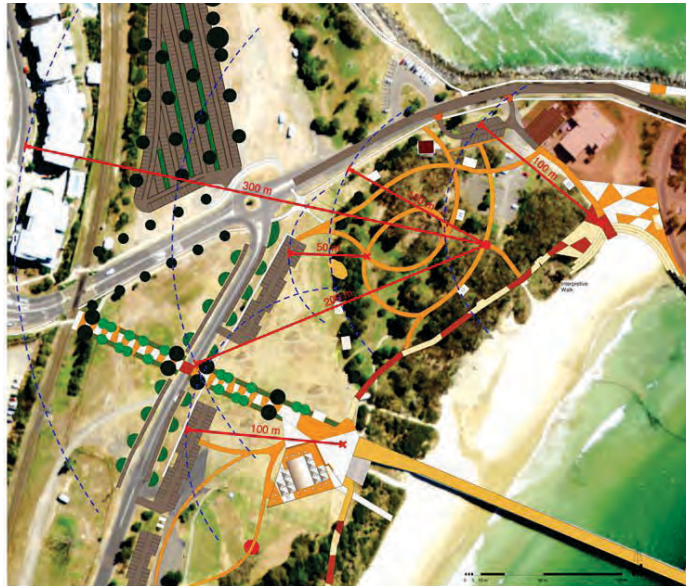
Site Analysis



Existing Distances



Proposed Distances



LOAD LIMIT TO EAST BONVILLE ROAD BRIDGE, BONVILLE

Purpose:

To report to Council the recommendations from independent structural assessment and load testing undertaken on East Bonville Bridge, Coffs Harbour and to recommend a load limit be placed in accordance with the report recommendations.

Description of Item:

East Bonville Road Bridge is a three span, single lane, timber bridge that overpasses Pine Creek Way, Bonville. Council staff undertake routine testing of timber bridges to determine deterioration rates that give an indication of the bridge condition and deck strength. To accurately determine the load carrying capacity of a structure a level three inspection is required which is undertaken by specialist consultants.

Council staff carried out a routine inspection on East Bonville Road Bridge in January 2013. The inspection identified that the structure had reached a condition where further assessment was required and a level three inspection was organised.

Council staff engaged an independent structural assessment and load test which was carried out in February 2013 by consultants Integrity Testing Pty Ltd. The bridge deck was deemed not sufficient for normal use by legally loaded multi axle and rigid axle trucks and the following restrictions were recommended:

- That a 10 tonne Gross Vehicle Mass (GVM) load limit be applied.
- Barriers at the bridges approaches be installed.
- Strengthening works be undertaken in the short term.

In the interest of safety, signs were erected at the approaches to the bridge on 22 February 2013 advising of the 10 tonne GVM limit.

The consultant's report indicates that the majority of the sub-structure timber elements within the bridge are in need of replacement, being either a condition rating of three or four out of a total of four (1 being good, 4 being poor).

Integrity Testing has listed the following recommended repairs, should higher loadings be required:

- *Replace timber decking*
- *Replace cross deck planking*
- *Bracing for steel columns*
- *Additional 2 steel columns per pier*
- *New steel cross heads*
- *New steel PFC fixing all columns*
- *Install new barriers at the approaches*

East Bonville Road bridge was formerly owned and maintained by the Roads and Maritime Services (RMS) until June 2010. Council took ownership of the bridge in June 2010 as part of the overall handover of Pine Creek Way (formerly Pacific Highway) from RMS to Council.

Prior to handover to Council, the RMS undertook strengthening work to the bridge. The strengthening work however was only a short term solution and with the deterioration of other components the bridge now needs other works and replacement with an at grade intersection.

Sustainability Assessment:

- **Environment**

The load limit on East Bonville Road Bridge is unlikely to have any significant environmental impact. Any repair or replacement works will be carried out in accordance with REF or Part V assessment recommendations.

- **Social**

Council staff have received three requests for exemptions to the weight limit. These are:

- Handybin Waste Services (13.5 tonne)
- Busways (12.5 tonne)
- Coffs Harbour and Sawtell Fire Station (12.8 tonne)

Integrity Testing are currently assessing these exemptions, and has indicated these services are able to continue traversing the bridge, provided that vehicles abide to a 10km/hr speed limit restriction.

East Bonville Bridge is the only access for residents east of Pine Creek Way. It is expected that residents will experience traffic interruptions during maintenance or repairs to the bridge.

- **Economic**

Broader Economic Implications

At this stage, all anticipated vehicles using the bridge have access, however non-routine vehicles greater than 10T, who do not have an exemption, will be excluded from all properties east of the bridge on East Bonville Rd.

Management Plan Implications

As part of the handover negotiations, the RMS provided Council a one-off lump sum payment as compensation. These compensation funds included an amount for the replacement of the bridge. It is proposed to utilise these funds to maintain the bridge until the replacement access arrangements can be finalised.

Replacing the bridge with a new bridge may not necessarily be the preferred option. Council's Design Branch is currently investigating an alternate option to the replacement of this bridge. The current preferred option is to demolish the bridge and replace the overpass bridge with an at grade intersection, joining Pine Creek Way directing to East Bonville Road. This option would be less expensive to construct than building a new bridge, and eliminate the ongoing maintenance costs associated with a bridge.

To undertake the repairs needed to keep the bridge serviceable for another 10+ years, would cost approximately \$150,000 - \$200,000. This is not a cost effective option, as these funds could be used to construct a new intersection, in lieu of being spent on an interim measure.

Consultation:

East Bonville Bridge services approximately 30 properties. The residents have been advised through a letterbox drop and direct contact has been made with commercial operators, emergency services, bus companies etc. regarding the 10 tonne load limit.

Statutory Requirements:

Council is responsible for maintaining bridges in a safe and trafficable condition. Where load limits and bridge closures are required to meet this obligation the Roads Act 1993, Section 115, gives Council, as the roads authority, the power to protect a public road from serious damage and impose weight restrictions on roads and bridges.

Implementation Date / Priority:

A load limit has been placed on East Bonville Road Bridge as recommended by Integrity Testing. The bridge will be monitored regularly, with further inspections and testing carried out as needed.

It is estimated that a new bridge or at grade intersection should be constructed by October 2013.

Recommendation:

That Council, in accordance with Section 115 of the Roads Act 1993, approve the placement of a 10 tonne GVM load limit on East Bonville Road Bridge, Bonville.

TENDER RFT-580-TO: SUPPLY & DELIVERY OF CHEMICAL DOSING UNIT FOR SAWTELL PUMP STATION

Purpose:

To report on tenders received for Contract RFT-580-TO, for the supply and delivery of a Chemical Dosing Unit for the Main Sawtell Pump Station to enable the decommissioning of Sawtell Treatment Plant (STP), and to gain Council approval to accept a tender.

Description of Item:

As part of the Coffs Harbour Sewer Strategy, Coffs Harbour City Council is to close the existing Sawtell Sewage Treatment Plant and build a pumping station and rising main to deliver waste water to the newly upgraded Coffs Harbour Water Reclamation Plant (WRP).

Part of the operation of the pumping station is the necessity to add chemical (ferrous chloride) to the sewage to:

- Suppress odours at air release points along the rising main.
- Protect downstream infrastructure from corrosion caused by septic sewage.

To this end these works comprise the supply and delivery within the Coffs Harbour City area, of a self contained Chemical Dosing Unit (CDU), for installation by others at the pumping station site.

Tenders were called in local and capital city newspapers and in Council's Tenderlink portal. Tenders closed at 3:30pm on 5 February 2013.

Tenders were evaluated on the following criteria:

- Tenderer's financial capability and tender conformity.
- Tender price
- Delivery time
- Design features and performance of the CDU
- Tenderer's experience and record of performance

Five conforming tenders were received from:

- a) Demaher Pty Ltd (Chester Hill, Sydney).
- b) Liquitek Pty Ltd (Seven Hills, Sydney).
- c) Odour Control Systems Pty Ltd (Islington, Newcastle).
- d) Zeta Engineering (Bossley Park, Sydney).
- e) Siemens Limited (Bayswater, Melbourne).

A non conforming tender was also received from Orica Australia Pty Ltd (Melbourne). The scope of works offered did not conform to the specifications, and therefore the tender was not considered further.



Sydney Water Corporation Chemical Dosing Unit -Appin

Sustainability Assessment:

- **Environment**

The project for which the pump supply contract relates is part of the Coffs Harbour Sewer Strategy, for which an Environmental Impact Statement was completed in the year 2000. Since that time, the project has had additional environmental assessments on its specific scope.

This CDU will allow efficient operation of the pumping station that will enable the decommissioning of the Sawtell STP and the pumping of sewage to the Coffs Harbour WRP. The main environmental benefit of the decommissioning is the closing of the effluent shoreline discharge at Boambee Headland. Other benefits include odour reduction, increased treatment quality, reduced energy usage, and reducing the chances of environmental sewage overflow.

The use of the CDU will suppress odours along the rising main and at the Coffs Harbour Water Reclamation Plant. The supply and use of ferrous chloride will not have detrimental environmental effects. The design of the system will ensure that no chemical spills occur, and also the most efficient use of the chemical.

- **Social**

Social benefits of the Sawtell STP decommissioning include the reduction of odour at the residential area adjacent to the plant, the elimination of the shoreline discharge adjacent to a swimming beach and the future rehabilitation of the plant site for community use.

Operation of the CDU will suppress sewage odours at air release points along the rising main from Sawtell to the Coffs Harbour WRP

- **Civic Leadership**

The project for which the CDU supply relates is consistent with Council's 2030 Strategic Plan, as it will provide necessary infrastructure for present and future communities. The project is seen to be 'Best Practice' for wastewater management, and will enhance Coffs Harbour's advanced wastewater system.

- **Economic**

Broader Economic Implications

Economic analysis has been undertaken on the different scenarios for upgrading versus decommissioning the Sawtell STP. Decommissioning the plant has been deemed the most economically advantageous option for Council, both in the short and long term.

The CDU chosen is the least expensive to purchase, while still offering quality fittings and equipment that will ensure the lowest operation and maintenance costs.

Operation of the CDU will reduce corrosion, and therefore decrease lifecycle costs of downstream infrastructure,

Delivery Program/Operational Plan Implications

Council has Stage 2 funding approval for the overall project from the NSW Office of Water (NoW) under the NSW Country Towns Water Supply and Sewerage Program. Under NoW guidelines, a Stage 3 (and final) funding application for this section was not possible until after the closing of Tenders. This application has been made and is awaiting approval from the Minister for Primary Industries and Small Business. The subsidy is 12.1% of the total cost.

Provision for the remainder of costs for these works has been made in Council's 2012/2013 Sewer Fund Budget.

The Tender prices includes GST and is not the net cost to Council.

Consultation:

Consultation with Council's Mechanical and Electrical Branch (who will undertake maintenance and operation of the CDU) was undertaken during the evaluation.

Related Policy and / or Precedents:

Tendering procedures were carried out in accordance with Council policy. Council's Tender Value Selection System was applied during the tender review process to determine the most advantageous offer.

Council's policy is that the tender with the highest weighted score becomes the recommended tender.

Statutory Requirements:

The calling, receiving and reviewing of tenders was carried out in accordance with Part 7 Tendering of the Local Government (General) Regulations 2005.

Issues:

Prior to calling Tenders, Council staff visited CDU's at Sydney Water sites, and spoke with their operators. The quality of the recommended tender's units was impressive, and they were also well referenced by the local operators

Implementation Date / Priority:

The time for the supply of the CDU is 12 weeks, which is the shortest time offered by any tender. If Council resolves to award the contract, it is expected CDU could be delivered in late May. However the recommended tenderer has indicated that the delivery could be scheduled later if it coincided more favorably with Council's pump station construction program

Recommendation:

That Council consider tenders received for tender RFT-580-TO for the supply and delivery of a Chemical Dosing Unit for Sawtell pump station and move the motion as detailed in the confidential attachment.